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CONSUMER ADVISORY COMMITTEE MEETING

Friday, November 14, 2008

8:30 a.m. - 4:00 p.m.

Federal Communications Commission  
445 12th Street, S.W., Room TW-C305,  
Washington, DC

1           Ms. Berlyn: Good morning, everyone. Thank you  
2 all for braving the fog and the rain and the traffic  
3 in Washington. For those out-of-towners here, we  
4 apologize for the Washington weather.

5           Welcome. Thank you all for coming this  
6 morning. This is a great turnout for our meeting.

7           And as hopefully all of you know, this is the  
8 final meeting of this Consumer Advisory Committee.  
9 We were chartered in 2007 for a two year period.  
10 And that goes until the end of this year. So that  
11 makes this our final meeting.

12           So we will be doing some things related to  
13 that, talking about what we've done. And I'm also  
14 going to give you an assignment as well. So we  
15 won't let time pass without us all, in some way,  
16 staying connected to the issue that we've been  
17 working, the DTV transition.

18           First of all I wanted to thank Dodie, who is  
19 where? Thank you for the food today, for your  
20 breakfast and lunch. We appreciate that very much  
21 and cablevision.

22           [Applause.]

1 Ms. Berlyn: Let's see, is Scott Doron here?

2 And you are serving in place of Jim Clinton this  
3 morning. So, welcome.

4 Let's see, Jamie? Where are you? Jaime is  
5 serving in Bill Belts place for Consumer Electronics  
6 Association. So, welcome to you.

7 And let's see, Lisa. Lisa you are here today  
8 for Janice Schacter.

9 Ms. Hamilton: Correct.

10 Ms. Berlyn: Thank you and welcome. Are there  
11 any other folks? Oh, Doug Wiley is here for Jack  
12 Sanders for NAB.

13 Any other folks who are alternates who are at  
14 the table? Well, welcome to you all. We're going  
15 to go around.

16 Why don't we do that right now as a matter of  
17 fact? And just have everybody introduce yourself.  
18 We do have some new faces. So, Brenda, do you want  
19 to start?

20 Ms. Pennington: Absolutely. Good morning.  
21 I'm Brenda Pennington representing the National  
22 Association of State Utility Consumer Advocates.

1           Mr. Kimmelman: Gene Kimmelman with Consumers  
2 Union. And I apologize for having been absent.  
3 I've been on leave of absence for the last six  
4 months. But I was here at the beginning. And  
5 you've done all the great work. And I'm pleased to  
6 be back at the end.

7           Ms. Morris: Hi, my name is Sara Morris. And  
8 I'm with the National Telecommunications and  
9 Information Administration with the Department of  
10 Commerce.

11          Mr. Stevens: My name is Brandon Stevens for  
12 the Eastern band of Cherokee Indians. I also Chair  
13 the Broadband Committee, the Working Group.

14          Mr. Doron: I'm Scott Doron. I'm Director of  
15 the Southern Technology Council which is part of  
16 Southern Growth Policies Board.

17          Mr. Benton: I'm Charles Benton, Chairman of  
18 the Benton Foundation.

19          Mr. Isett: I'm Dan Isett, the Public Policy  
20 Director at the Parents' Television Council.

21          Ms. Tschirch: Dodie Tschirch, Cable Vision  
22 Systems Corporation.

1           Ms. Kalani: Lori Kalani representing Dish  
2 Network.

3           Mr. Wiley: Doug Wiley, NAB.

4           Ms. Bobeck: Ann Bobeck, NAB.

5           Ms. Hamilton: Lisa Hamlin, Hearing Loss  
6 Association of America.

7           Ms. Peltz Strauss: Karen Strauss, CSD  
8 Communications Service for the Deaf.

9           Mr. Stout [through sign language interpreter]:  
10 And I'm Claude Stout. And I am with the Deaf and  
11 Hard of Hearing Consumer Advocacy Network.

12          Ms. Heppner [off mic]: -- for Deaf and Hard of  
13 Hearing persons.

14          Mr. Ellis: Rich Ellis from Verizon.

15          Mr. Hedlund: Jamie Hedlund, Consumer  
16 Electronics Association.

17          Mr. Schlauer: Paul Schlauer, representing  
18 Consumer Federation of America.

19          Mr. Craig: Lew Craig, Alaska Department of  
20 Law.

21          Mr. Cole: John Cole, Hawaii Public Utilities  
22 Commission.

1 Ms. Tristani: Gloria Tristani, Alliance for  
2 Community Media. Also I will be the proxy for  
3 Nixyvette Santini, who is a Commissioner on the  
4 Puerto Rico Commission.

5 If all of you saw an email in Spanish, we  
6 weren't meaning to keep any secrets from you. It  
7 was basically Nixy saying I can't go, will you  
8 please be my proxy.

9 Mr. Bridges: Good morning. Eric Bridges, the  
10 American Council of the Blind.

11 Mr. Marshall: Hi, It's Scott Marshall with the  
12 Commission.

13 And don't worry Gloria, it put the test to my  
14 freshman year college Spanish. And I definitely  
15 flunked the test.

16 Ms. Berlyn: Thank you all. We're running a  
17 little late on our schedule. So we will move  
18 quickly.

19 I'm going to turn this over for just a minute  
20 to Scott Marshall to give us our daily logistics.  
21 Thank you, Scott.

22 Mr. Marshall: Good morning everybody. Thanks

1 for coming, especially for our alternates. Just  
2 wanted to let you know we will have lunch available  
3 for all Committee members at 11:45.

4 Restrooms are right out the doors that you came  
5 in, down the short corridor toward the front of the  
6 building and make an immediate left. And that's  
7 where you'll find those important facilities.

8 And if you need anything my Assistant, Betty  
9 Lewis, if she's in the room, Betty, could you  
10 identify yourself? She'll be here from time to time  
11 or if you need anything else that doesn't require  
12 any work, I'll be happy to help. Thanks a lot.

13 Ms. Berlyn: Thanks, Scott.

14 A couple things on your agenda you will see. I  
15 just wanted to mention this time that we are using  
16 right now is usually the time when we have remarks  
17 by Commissioners. And we hope to have Commissioner  
18 Adelstein down here at some point during the day.

19 But one of the things that is happening in the  
20 100 days to go for the DTV transition is that the  
21 Commissioners are on the road most of the time  
22 working on the DTV transition, working in the local

1 communities. So that's why we have a quiet presence  
2 today from the Commissioners. But we do have Rick  
3 Chessen from Commissioner Copps's office, who has  
4 offered to just come and make a few remarks on his  
5 behalf.

6 So, why don't you sit at the end, Rick?

7 There's some empty space there. Thank you, Rick.

8 Mr. Chessen: Hello. I'm Rick Chessen, Senior  
9 Advisor to Commissioner Copps. And just take a  
10 couple of minutes because I know that you've got a  
11 busy agenda today.

12 As Debra said, Commissioner Copps has not yet  
13 returned from Florida. He was spreading the gospel  
14 about DTV down in the Tampa/St. Pete area and  
15 getting a lot of good coverage down there from a lot  
16 of help from broadcasters and others who have made a  
17 real effort down there. And I think if he were here  
18 he would thank you, first of all for all the help  
19 that the CAC has given on DTV, especially on the  
20 Consumer Education order which is far, far better  
21 for the input that this group provided.

22 And he would also, I think, say that, you know,

1 we need your help now more than ever. We're 95 days  
2 out according to my countdown clock in my office  
3 when I came in this morning. And we have a lot of  
4 work ahead of us.

5 I think you all know that Commissioner Copps  
6 would have preferred a more activist approach to  
7 this transition. But we are where we are. And now  
8 we have to take the time we have left and make the  
9 most of it.

10 I think overall there's three basic things that  
11 need to happen for this transition to work.

12 Number one is we have -- consumers need to be  
13 aware.

14 Number two, they need to understand what is  
15 going on and how it affects them personally.

16 And number three, they need to take effective  
17 action.

18 The first piece, the awareness, is in pretty  
19 good shape. Thanks again to a lot of the efforts  
20 from broadcasters and cable and others. We're in  
21 the 90th percentile or even probably a little bit  
22 north of that at this point. So people know

1 something is coming.

2 But then it drops way off when you start  
3 talking about, ok, now what do I do? How does this  
4 affect me in my household and taking effective  
5 action? And as Commissioner Copps said in his  
6 letter I think to Chairman Martin back in September,  
7 this gets local, and affects house by house very,  
8 very quickly.

