

**Written
Statement
Of**

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**Before the
Subcommittee on Government Management,
Organization and Procurement, Committee on
Oversight and Government Reform
U.S. House of Representatives**

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Good morning Chairman Towns, Members of the Subcommittee, and Members of the New York City Delegation.

On behalf of Chairman Martin, thank you for inviting us here today to update you on the status of the digital transition.

As mandated by Congress, on February 17, 2009, all full power television stations in this country will stop broadcasting in analog, and broadcast exclusively in digital.

The DTV transition will provide television viewers with movie-quality picture and sound and potentially new programming choices. It also will allow us to significantly improve public safety communications. Finally, the transition will usher in a new era of advanced wireless services such as the widespread deployment of wireless broadband.

A successful digital transition will depend upon minimizing the burdens placed on consumers and maximizing their ability to benefit from it. I'd like now to update you on our recent regulatory actions and education efforts.

UPDATE ON BROADCASTERS TRANSITION TO DIGITAL

The broadcasters are making significant progress in converting their facilities to all-digital. Over 90% are broadcasting a digital signal and nearly 1000 have completed construction and are providing full service to their viewers.

We have adopted the final DTV table of allotments, which has provided all licensees with a final digital channel.

We have adopted the technical procedures and rules to guide broadcasters through the end of the transition. Thanks to the staff's efficient processing of construction permits, in May we were able to begin accepting applications to expand DTV service areas twelve weeks ahead of schedule.

UPDATE ON BROADCASTERS TRANSITION TO DIGITAL IN NY DMA

The New York DMA contains 23 Full Service Television Stations and all are currently broadcasting digitally. Thirteen of these stations are operating their Post-Transition facilities. The remaining 10 stations have received construction permits for Post-Transition operation.

Full power broadcasters are required to file quarterly reports on all mandatory and voluntary outreach efforts. Cumulatively, for the nation, the information provided in those forms indicate that during the last quarter stations have broadcast a total of 632,677 Public Service Announcements and 520,652 crawls, snipes and tickers.

During the last Quarter, the 23 full power television stations of the New York DMA ran a total of 3,315 crawls, snipes, and tickers and 4,534 public service announcements educating consumers about the digital television transition. Additionally, these stations ran a total of 31, 30 minute DTV related informational programs.

ENFORCEMENT

The Commission's DTV-related enforcement efforts have focused on protecting consumers through enforcement of our rules as this transition takes place.

As of July 14, 2008, FCC personnel have reviewed 4592 retail stores and 37 websites, including 24 stores in New York City, to assess their compliance with the Commission's rules requiring labels on analog-only television receivers.

We have issued 365 citations for failing to comply with our labeling rules. Since October 2007, we have released NALs or consent decrees against 20 retailers, totaling more than \$4.7 million.

We recently fined three companies for violating our prohibition against importing and shipping analog-only television receivers and equipment. Two of the companies have already paid \$421,550 combined; the other has been referred to the Department of Justice for collection.

We have released three NALs and eight consent decrees for TVs with digital tuners that do not comply with the V-Chip regulations. To date, the Commission has assessed more than \$4.8 million in forfeitures and voluntary contributions in V-Chip-related enforcement actions.

Finally, as of July 14, 2008, field agents across the country have visited 1275 stores and interviewed 1140 store managers in 44 states. In New York City, we have visited eight stores and conducted seven interviews. To date, we have found that the majority of store managers are well-informed of the digital transition and the NTIA converter box program. Our field agents are providing stores with information tip sheets and conducting staff training sessions as needed.

CONSUMER EDUCATION AND OUTREACH

With a little less than seven months to go, the industry and the Commission are actively reaching out to consumers to alert them of the coming transition and inform them about the steps they will need to take. I commend the industry for the consumer education campaigns that they have initiated.

CEA, NAB and APTS have all reported significant increases in the percentage of consumers aware of the DTV transition—from around 40% in 2006 and the beginning of 2007 to 75-80% in January of this year.

More recently, according to various surveys this spring, the percentage of consumers aware of the DTV transition had grown to between 84% and 90%. Notably, NAB recently released a poll that shows most consumers in New York know about the nationwide switch to digital television. Specifically, the survey reported 89 percent of New York households were aware that full-power television stations will be switching their broadcast signals and programming to an all-digital format.

That more viewers are aware of the transition is a step in the right direction. Now we need to focus on making sure they know what they need to do.

A recent Consumers Union survey found that 64% of consumers were aware of the transition, but 74% had “major misconceptions” about its impact on them. These types of surveys are useful in helping us identify how we need to focus resources.

Here are just a few statistics on the status of our education campaign.

- The Commission has conducted over 1,400 DTV Awareness sessions, attended more than 280 conferences and events, held over 300 partnership meetings, and made over 6,700 visits to various organizations around the country to disseminate DTV information.
- In the New York City area, we have conducted over 50 DTV Awareness sessions, attended 10 conferences and events, conducted 9 media interviews, and made about 240 visits to various organizations statewide to disseminate DTV information.
- Over 5.6 million pages of our DTV publications have been distributed to individual consumers and to consumer agencies and organizations nationwide.
- We have distributed over 8,600 posters nationwide. This month, we are displaying DTV education posters in all 34,000 post offices across the nation, including all post offices in the New York City area.
- We have secured commitments from 36 states to display DTV materials in 1100 Department of Motor Vehicle locations.
- We have distributed radio PSAs to all the radio stations in the country, including those in NY.

