

**STATEMENT OF  
COMMISSIONER MIGNON L. CLYBURN**

*Re: Expanding Consumer's Video Navigation Choices, MB Docket No. 16-42; Commercial Availability of Navigation Devices, CS Docket No. 97-80.*

In 1996, Congress added Section 629 to the Communications Act, which mandated this agency to take steps toward ensuring that a competitive navigation device market exists for access to multichannel video programming. While prior Commission attempts in this area have been less than successful, standardization and technological advancements have made it easier to introduce competition and innovation into the set top box market. While these developments have resulted in some competition, consumers deserve more.

Today's Notice of Proposed Rulemaking, seeks to give consumers more control, in how they access the video services they subscribe to. It also attempts to promote innovation in the display, selection and use of this programming. In short, choice. It would allow for the development of more user-friendly interfaces, opening the market to additional platforms that are not strictly under the purview and management of a single distributor.

Today, 99% of pay-TV customers rent a set top box from an MVPD at a cost that exceeds \$200 per year. While the costs of other technologies have fallen as competition increased, the cost of the set top box has risen by more than three times the rate of inflation for American pay-TV subscribers over the same period.

This item proposes, not adopts, but proposes, to provide a technology neutral means for consumers to choose how they interact with the multichannel video programming services they pay for. If a consumer wishes to purchase a device or application to access this programming, this proposal will empower that choice. If a consumer chooses to continue to rent a box or app from their MVPD, they have the option to do that too. This item does not propose a specific technical standard, like the AllVid proposal that the Commission considered in 2010. Instead, a standard setting body, in consultation with those affected, would lay out technical specifications enabling manufacturers, retailers, and companies including the cable or satellite providers, to build and design navigation devices.

There has been much discussion recently, about how and if this proposal will affect content diversity, with some expressing concern that it could lead to decreases in the levels of diverse programming choices. Sadly, we are only speaking about a paltry number of diverse channels can be found over these systems today, but for the handful of those that have had success in being carried by an MVPD, I see no legitimate business or economic reason why this item should make their programming or the relationship with the distributor any more vulnerable than their counterparts. What I hope will occur is that creators of content who have been unable to get MVPD carriage may soon have a means to reach consumers directly. Similar to the way that Internet searches provide consumers with information from various sources, a competitive solution with improved search functionality could allow consumers to find programming that is available over-the-top, something you cannot do with today's set top boxes. These developments should result in consumers having a wider range of options.

I thank the Media Bureau for their hard work on today's item, especially the efforts of Brendan Murray and Lyle Elder.