9 Everybody, basically, is unique in making this  
10 transition to digital. Everybody has a different  
11 set up of television sets. Everyone has different  
12 capabilities themselves, technical savvy, physical  
13 capabilities.

14 Everyone has -- is in a different terrain.  
15 Everyone has a different set of broadcast stations.  
16 Everyone has different antennas and different set  
17 ups.

18 And it gets very, very specific, very quickly.  
19 As we found out when we go on the road, it's all  
20 very, you know, micro questions. I have this set  
21 up, what do I do? Do I need to do anything? So  
22 that first level of understanding is something that

1 we really, really need to focus on.

2       The possibly even bigger challenge out there is  
3 the final one which is effective action which  
4 includes the coupon program and people understanding  
5 that they need to order them. One of the big  
6 lessons coming out of Wilmington, you'll probably  
7 hear later is to get people to do something now.  
8 Because a lot of people will have difficulties even  
9 if they get the coupons, even if they redeem them  
10 and bring that converter box home. They're going to  
11 have trouble.

12       A lot of them aren't going to get the pictures  
13 that they're used to. And they may not know why.  
14 And they may not know how to troubleshoot.

15       And after Wilmington, some of the calls  
16 averaged, people who were having trouble with their  
17 converter boxes, averaged 40 minutes on the phone  
18 with the FCC. And we received a couple thousand  
19 phone calls after Wilmington. So if you take that  
20 out of, I think there are about 14,000 over the air  
21 households in Wilmington, couple thousand calls.  
22 You sort of project that out nationwide and you're

1 talking about potentially millions of calls.

2 And obviously we can't handle that at the FCC  
3 on a particular day. So we need help. We need to  
4 figure out how to get questions answered.

5 We need to figure out, it may be decentralized  
6 call center capability. But we need to ramp up  
7 significantly our ability to take calls for the  
8 transition and especially peaking, I'm sure, after  
9 transition. I know some local communities are using  
10 211 as a portal for people. I think that's an  
11 interesting, you know, possibility or other trusted  
12 ways that people know of getting information. And  
13 how do we coordinate that and make that all happen  
14 in 95 days.

15 And then once they find these places and call  
16 for information, how do you get them the information  
17 they need? A lot of people won't be able to, even  
18 over the phone, you know, follow instructions or be  
19 able to hook something up. A lot of seniors  
20 probably have huge console sets, you know that may  
21 not have been moved in 35 years.

22 And we may need actual people to come out and

1 assist them. And how do we coordinate that process  
2 of coming into the portal and then getting out to  
3 somebody who is actually going to be able to  
4 physically come to their homes. And again I know a  
5 lot of senior groups and others are concerned about  
6 possible exploitation. They need help. But we've  
7 got to make sure that whoever comes to their home is  
8 there to help and doesn't take advantage of them.

9       So it's a huge challenge. And we don't have  
10 that much time. But those last two steps, the  
11 making people understand what they need to do in  
12 particular. And then helping them to take effective  
13 action is going to be huge and doing it now.

14       I think the more problems that we can take care  
15 of in advance, as we found out in Wilmington, the  
16 better off we'll be. So somehow getting people to  
17 not only get these converter boxes, I think one of  
18 the big confusions is that people think that  
19 whatever the date is that's when they're supposed to  
20 plug it in and sort of getting out that message that  
21 it's here now.

22       The DTV transition is not coming on February

1 17th. The transition is here today. And if you  
2 hook in your converter box and find out what  
3 problems you have today, you'll get more help. And  
4 also if people wait, the coupons may not arrive in  
5 time. All those sorts of things that waiting, you  
6 know, is not a good idea.

7 And also the call centers, evening out that  
8 phone traffic around the transition will be also  
9 helpful. So I think that's where Commissioner  
10 Copps's priorities now. And we look forward to  
11 seeing what comes out of this Committee as always.  
12 And look forward to working with you.

13 Ms. Berlyn: Thank you so much, Rick.

14 We have on our agenda today a working session  
15 for lunch for our DTV Working Group. Scott and I  
16 realize that most of the CAC members are on the DTV  
17 Working Group. But for those of you who aren't who  
18 would like to also participate, we're going to be  
19 talking about some of these issues at our lunch.  
20 And we have some proposed actions to take on that.

21 I think we all recognize that the issues you  
22 raised are very important to the success of the DTV

1 transition for consumers. So thank you. And thank  
2 the Commissioner.

3 Mr. Chessen: Thank you. Ok.

4 Ms. Berlyn: Absolutely.

5 Ms. Tristani: And this is just something that  
6 came to my mind as you were speaking. Maybe it's  
7 something you could convey to Commissioner Copps and  
8 I hope can be conveyed to the Chairman is that this  
9 is the last meeting of this Committee. We're done  
10 today.

11 And it, in my mind, doesn't make sense that if  
12 the transition is occurring. And well, you know  
13 there's a drop dead date in 95 days. And there's  
14 work to be done that this Committee or some other  
15 Committee doesn't get reconvened immediately.

16 And I just thought that it would be something  
17 to convey to the Chairman. That's my personal  
18 opinion.

19 Mr. Chessen: Ok. Thank you all.

20 Ms. Berlyn: Thank you, Gloria. Thank you,  
21 Rick. Thank the Commissioner as well for all he has  
22 done on this issue.

1           Very good. Next on our agenda, we are so  
2 pleased to have NTIA once again represented at our  
3 meeting. The coupon program is such a critical part  
4 of the success of the DTV transition.

5           And Sara Morris is with the Office of  
6 Congressional Affairs at NTIA. She's going to  
7 provide us with an update of what's happening with  
8 the coupon program. And we will have time for  
9 questions as well.

10          So thank you very much, Sara, for joining us.

11          Ms. Morris: Thank you, Debbie. And I'd like  
12 to thank the Commission for this invitation to  
13 participate. The work of this group is critical to  
14 our national mission to transition to digital  
15 television.

16          Ms. Berlyn: Sara? Could I suggest that you  
17 move to that end?

18          Ms. Morris: Sure.

19          Ms. Berlyn: Because the people who are to your  
20 left may have a hard time seeing you. So, thank  
21 you.

22          Ms. Morris: I'd be happy to do that.

1           Hi again. I just wanted to reiterate how much  
2 NTIA appreciates the opportunity to be here today to  
3 provide an update on the progress of the coupon  
4 program and to answer any questions and discuss any  
5 issues I know are of great importance to many of you  
6 as we transition.

7           I'm going to start out with kind of an overview  
8 of the numbers, where we stand, how many coupons.  
9 Move into a brief discussion of our consumer  
10 education. And then go into some of the policy  
11 issues that we've been addressing. And where those  
12 stand and how we feel things are going. So, if you  
13 have any questions please feel free to ask.

14           Right now we are at a point 95 days before the  
15 transition occurs. We have distributed 34 and a  
16 half million coupons to American households. That's  
17 to 18.4 million American households. And about nine  
18 and a half million of those are identifying  
19 themselves as exclusively over the air.

20           14 million coupons have been redeemed toward  
21 the purchase of a converter box. So that's about --  
22 it's about a 50 percent redemption rate. We are

1 looking at redemption rates in terms of how many  
2 coupons -- for coupons that have gone through an  
3 entire 90 day life cycle. How many of those, what  
4 percentage of those have been redeemed, when you  
5 look at that figure, that is about 51 percent right  
6 now.

7       The amount for over the air households, the  
8 redemption amount, is actually slightly higher than  
9 that. It's about 56.1 percent. So we are very  
10 pleased, not only with the consumer numbers who are  
11 getting their coupons so far. But especially in  
12 those who have taken action to redeem the coupons.

13       We are getting requests right now, as of  
14 November 12th, about, the year to date average,  
15 daily request rate is about 109,000 per day. We had  
16 a major spike just this past Monday when we noted  
17 the 100 days out event. We had an event with  
18 broadcasters, consumer electronics, Chairman Martin,  
19 Commerce Secretary Gutierrez attended. And we saw  
20 results.

21       People take notice of dates like that which is  
22 good. And we had a spike of, we usually have around

1 now about 126,000 coupons requested per day. We got  
2 229,000 coupons requested that day. So we are very  
3 pleased that people are listening when they're told.  
4 And they're responding to our messages.

5 The consumer message that NTIA has been  
6 utilizing has been refocused since Wilmington to do  
7 exactly what Rick was just talking about. When you  
8 -- we saw down in Wilmington that there were  
9 problems when people connected their converter box.  
10 They had some technical troubleshooting that they  
11 had to do.