The FCC's consumer outreach effort recognizes that some consumers will be disproportionately impacted by the transition, or are harder to reach than the general population.

For instance, we have placed special emphasis on reaching seniors. Through the work of our field agents, we have distributed information to 4,435 senior centers and almost 2,204 community centers nationwide, including about 240 senior and community centers in New York. We have given over 1,000 presentations nationwide, including 50 in the New York City area. We also have commitments from the New York City Department for the Aging and the New York State Department of Health to include information about the DTV Transition on their websites and in their newsletters.

We are working closely with the AARP and other senior organizations, presenting at their conferences and participating in interviews with their media.

We are also taking extra steps to reach non-English speakers and minorities, who disproportionately rely on over-the-air television reception.

- All of our DTV publications are available in Spanish. Also our most widely distributed DTV one-pager is now available in 18 languages: English, Spanish, Chinese, French, Korean, Russian, Tagalog, Vietnamese, Hmong, Japanese, Arabic, Cambodian, Navajo, Somali, Amharic, Yupik, Portuguese and Laotian, as well as Braille and audio formats.
- We have conducted 15 DTV Awareness sessions, attended more than 21 conferences or events, had 8 partnership meetings, and made about 72 visits to various organizations all specifically targeting the Hispanic population. In the New York City area, we have commitments from Casa Puebla, the Puerto Rican Family Institute, the Community Association of Progressive Dominicans, and Alianza Dominicana to distribute DTV educational materials to consumers.
- We have partnered with Univision to educate its Spanish-speaking audience, including outreach activities specifically targeted at seniors in the Hispanic community. For example, in New York, Univision conducted a presentation for senior citizens at the Berkeley Heights Senior Group. Similarly we have partnered with the US Hispanic Chamber of Commerce which will be conducting DTV awareness sessions with local chambers around the country. Recently, the FCC has participated in the League of United Latin American Citizens national conference and the National Council of La Raza's national conference.
- We are exhibiting and presenting DTV information at conventions and conferences targeting minority communities and umbrella organizations such as the Houston Black Expo, the Indiana Black Expo, and the National Black Expo 2008 (Oakland, CA), the NAACP Convention in Cincinnati, OH, and the National Urban League Conference in Orlando, FL. In addition, the Commission is partnering with the leadership of the National Black Church Initiative to target outreach activities in predominantly African-American

communities. The Commission is also partnering with the Harlem Consumer Education Council (HCEC) to educate both African-American and Spanish Harlem consumers at HCEC DTV outreach events. Earlier this year, the Commission conducted outreach at the Rainbow PUSH Wall Street Project Conference, in New York City.

Low-income households also generally rely more on over-the-air television signals due to the high costs of paid subscription services. One way we are reaching these consumers is through our partnership with the Department of Health and Human Services. Several HHS agencies disseminate DTV material to consumers eligible for their services.

One step we have taken to target rural viewers has been to place DTV transition materials at state and county fairs throughout the country. We will be disseminating transition materials to 193 state and county fairs in 26 states, including the New York State Fair next month in Syracuse.

Regarding people with disabilities, Commission staff regularly attends targeted conferences and events to distribute DTV educational materials that will reach this vulnerable population. For example, the FCC has attended and provided DTV materials at the National Black Deaf Advocates Conference, the Vocational and Educational Services for Individuals with Disabilities Conference, and the Emergency Planning and Response for Special Needs and Disabilities Conference. We have recently attended the American Council of the Blind Annual Conference, the National Association of the Deaf Biennial Conference, and the Summer Quarterly Meeting of the National Council on Disabilities and discussed the DTV transition. Our website, www.DTV.gov, features a DTV educational video in American Sign Language. Our most commonly utilized publications are available in Braille and audio format and all of our fact sheets and advisories are available in large print. In addition, we have two specific publications addressing DTV and closed captioning as well as a publication addressing video description.

THE EARLY TRANSITION IN WILMINGTON, NORTH CAROLINA

On May 8th, Chairman Martin announced that Wilmington, North Carolina would be the first market in the country to make the transition to digital television. The commercial broadcasters serving Wilmington voluntarily agreed to lead the nation with an early transition date of September 8th. For the past two months, we have been working with the local broadcasters, NTIA, and industry and community groups to prepare for the early transition.

This test market will provide the FCC, NTIA, broadcasters and other key stakeholders an opportunity to assess the effectiveness of our outreach and technical efforts. The Wilmington market will be important in helping prepare for the nation's transition in February.

CONCLUSION

In conclusion, the Commission is devoting significant resources to facilitating a smooth transition. Nearly every Bureau and Office at the Commission has been involved in this effort including our field offices throughout the country.

We intend to take whatever actions are necessary to minimize the potential burden the digital transition could impose on consumers and maximize their ability to benefit from it.

The next two months for Wilmington, North Carolina and seven months for the rest of the country will undoubtedly be challenging. Nevertheless, it is my hope that through the combined efforts of government, industry and advocacy groups American consumers will reap the rewards that the digital transition has to offer.