12 I think in the vast majority of cases when it  
13 came to the box itself, it was a question of  
14 scanning. It was a question of re-scanning,  
15 perhaps. And so it's hugely important that people,  
16 not only get their coupons right away. But that  
17 they connect -- they purchase their box and that  
18 they connect the box as soon as possible so that  
19 they will have plenty of time before February 17th  
20 to make sure that they've adjusted, you know, their  
21 own apparatus the way they need to.

22 We're very pleased, in fact with the response

1 of consumer electronics manufacturers and retailers  
2 to the program as well. You've all, you know, were  
3 concerned, as we were in the early parts of the  
4 program. You know, are we going to have enough  
5 converter boxes? Are we going to have enough  
6 retailers available?

7       You can't go anywhere these days without  
8 finding a converter box. And if you do find  
9 yourself in a store that doesn't have a converter  
10 box for some temporary period of time, there are now  
11 50 online and telephone retailers who are available  
12 to take orders for coupons. So I actually, I'm in  
13 Congressional Affairs. I hear a lot. And I speak  
14 to a lot of individuals who, you know, they've got  
15 their coupon. They want to act.

16       And maybe they have gone down to their local,  
17 you know, major retailer twice and they've been out.  
18 And I direct them to go -- don't just go back to the  
19 same place. Go to another store. Look online.  
20 Call one of the telephone retailers, many of whom  
21 are really, are charging, not, you know, very  
22 reasonable amounts for shipping, some even for free.

1           So we're very pleased. We have 185 certified  
2 converter boxes as of today. I think the estimate  
3 when I was -- when we first making estimates was  
4 maybe we'd have around 10. So, but for this  
5 program, I think, there would be no market for  
6 affordable converter boxes. We're very, very  
7 pleased with that. Today there are approximately  
8 2,311 participating retailers with 34,700 outlets in  
9 all 50 states and virtually every territory as well.

10           So, back to consumer education, we are -- our  
11 message right now is apply, buy and try and do it by  
12 the end of the year. Make sure that you take action  
13 as a consumer to decide whether or not you need a  
14 converter box, whether that is the right path for  
15 you and the necessary path for you. And then if it  
16 is, apply for your coupon. Give yourself six weeks  
17 to receive it, buy a converter box and set it up.

18           And for those who have technical questions, we  
19 have been providing the FCC's excellent materials on  
20 troubleshooting. We have been guiding through our  
21 website and through other's materials that can help  
22 folks with regard to their antennas and again,

1 scanning for channels, etc. So we are focusing on  
2 that message, especially in the months of November,  
3 December and January.

4 In January, we face a time when at some point,  
5 probably I'd say late January, early February. We  
6 could get to a point where the consumer will not  
7 have enough time once they get their -- you know, if  
8 they order a coupon February 1st. It's possible it  
9 will not arrive by February 17th.

10 And so beginning in January, we are going to be  
11 shifting our consumer education message somewhat to  
12 focus on your options. Know your options. If you  
13 can't get a coupon and a converter box in time for  
14 February 17th, here is what you can do.

15 And we are, you know, hoping, and our plan at  
16 this point is to try to drive consumer demand as far  
17 forward, as far accelerated, as much as possible.  
18 So that as many coupons as possible are ordered by  
19 the end of January. And thus to try to avoid a, you  
20 know, a massive surge at the end of the program.

21 We've had a number of issues come up in the  
22 coupon program since its inception. One of the

1 first ones that, you know, had just not been -- we  
2 realized we really needed to make a change in our  
3 rules was on the eligibility of nursing home  
4 residents. We have implemented a rule change  
5 recently. It's fully operational now.

6       So that if you live in, if you are a resident  
7 of a nursing home, intermediate care facility or  
8 senior living facility, that is licensed by the  
9 state, you are eligible for a coupon. We have a  
10 special mail in form. It's a special application.  
11 And it's available on the web.

12       And we have been distributing it at senior  
13 centers. And we've actually gotten about 2,500  
14 applications so far for nursing home residents. So  
15 we're very pleased that we've been able to amend our  
16 rules and expand the program to include that  
17 critical population.

18       That same rulemaking also amended our rule to  
19 permit residents who use a post office box for their  
20 residential mail delivery to be eligible for coupons  
21 to be delivered to that address. Previously they  
22 had to qualify under certain categories of a rural

1 and Native American villages and Alaskan villages.

2 We basically said if you use a PO Box that's fine.

3       So long as you have not already received two  
4 coupons to your residential, physical address. So  
5 we're pleased to be able to make the program more  
6 consumer friendly in that sense. And again, that is  
7 fully operational now and applications for PO Boxes  
8 can come in through all channels of our program.

9       We are working on implementing and approving a  
10 number of grants that we were given flexibility to  
11 offer by Act of Congress and by the good works of  
12 many in this room to provide technical assistance  
13 and consumer education to special, vulnerable  
14 groups. And we are very close to doing that. We  
15 are in the final throws of administrative and  
16 bureaucratic issues that I'm hoping will be resolved  
17 within the next day.

18       But we do hope to award approximately four and  
19 a half million dollars in technical assistance in  
20 consumer education grants very shortly. And again  
21 we appreciate the work that Debbie and many others  
22 in this group -- in this room, did to have Congress

1 give us that flexibility to have that additional  
2 funding for that purpose.

3 Hawaii is transition on January 15th and  
4 looking forward to answering any questions on that.  
5 We have -- we are working with the Hawaii  
6 broadcasters and also with Senator Inouye's staff  
7 very closely to get the word out that January 15th  
8 is their day to transition. We are going to be  
9 having a -- we have NTIA staff on the ground in  
10 November conducting ten town hall meetings.

11 We have prepared specialized, collateral  
12 materials. We're going to be adjusting our website  
13 so that we have a spot there. But we are focused on  
14 making sure that that transition is going to be as  
15 smooth as we hope the national transition will be.  
16 And look forward to further lessons learned from  
17 that experience.

18 And I think that's about it. You know we  
19 released a plan. I don't know if the GAO asked NTIA  
20 to provide a plan for how it's going to manage  
21 consumer demand toward -- in the final phase of the  
22 program. We have released that plan. And I think

1 it's going to be up on our website later today.

2 We -- the gist of the plan is basically what I  
3 just said. We are going to be pushing and doing our  
4 best to push consumer demand as far forward as we  
5 can in the months proceeding February 17th so that  
6 we can make sure that as many households are  
7 prepared, especially over the air households. And  
8 maybe that went without saying. And I should say  
9 it.

10 Our consumer message is focused heavily,  
11 heavily, heavily on over the air households. Those  
12 households being those disproportionately, minority,  
13 lower income, Native American, rural, non-English  
14 speaking, disabled. We are focused laser like on  
15 those communities.

16 And we have targeted 45 communities, 45 DMAs  
17 who either have low coupon participation rates,  
18 lower than we'd like and/or have disproportionate  
19 numbers of those demographics in the DMA. So one of  
20 the reasons why Tony Wilhelm is not here is he is  
21 out doing that work right now. And we have had  
22 Secretary Gutierrez also has been very active in

1 reaching out, especially to the Latino community and  
2 lower income communities to get them the necessary  
3 information and help that they need.

4       So with that I'm happy to take any questions.  
5 And again, appreciate this group's audience.

6       Ms. Berlyn: Sara, thank you very much. I want  
7 to tell the group that if you haven't been here  
8 before you need to pick a card up. And also when I  
9 call on you to make your -- to have a question or  
10 make a remark if you could raise your hand so that  
11 the folks in the booth in the back can turn your mic  
12 on. That would be very helpful.

13       So I saw two cards go up simultaneously, three.  
14 Charles and Gene and Gloria. Oh, yes, Gloria.

15       Mr. Benton: Well, I think it's amazing what  
16 you've done with the funding that you have. And  
17 congratulations for your good efforts and I know  
18 that Tony has really been very dedicated to --

19       Ms. Morris: Thank you.

20       Mr. Benton: -- doing the best he possibly  
21 can. I think you had about five million dollars as  
22 I recall for the education campaign originally.

1 Ms. Morris: Correct.

2 Mr. Benton: Would you explain what additional  
3 funding that you have received. Was it from  
4 Congress? Was it from the FCC through Congress?  
5 But what additional money have you received? And  
6 what additional activity have you been able to do  
7 with the additional funding?

8 Ms. Morris: That's an excellent question. And  
9 yes, in the legislation that originally established  
10 the coupon program, the Congress set aside up to 160  
11 million dollars for the administration of the  
12 program. Five million of which could be used for  
13 consumer education about the coupon program.

14 In legislation that passed this summer that  
15 amount was increased by as much as, potentially ten  
16 million. But what's turned out to be about four and  
17 a half million through our being given flexibility  
18 to tap certain programs that were established under  
19 the same legislation that created the coupon  
20 program, i.e. those that are being funded by the  
21 proceeds of the 700 megahertz auction. That program  
22 is one that permits low power broadcasters and

1 translator stations to obtain a converter for their  
2 own facilities so that they can continue to send out  
3 an analog signal.

4 Those are 1,000 dollar grants. There is a  
5 finite number of stations that were actually  
6 eligible for that. And so it was clear that we were  
7 not going to need all of that money.

8 And about a month ago we released a notice of  
9 availability of funds which indicated that we see at  
10 least four and a half million dollars would be  
11 available through that fund. And Congress, in  
12 giving us that flexibility, directed us to please  
13 focus on groups who are most needy including to give  
14 them technical assistance. And so that's what we  
15 have been doing.

16 We've received several grant applications.  
17 We've actually done it on an expedited basis that is  
18 slightly different from the standard grant  
19 procedure. But it gives us the ability to act more  
20 quickly. And again, we're looking forward to  
21 releasing those grants very soon.

22 Ms. Berlyn: Thanks, Sara. Gene?

1           Mr. Kimmelman: Sara, I just -- a series of  
2 questions just to re-familiarize me with what's  
3 left. You've given out 34 and a half million  
4 coupons. How many are left?

5           Ms. Morris: Well, we've given out 34 and a  
6 half million coupons. 50 percent of those have been  
7 redeemed.

8           Mr. Kimmelman: Right.

9           Ms. Morris: And many are still active. So  
10 it's an excellent question because I think there's  
11 been some confusion and kind of assumptions that  
12 well, we only have 33 and a half million coupons to  
13 give out. That was some of the -- we were hearing  
14 that early on. No.

15           We actually estimate that we will and can  
16 distribute up to 50 and a half million coupons with  
17 the administrative funds that we have. And based  
18 upon the redemption rates that we've seen so far, we  
19 believe that we will in fact, you know, distribute,  
20 you know, closer to 25 -- or have redeemed 25  
21 million coupons.

22           Mr. Kimmelman: Ok. Can I ask a different way

1 just so I can understand those numbers?

2 Ms. Morris: Sure.

3 Mr. Kimmelman: How many have been distributed  
4 and expired?

5 Ms. Morris: I can tell you exactly. We've had  
6 ten million, 10.8 million coupons have expired.

7 Mr. Kimmelman: So.

8 Ms. Morris: Those are ones that have not been  
9 redeemed.

10 Mr. Kimmelman: Right. So that's what  
11 effectively boosting your total number because you -  
12 -

13 Ms. Morris: Correct.

14 Mr. Kimmelman: Ok, just so --

15 Ms. Morris: And the way it works as you know  
16 is any coupon that is not redeemed, the funding  
17 associated with that coupon goes back into the pot  
18 to be recycled for new coupons. And so --

19 Mr. Kimmelman: Ok. Are you currently  
20 accepting applications from people who received them  
21 and their coupons expired?

22 Ms. Morris: You mean to re-apply?

1           Mr. Kimmelman: Yes, for reapplication.

2           Ms. Morris: We -- you're talking about re-  
3 issuance to a household that's already received two  
4 coupons and they've allowed it to expire? No, we  
5 agonized over this, frankly. And concluded that we  
6 did not have clear, legal authority to distribute  
7 more than two coupons to any household regardless of  
8 whether they allow them to expire. We've also had  
9 situations where they've been lost in the mail or  
10 perhaps they're stolen.

11           And what we have advised consumers to do in  
12 those cases is that, you know, the rules that we  
13 adopted do not prohibit you from giving away your  
14 coupon to a family member, friend, neighbor. And so  
15 we've encouraged people to help their friends and  
16 family members if they find that they do need to get  
17 additional coupons because their coupons have  
18 expired.

19           Mr. Kimmelman: Ok. Of course you know some of  
20 us challenge that legal interpretation. That will  
21 come back later.

22           You talk about a plan going forward which makes

1 total sense. But obviously there will be many  
2 people who will wake up to this beyond a date at  
3 which your current distribution system with, what  
4 did you say, 60 days expectation? Slow mail  
5 service.

6 Ms. Morris: Six weeks.

7 Mr. Kimmelman: Ok. Six weeks. They will not  
8 be able to receive coupons in time. Do you have a -  
9 - I assume it's non-public, contingency plan for  
10 when we get past January, the first or second week  
11 or third week or an emergency plan as to a back up  
12 way of getting coupons quickly to people. A back up  
13 way of getting converter boxes to people?

14 Ms. Morris: Well, in terms of coupons which is  
15 what NTIA is doing. We are in charge of the  
16 coupons. And we are limited by statute in several  
17 ways including that we have to mail these by postal  
18 service delivery. And the post office -- we are  
19 using standard class mail right now.

20 It takes about, you know, anywhere between  
21 three and 14 days for standard class mail to be  
22 delivered. You know, something that has been

1 discussed is whether to move to first class mail.  
2 Now that has funding implications, big funding  
3 implications. And you know it comes down to a  
4 question of whether the benefit of that outweighs  
5 the, you know, the impact on, you know, whether we'd  
6 be able to use that for other coupons.

7 To your question of whether we would have an  
8 emergency. You know, we -- it's why we're  
9 encouraging and urging the people to apply as early  
10 as possible. And also why we would be shifting to  
11 you have to be prepared if you're not going to order  
12 your coupon in time to get a converter box by  
13 February 17th, you may need to take other measures  
14 including cable or purchase a set.

15 Mr. Kimmelman: I just want -- I'll wrap up. I  
16 know we need to get to Gloria. I just want to ask a  
17 final question related to ten million dollars of  
18 which you said you effectively indicated you'd only  
19 need four and a half million.

20 We just heard before about the overwhelming  
21 need for call centers and how that will grow as we  
22 get closer. Has there been any discussion of

1 whether are those monies just gone now? Are they  
2 being used for other purposes within the Commerce  
3 Department? Are they available for any other  
4 contingency or emergency endeavors as we get closer  
5 to this?

6         And in concluding I know there's a  
7 differentiation between the education money and  
8 other administration money. But first class mail  
9 might not be cost effective at one date, but it  
10 might become extremely cost effective at another  
11 date.

12         Ms. Morris: We are tapping every cent that we  
13 possibly can for either consumer education or  
14 distribution of coupons. We asked one of the other  
15 Congressional actions that occurred this year at our  
16 request was that Congress gave us flexibility to  
17 spend additionally 20 million dollars more in  
18 administrative funds generally so that we did not  
19 get to a point where 33 and a half million coupons  
20 had not been redeemed. But we were running out of  
21 money to actually send them out the door. So we are  
22 balancing the administrative funds we have to focus

1 both on consumer education and coupon distribution.

2 Call centers. Our call center started out in  
3 the beginning of this program as really the only  
4 number that most people were calling. And frankly  
5 it did get overwhelmed, not only by people who were  
6 buying -- who wanted coupons. But by people who  
7 were just looking for the most basic information  
8 about digital television.

9 It became problematic for many reasons. Which  
10 is why we are so pleased and commend the Commission  
11 for really stepping up to the plate with its own DTV  
12 phone number to take calls as an initial basis and  
13 then send them down to the coupon program so that  
14 our system can be used more sufficiently. You know,  
15 whether we would use any of the additional funds  
16 that we've been given for call centers?

17 I think we would agree with something Rick said  
18 earlier if I got it right that it becomes a very  
19 local issue at some point. And we're hoping that,  
20 you know, we've done so much with five million. And  
21 now with, you know, the few more million we've  
22 gotten that local community groups, universities,

1   Elon University in Wilmington was a great example.  
2   These groups will step in and step up to help to  
3   educate and take calls when their community is in  
4   need of that assistance.

5           Ms. Berlyn: Thank you. Gloria?

6           Ms. Tristani: Yes, thank you. And I have a  
7   series of questions too, but Gene already asked some  
8   of them so this shouldn't take too long.

9           Ms. Morris: He's good.

10          Ms. Tristani: But I do want to follow up on  
11   one. Of the 10.8 million expired coupons, 10.8  
12   million households that have expired coupons.

13          Ms. Morris: It's actually 10.8 million  
14   coupons.

15          Ms. Tristani: Coupons, ok. You know how many  
16   households then of those?

17          Ms. Morris: You know virtually everyone is  
18   ordering two because they can.

19          Ms. Tristani: Ok.

20          Ms. Morris: And so I would -- I don't have  
21   that figure handy. I know that 18.4 million  
22   households have applied for coupons.

1           Ms. Tristani: I want to focus on the expired  
2 coupons.

3           Ms. Morris: Right. Ok.

4           Ms. Tristani: Do you know of those 10.8  
5 million coupons how many come from households that  
6 are over the air only?

7           Ms. Morris: I do not have a figure handy. But  
8 just to give you the kind of broad, break down of  
9 how the coupons are being ordered. About 50 percent  
10 of coupons are being ordered by over the air  
11 households.

12           Over the air households are slightly higher in  
13 their redemption rates. And almost every household  
14 is ordering two coupons. So if I had to look at  
15 that and you know, use that math. I would think it  
16 would be around -- I don't know, three million  
17 households? Someone can correct my math.

18           Ms. Tristani: Right, right.

19           Ms. Morris: That have had their coupons  
20 expire.

21           Ms. Tristani: And that cannot reapply for  
22 coupons.

1 Ms. Morris: Right. You know --

2 Ms. Tristani: Per your interpretation.

3 Ms. Morris: Correct.

4 Ms. Tristani: And let me ask you of those do  
5 you have any way of knowing how many come from lower  
6 income, minority neighborhoods, even Puerto Rico  
7 which has 70 percent of households over the air  
8 only.

9 Ms. Morris: Oh, and Puerto Rico is been  
10 awesome. Puerto Rican households ordered at a  
11 higher rate than any other state in any other  
12 location.

13 Ms. Tristani: Well because they're over the  
14 air.

15 Ms. Morris: They are.

16 Ms. Tristani: But the question is how many  
17 have expired --

18 Ms. Morris: I don't have a figure for Puerto  
19 Rico.

20 Ms. Tristani: Is there any way to get that  
21 information?

22 Ms. Morris: I'm certainly happy to follow up

1 on that.

2 Ms. Tristani: Ok.

3 Ms. Morris: We've worked very closely with the  
4 Puerto Rican Representatives.

5 Ms. Tristani: But this isn't just a Puerto  
6 Rico issue. Nixy isn't here. And I think she might  
7 be asking.

8 But there is a fundamental concern that they're  
9 going to be at your count, three million households  
10 right now, and I suspect it may be more. That's  
11 only based on expired coupons, but households that  
12 may not end up ordering, other of households that  
13 will be left in the dark. Are there any plans to  
14 revisit the interpretation that --

15 Ms. Morris: No.

16 Ms. Tristani: -- You cannot reapply for a  
17 coupon.

18 Ms. Morris: No. No.

19 Ms. Tristani: Ok.

20 Ms. Morris: It would require, as we have  
21 stated, it would require Congressional action. So  
22 there very well be --

1 Ms. Tristani: I know. We have different  
2 interpretations of that, but. That's all I have.

3 Ms. Berlyn: Thank you, Gloria. Can I ask a  
4 quick numbers question?

5 Ms. Morris: Sure.

6 Ms. Berlyn: The way that the coupon program  
7 was set up at some point you were to go to making  
8 coupons available to only analog households. You  
9 haven't gotten to that point.

10 Ms. Morris: Only over the air.

11 Ms. Berlyn: When do you anticipate that will  
12 kick in? And are you doing that sort of messaging  
13 to push people who want coupons who aren't analog  
14 only households?

15 Ms. Tristani: Over the air.

16 Ms. Berlyn: Over the air only. What did I  
17 say? Yeah, OTA households.

18 Ms. Morris: Yeah, that's a great question. We  
19 made a decision in August. When we got to a point  
20 where we were going to be distributing our 22 1/4  
21 millionth coupon, which is how many coupons are  
22 basically covered by funding in the base level of

1 funding, that we would distribute coupons out of  
2 both the base and contingent funds simultaneously  
3 for the very reason that we did not want to have to  
4 change, obscure, confuse the messaging.

5 We are going right now at a pace where we  
6 believe that both funding tranches will be available  
7 for the entirety of the program. So we do not  
8 anticipate getting to a point where we would have to  
9 cut off coupons to non over the air households and  
10 just move to over the air households.

11 Ms. Berlyn: Ok. Thank you, Sara. Brenda?

12 Ms. Pennington: Yes, thank you, Sara for your  
13 report on the coupon program. I was particularly  
14 pleased to hear about the government is focused on  
15 specialized communities. Is there a set time that  
16 the coupon program will expire or is it contingent  
17 upon the money that's available?

18 Ms. Morris: Another good question. We are  
19 required -- the statute ends our program, requires  
20 us to stop taking requests for coupons on March  
21 31st, 2009. The coupon program itself pretty much  
22 comes to a halt about six months after that in

1 September.

2 Ms. Pennington: Ok. And also you mentioned  
3 that beginning in January there's going to be a push  
4 for consumers to know their options. And you gave  
5 the example that from February 1st, that if they  
6 ordered but they haven't received them, so therefore  
7 we're assuming that it's their intention to get the  
8 converter box instead of, you know, going to  
9 satellite or cable subscription.

10 What would their options be?

11 Ms. Morris: Well.

12 Ms. Pennington: And how will the government  
13 get that message out to consumers?

14 Ms. Morris: I mean, one option that in fact  
15 we're seeing numbers of consumers doing is just to  
16 buy a converter box without a coupon. Again, you  
17 know, when this program started there were no 50  
18 dollar converter boxes or at least maybe there were  
19 a handful, if that. And we have certified 180 of  
20 them now. I think there are probably 100 or so that  
21 are actually in the market available. And they  
22 range in price from 40 dollars.

1 Ms. Pennington: Right.

2 Ms. Morris: -- To going up to 70 dollars.

3 But I think most of them are available in a range of  
4 probably 45 to 69 dollars. So many consumers, we're  
5 hearing from retailers, many consumers are opting to  
6 purchase the box without a coupon in certain cases.  
7 You know if you have an expired coupon you could  
8 still make the transition without having to get a  
9 subscription to a pay television service or buy a  
10 full fledged, digital television.

11 Ms. Pennington: That's correct. But for some  
12 people that might not be an option. But do you have  
13 any numbers on how many consumers are buying them  
14 without the coupon?

15 Ms. Morris: I actually don't. I would love to  
16 see that. And perhaps the CEA --

17 Ms. Pennington: Details.

18 Ms. Morris: -- Has any of the manufacturers.  
19 I don't have that information.

20 Ms. Pennington: Ok. Thank you.

21 Ms. Berlyn: I put my card up here early on  
22 because I wanted to ask you a question that sort of

1 follows up on Brenda's point. And I think at some  
2 point there was an expectation that a number of  
3 consumers would go out and purchase new television  
4 sets. That that -- they wanted the high def. They  
5 want the digital programming.

6 With this economy, I was wondering if NTIA and  
7 the FCC actually have both considered the fact that  
8 we're now raising an expectation for large purchases  
9 that consumers may now change their mind about  
10 making right now. And so the coupons may be all the  
11 more important. And you may see a surge in  
12 requests.

13 And I was just wondering if that's been a part  
14 of the planning and thinking over the course of the  
15 next few months.

16 Ms. Morris: Absolutely. I mean the economics,  
17 the changed economics are an important factor. And  
18 you know we are focused on getting out as many  
19 coupons and addressing the demand, responding to  
20 consumer demand as much as possible.

21 And so, but I think you're right. I think it's  
22 very possible that people who would otherwise have

1 thought to get the digital television either at  
2 Christmastime or in January may be putting that  
3 decision off. You know, we don't know.

4 One of the things that has been the biggest  
5 challenge for all of us and especially this coupon  
6 program has been that we have no idea what really,  
7 what people are going to do. We're looking at data  
8 that is, you know, to see what people have done up  
9 to now. But we do have some new economic realities.  
10 And it's possible that we could see increased coupon  
11 demand as a result of the economic strain.

12 Ms. Berlyn: Thank you. I think there's one  
13 more. Oh, two more questions, Doug and then Cheryl.

14 Mr. Wiley: Thank you, less a question than  
15 comment. I just want to thank --

16 Ms. Berlyn: Doug, put your hand up again. Ok,  
17 I think they got you.

18 Mr. Wiley: Less a question than a comment, but  
19 I just want to thank Sara and Meredith and the whole  
20 NTIA team for being so responsive and flexible and  
21 easy to work with. You all have been great.

22 Ms. Morris: Thank you.

1           Mr. Wiley: And it's really taken the whole  
2 agency over there working on this to make this  
3 successful. A lot of people don't realize NTIA is  
4 the principle executive branch agency charged with  
5 advising the President on telecommunication policy  
6 matters, not an agency designed to do this kind of  
7 work. And they've really pulled it together and  
8 done a great job.

9           And just as an example of that their  
10 responsiveness in Hawaii early transition on January  
11 15th, which we all found out about relatively  
12 recently, we asked them to try to expedite the  
13 coupon process and the mailings out to Hawaii fairly  
14 recently. And they have now responded by agreeing  
15 to send all of those coupons first class to Hawaii  
16 starting -- is it immediately or is it January 1?

17          Ms. Morris: It's going to be probably in the  
18 next couple of weeks. Yeah.

19          Mr. Wiley: Which is great.

20          Ms. Morris: Well, in Hawaii -- Hawaii. Thank  
21 you, Doug. I appreciate that. And it is. This --  
22 we're a little policy shop. You know you hear

1 people say we're little, but now we're coupon  
2 people.

3 [Laughter.]

4 Ms. Morris: It's been a wonderful experience  
5 frankly. And I've only been at NTIA for the last  
6 seven months. I was in the private sector prior to  
7 that.

8 And it's been enormously gratifying and  
9 enriching to work with the people, not only at NTIA,  
10 at the FCC and also in the industry because this is  
11 something that, you know, this is hard. This has  
12 been a long, hard thing. Lots of -- all kinds of  
13 plans to make and assumptions and hard work and  
14 we're just, so many people are putting so much into  
15 this.

16 And, you know, I remember I actually used to  
17 work on behalf of some consumer electronic industry  
18 interests. And would frequently hear well this  
19 digital television transition is just going to be,  
20 you know, a boon to that industry. I don't know  
21 that this is, you know, necessarily the case.

22 These are hard economic times. They're not

1 making a lot of money on these boxes. And retailers  
2 have stepped up, everybody has really stepped up.

3 I think it's an enormous tribute to this  
4 country that we have taken on this challenge. And  
5 that we are doing as well as we are. And that we're  
6 now focused on what happens the day after is  
7 crucial.

8 And I think we're going to respond in the same  
9 way that we've been doing it so far. And just do  
10 our best to make sure that people are taken care of.  
11 But, thank you.

12 Ms. Berlyn: One final question from Cheryl.

13 Ms. Heppner: Really more of a comment first.  
14 I want to express my appreciation for the change in  
15 rule that allows delivery to a post office box. I  
16 spoke with a consumer who wrote back who had tried  
17 to apply for coupons and found that he could not get  
18 them for that reason.

19 And if given back the option sometime you think  
20 people with hearing loss tend to use post office  
21 boxes more than your average person because anyone  
22 who has experienced hearing loss will know of the

1 terrible routine that we were waiting for a  
2 delivery, when you're home when a delivery comes.  
3 If you don't have the money to buy an alerting  
4 system for your home or somebody pushes the doorbell  
5 and you know it or you can hear it, you tend to have  
6 to stand, literally stand or sit by the door waiting  
7 for that delivery and to never know when those  
8 coupons were going to come. Because we may feel  
9 very vulnerable that someone will steal packages  
10 unless we're there. So this has been a much easier  
11 way for them to have delivery.

12 My question for you if there have been another  
13 consumer experience seem applied for coupons have  
14 received them, but few are not able to get  
15 information that's needed about which of the  
16 converter boxes had features that she needed for  
17 captioning. She asked me and others for help. But  
18 back at that time we did not have the consumer  
19 reports information. And we did not have the FCC  
20 information we do now.

21 And the last thing, having a coupons before  
22 they expire, she went out to buy whatever and could

1 not find a retailer that had boxes available. I  
2 feel badly for the people who were early birds that  
3 tried to do the right thing and have those coupons  
4 expire. They still really need them. It's for the  
5 over the air consumer. Is there any possibility  
6 that there might be funding to go back and revisit  
7 that?

8 Ms. Morris: I appreciate that concern. And  
9 it's -- there definitely were people who, the  
10 resources just weren't out there looking at the  
11 different features and again this program while we  
12 have a huge variety of boxes, it ramped up. And  
13 there was a ramp up period. And I am, you know,  
14 we're sorry for the folks who were not able to take  
15 advantage, you know, in the way that they really  
16 wanted to and needed to very early on.

17 I am afraid that our lawyers and you know, the  
18 Administration has made a decision about re-issuance  
19 that is just not realistically going to be reversed.  
20 And again, I think it would probably be incumbent on  
21 Congress to direct us to do that. Thanks for your  
22 question.

1 Ms. Berlyn: Thank you, Sara. I appreciate  
2 your time that you spent with us. As you can see  
3 there's a tremendous interest in the coupon program  
4 and how that is proceeding and what benefits  
5 consumers are seeing through that program.

6 So thank you. And express our thanks to  
7 everyone over at NTIA for all the work they're doing  
8 as well.

9 Ms. Morris: Thank you.

10 [Applause.]

11 Ms. Berlyn: We are going to try and stay close  
12 to our schedule. So we are taking an abbreviated  
13 break. Please just take about five minutes. Don't  
14 use this as an opportunity to catch up on all your  
15 work business of the day.

16 Five minute break, come back to the table.  
17 Louis Sigalos is going to talk to us about what we  
18 learned from Wilmington and actually more  
19 importantly where we are going in the last 95 days.  
20 Thanks.

21 [Break.]

22 Ms. Berlyn: Thank you everyone for getting

1 back here. If you're in the room, if you could get  
2 seated. Scott, we're going to start.

3 Mr. Marshall [off mic]: Yeah -- but I'll be  
4 right back.

5 Ms. Berlyn: Ok. Very good.

6 Louis Sigalos has been the man around the  
7 country for this transition starting with the early  
8 shut off test in Wilmington, North Carolina  
9 September 8th. And there were many lessons learned  
10 from Wilmington. I think we can hear a little bit  
11 about that Louis.

12 But of course, more importantly is what lessons  
13 learned have now turned to action in going forward  
14 for these final days before the transition. And  
15 what are the plans that the FCC has to meet some of  
16 the issues that came up in the Wilmington test. So  
17 thank you Louis for joining us.

18 Mr. Sigalos: You're welcome. How long do you  
19 want me to talk?

20 Ms. Berlyn: I think you're going to have  
21 questions. So you know, if you could give us your  
22 feel in 10, 15 minutes max, ten minutes?

1           Mr. Sigalos: Absolutely, yeah. I'm at the  
2 point where I'm like an automaton. You just give me  
3 a time period, say talk, I can just talk for that  
4 time period.

5           Wilmington. Wilmington almost seems like some  
6 sort of ancient archeological dig to me at this  
7 point because it has been months since that has  
8 concluded. But I'm sure that's only my own personal  
9 feeling regarding that. I wrote the action plan for  
10 Wilmington and led the team down in that  
11 marketplace. And we did learn a lot.

12           Some of what we learned reinforced what we  
13 already knew and recommit to. And that is first and  
14 foremost, the FCC's role in the DTV transition is  
15 specifically and only for over the air consumers who  
16 are at risk. And that is the low income, non-  
17 English speaking, rural, senior, disability  
18 community. That is our universe to work.

19           And Wilmington, even though we had mixed  
20 messages going into that marketplace with the  
21 February 17th date that had been pounded into  
22 people's heads and had to reinforce that we have a

1 different date. You know, that was done over the  
2 air, for the most part. You know, they were able,  
3 for those people who have cable and satellite you  
4 remove 70, 80, 90 percent of the equation over the  
5 air, alright. And they did an excellent job, the  
6 broadcasters in that market of working together at  
7 coordinating their messages, coordinating their  
8 activities to ensure that that happened.

9       And just as one anecdotal side bar on that is I  
10 had one quickly scheduled event at a Best Buy in a  
11 very affluent area of Wilmington. Booth right in  
12 front as you come in the front door. And it was  
13 sort of like a litmus test for me because I thought,  
14 you know, what am I doing here now?

15       It was a Saturday, high traffic day, but the  
16 location of the Best Buy, without a whole lot of  
17 promotion that might have drawn other people in  
18 because it's an event about DTV. I fielded  
19 questions about qualm tuners and things like that.  
20 People knew more than I did about what was going on.  
21 And not one person did I sign up for a coupon  
22 application.

1           Alright, so what we did in Wilmington was  
2    attack that market since it was a defined geographic  
3    area by counties. And had a geographic plan of  
4    attack in mind because what we wanted to do there  
5    was not show that the FCC could talk to every  
6    consumer in that market. But show that an engaged  
7    community can make that transition work and work  
8    very well.

9           So we went. We introduced ourselves to  
10   government officials, the grassroots organizations.  
11   We had weekly phone calls with the broadcasters.  
12   And working together with the partners in that  
13   community we had a very, very successful transition.

14           And the success of the transition was the fact  
15   that all consumers were aware of the specific date.  
16   And that action had to be taken. It was almost, I  
17   mean, 20 people maybe didn't know about what was  
18   going on in that marketplace.

19           What we found ultimately is one of our big  
20   lessons learned is that we should have spent more  
21   time in our consumer education talking about things  
22   like how to install that converter box. Be sure to

1 rescan those channels. Make sure the TV is on  
2 channel three or four, depending on which one you  
3 use, those types of things and antenna.

4         And we did talk about those things a lot. But,  
5 you know, my going in I was so concerned that people  
6 knew about the transition and took action that we  
7 really focused on the date. And that and so on noon  
8 on September 8th a lot of people already had their  
9 converter box at their house. But they hadn't  
10 hooked it up. And then it was like a bunch of hook  
11 up questions right at the transition and the rest.

12         So we feel it was a very beneficial experience  
13 for us. We worked with all forms of grassroots  
14 organizations. We worked with governments, you know  
15 and close relationship with the Mayor of that town  
16 with the public information officers from the cities  
17 and from the counties.

18         We worked with social service agencies, went  
19 outside and had sessions that they sponsored. We  
20 had sponsored sessions at publicly subsidized  
21 housing. We worked with churches. We pretty much  
22 just were exploring everything.

1           And we did find that wherever we had a  
2 partnership and we had somebody working with us it  
3 was especially effective. Nothing is more boring to  
4 a consumer than a government sponsored anything.  
5 That does not draw a big crowd. So whenever we were  
6 with an existing group that people already had  
7 relationships with it was a much more meaningful  
8 event.

9           So I just wanted to, you know -- and I can  
10 answer any questions anybody has about Wilmington.  
11 But I sort of wanted to morph quickly into sort of  
12 what we're taking moving forward based on the  
13 Wilmington experience. And that is one of the best  
14 ways to engage a community and get those grassroots  
15 organizations is to work at a national level with  
16 organizations. But to sort of insert yourself  
17 within those communities and open up a line of  
18 communication and say that we'd like to work with  
19 all of you going forward.

20           And so what the FCC has done is mobilized, you  
21 know, all available staff and we are looking at the  
22 final three months as a DMA specific outreach event.

1 There are many national, many national things we can  
2 do and many national messages. But the fact of the  
3 matter is that each and every designated market area  
4 is unique.

5 It's unique through what the issues are for  
6 consumers there. It's unique to the type of at risk  
7 constituents that live in those DMAs. The  
8 broadcasters, you know, from low power to full power  
9 to translator stations, what's going on specifically  
10 with the digital signal in those market areas.

11 So you need to understand each and every market  
12 area. So working with volunteers at the FCC here,  
13 working with all of our field offices throughout the  
14 United States, we are assigning a staff to each and  
15 every DMA. And a DMA is a designated market area.  
16 It's a broadcast area.

17 And then using the Nielsen definition of how  
18 those things aggregate up. We have aggregated up  
19 into six Nielsen regions which we have supervisors  
20 in charge of Pacific, West, Central, Southwest, East  
21 Central, Southeast, Northeast. And I hope that was  
22 six. But there are six.

1           And all of that information I can actually just  
2 send through Scott to all of you, the Who's who of  
3 the designated market area coordinators along with  
4 the regional people. And I'll probably, you know,  
5 they say repeat a message seven times. For those of  
6 you who have organizations in any of these areas, we  
7 would like very much for you to contact either the  
8 regional coordinator or the designated market area  
9 coordinator and say, hey, we would like to work with  
10 you in these marketplaces.

11           Next week we're going to be sending out a large  
12 number of folks into these regions. So we've  
13 started dramatically going out next week. Next week  
14 we want to begin first with the government officials  
15 in those areas, introduce ourselves, let them know  
16 we're going to be trying to engage their networks in  
17 those communities and ask for their help.

18           Already met multiple times with NAB and the  
19 State Association folks in order to let them know  
20 that we are going to be calling all of the general  
21 managers just to say, hey, can we set up weekly  
22 conference calls. I'm not sure if all the general

1 managers can do it. But we just want to offer that  
2 up as a, you know, something that we did in  
3 Wilmington that worked very well.

4 Spoke with CEA as well about letting the  
5 retailers know. Not a great time of year for  
6 retailers to, you know, have something else  
7 distracting them. But we want to let them know  
8 what's going on.

9 If they have events if they can, you know, do  
10 ask the FCC at their stores and the rest, that would  
11 be great. And maybe after the holidays, you know,  
12 we can have a -- but we got them going. And they're  
13 going to be reaching out like I said with grassroots  
14 organizations, community based organizations in each  
15 and every DMA and try to network and put it together  
16 so that we have a shared calendar.

17 So everybody knows what everybody else is doing  
18 so that we don't step on each other. And then more  
19 specifically to understand where people are reaching  
20 so we can look at those at risk constituents very  
21 specifically in each market. And try to focus what  
22 we do to try to touch those people specifically.

1           So that's sort of a nutshell, I mean, very  
2 condensed version of what's going on. And I don't  
3 know if I want to open it up now or you want me to  
4 keep talking, one or the other.

5           Ms. Berlyn: Let's open it up. See if the  
6 folks have questions. And if not, you can keep  
7 going.

8           Mr. Sigalos: Ok.

9           Ms. Berlyn: But let's take a break and see if  
10 there's some questions. Charles?

11          Charles, a hand up for the mic folks. Thanks.

12          Mr. Benton: Your energy and dedication on this  
13 is really inspiring. And the Wilmington experiment  
14 or the test case is blessed by having you down there  
15 beating the bushes and trying to build a model. My  
16 one suggestion is that a sense that after today, we  
17 disperse. I mean this is the end of the Committee  
18 as a Committee.

19          But of course all of us are attached to our own  
20 organizations and continue our lives apart from  
21 being members of the CAC here in Washington. So it  
22 might be, if you could, send to each member of the

1 Committee the list of the FCC regional heads and the  
2 DMA heads so we have the list. And anyone then on  
3 the Committee who would like to follow up and  
4 volunteer or be helpful through their organization  
5 would know who to contact in terms of the SWAT team  
6 that you have out there. So just throw out this as  
7 --

8 Mr. Sigalos: That's absolute.

9 Ms. Berlyn: That's a great idea.

10 Mr. Sigalos: That's an absolute. I'm looking  
11 for -- anybody who contacts us saves us from having  
12 to try and contact them and understand the contact  
13 person and the rest. That's why we're asking for  
14 people to reach out to us as well.

15 But gladly share that information. I want this  
16 to be as open and transparent as is possible.  
17 Great.

18 Mr. Wyatt: I just wanted to add, and I was  
19 trying to get Debra's attention because we talked  
20 about this earlier and I wanted her to make this  
21 announcement. But in light of Charles' question,  
22 I'll go ahead and say it Debbie that the charter has

1 been renewed for another two year term. Our hope  
2 and expectation is that there will be continuity  
3 although there's no final decision at this point.

4 We hope there will be continuities. But it has  
5 been renewed for another two year term. And  
6 assuming that you all are able and willing to serve  
7 another two year term, our hope is that there will  
8 be some continuity. And that hopefully this will be  
9 resolved very quickly as well.

10 So I wanted to go ahead and announce it in  
11 light of Charles' question.

12 Ms. Berlyn: Thank you, Thomas for mentioning  
13 that. And I think that's great news for the DTV  
14 transition. So we appreciate the effort to do that  
15 and make it timely so that there isn't a break in  
16 our efforts in terms of the transition. So, thank  
17 you.

18 I thought I saw another card. Claude?

19 Claude, you have a question?

20 Mr. Stout [through sign language interpreter]:

21 Yes, I do. And yes. Hello, Louis. First of all  
22 I'd like to thank you again for the Wilmington

1 workshop that you hosted for consumers who are deaf  
2 and hard of hearing. Lisa and I were honored to be  
3 part of that program.

4 Now my question is do you have any plans to  
5 follow up with a number of workshops like that  
6 throughout the country, you know, throughout the  
7 next few months up until February?

8 Mr. Sigalos: The answer is yes. But I want to  
9 put the yes within a context so that everybody can  
10 understand sort of how we're going about the actual  
11 application of resources when we're talking about a  
12 nationwide initiative. And the fact is everybody  
13 lives in a resource constrained world.

14 So we have every market that we're going to be  
15 communicating with and trying to work very much with  
16 all the key stakeholders whether they be industry,  
17 government, community based organizations and the  
18 rest. The next phase for us and the initial travel  
19 phases has to do with the town hall markets as  
20 identified by the Chairman a little while back. And  
21 those have been -- and those were identified as you  
22 know, those with the highest concentration of over

1 the air consumers. Ok.

2 So when we look at the resources. First when  
3 we go about committing staff resources we're going  
4 to commit staff resources to all of those markets  
5 absolutely. And try to sponsor and co-host as many  
6 events as possible.

7 And within that context you know, gladly work  
8 again with you all to try to get some effective  
9 events. And hope that since we -- there's no way  
10 it's going to happen in 208 DMAs unless we can do  
11 something along the line of training the trainer.  
12 And it's independently done without us, but with  
13 our, you know assistance from afar. In certain  
14 markets we can absolutely do this and hope that we  
15 can leverage these events so that, you know, they go  
16 beyond the folks that are in attendance.

17 So I guess it's a qualified, but absolute yes.

18 Ms. Berlyn: Brandon?

19 Mr. Stevens: Yeah, I represent or at least I  
20 represent the Eastern band of Cherokee Indians and  
21 also work to help promote this digital transition  
22 with Indian Country. And while this is all so

1 exciting for your Wilmington test market, coming  
2 from my home state of North Carolina, it was  
3 exciting to see that. But I have a question too.

4         With respect to Indian Country there are still  
5 a lot of people coming into this first generation  
6 technology of getting dial tone service and that  
7 sort of thing. So getting over the air broadcasts  
8 of television is essential especially in the  
9 Southwest. And I know also Valerie Fasthorse in  
10 Idaho. I think Commissioner Adelstein and  
11 Commissioner Copps are also going to visit the  
12 Coeurdalene Indian tribe in the next couple weeks.

13         What are some other things that we can do or I  
14 can be of assistance to, especially in Indian  
15 Country? Because this is a community that sometimes  
16 gets left behind, not intentionally. But it's just  
17 facts sometimes that happens. So, are there some  
18 things that I can do to assist there?

19         We also would suggest that coming up in either  
20 early February the United South and Eastern tribes  
21 has its annual meeting here in Washington, DC which  
22 is over in Crystal City at the Crystal City Gateway

1 Marriott that we hold every year. And all the  
2 tribes from the Eastern Woodlands will be here for  
3 impact week. Are there some things we can set there  
4 or do some outreach or to National Congress of  
5 American Indians to help push some things along?

6 Mr. Sigalos: Well we are going to be at the  
7 event in February. The only thing, I mean, and  
8 we're glad they talk and you know, talk end games  
9 there. But February is a bit late to, you know. It  
10 should be a different thing we're talking about in  
11 February than we're talking about today.

12 Mr. Stevens: I understand.

13 Mr. Sigalos: But to answer your question more  
14 specifically rural and Native American tribes, you  
15 know, basically are part of the at risk constituents  
16 we're specifically speaking about. So first and  
17 foremost and I'm sure this has already been  
18 discussed is, you know, there needs to be a push  
19 right now to get any. For those people who are  
20 going to order converter boxes to get those coupons  
21 in the mail, there needs to be that push.

22 But when I think of rural in general what I

1 think of and I would sort of is the equation for me  
2 is not only that they understand the process of  
3 ordering the coupon, getting a converter box. But  
4 it's a question of getting a signal. That's a huge,  
5 huge issue in rural America.

6 And so when I think of what you can do is one,  
7 we have designated market area coordinators. If you  
8 can, like you said, you're going to get this  
9 information from us. If they can go and with every  
10 one contact us so we can work together.

11 If we're having these conversations with the  
12 broadcasters one of the things we're going to be  
13 knowing and we're trying to understand more here was  
14 that we have coverage maps and other things getting  
15 done is what specifically in each area can the  
16 consumer expect. And in some areas you know there  
17 is some gray. But in a lot of areas there's  
18 specific knowledge. What's going to be the digital  
19 coverage area?

20 If you're outside the digital coverage area you  
21 need to know that, you know. And even if you know  
22 you're somewhere where there's some low power

1 station certain translators aren't changing so it's  
2 going to be analog, but others aren't. It's  
3 digital. We need to say there's an analog pass  
4 through converter box you should buy so you don't  
5 have to be frustrated with the equipment.

6 So there's an extra level of learning, you  
7 know, that's involved in rural America that's  
8 extremely important. And it's not easy for the FCC  
9 to communicate. It's very difficult to communicate  
10 those kinds of messages.

11 So any help we can get in reinforcing that.  
12 And for them to understand the questions they need  
13 to, you know, answers to in order to ensure they get  
14 a signal will be extremely appreciated. But we will  
15 gladly, gladly work with you. You know if there's  
16 any big events going on where we can really impact  
17 large numbers and you know, we'll try to get our  
18 folks there and the rest.

19 It's just again, committing our resources. It  
20 needs to be something that we really feel that we've  
21 effectively hit the outermost constituents in a  
22 meaningful way to do. Does that answer your

1 question?

2           Mr. Stevens: Yeah. It does. And I think also  
3 I can with, you know, some of the people that I know  
4 and work with, I don't mind traveling to events or  
5 helping out.

6           Because also I live in a rural area in the  
7 Southern Appalachian Mountains, not just Indian  
8 Country, but also in our area, you know television  
9 over the air for years has been a bother because we  
10 got the three networks and we've got a fuzzy PBS and  
11 sometimes a non-affiliated channel or two would come  
12 in which is now like a FOX or something like that.  
13 But television in general has been a problem in the  
14 Western North Carolina Mountains, north Georgia and  
15 Eastern Tennessee. So we know that.

16           But also I look at areas in no -- I visualize  
17 my grandparents who, you know, like I said before in  
18 an earlier meeting, you know their VCR is still  
19 flashing 12, 12, 12. You know and that sort of  
20 thing, so with the understanding of the rural  
21 mountain and the rural areas, Indian Country,  
22 anything that I can do to help. I just, I'm asking

1 you to, you know, I'm asking what I can do for my  
2 country instead of asking what my country can do for  
3 me in a sense.

4 Mr. Sigalos: And Hallelujah for that. I got  
5 to say because it is, like I say, it's so dependent  
6 on us engaging partners, having those partners  
7 getting out there and doing it because the networks  
8 to reach everybody are in place. They're just not  
9 typical communication industry network that we're  
10 looking to go through. That we need these other,  
11 you know, ways into people's homes and into  
12 educating those folks.

13 You just reminded me of one other thing I  
14 should have brought up and that is Hawaii I think  
15 was mentioned is transitioning early. We have a  
16 team on the ground there. We actually are  
17 stationing people on some of the major islands, not  
18 just, you know, one place.

19 And when you talk about mountains and other  
20 forms of coverage and issues, Hawaii is, you know,  
21 it's got it all. It's got it all as far as you  
22 know. They're changing tower site locations, coming

1 down the mountainside with their digital.

2           It's a really tricky thing for the broadcasters  
3 there. And it's a consumer education campaign. And  
4 we're working really hard to get that one in order.

5           But it does, you know, have that whole thing  
6 about mountains and coverage areas, has all of that  
7 working for it. So we have a very Wilmington like  
8 effort specifically there with that early date  
9 because, you know, it's a sprint on that one from  
10 the get go. That's not something we requested.  
11 It's something that they needed to get done. And  
12 we're there to help.

13           And Puerto Rico has been brought up as well.  
14 And we're looking at Puerto Rico a bit differently  
15 as well. It's not a DMA. But we're treating it  
16 like a DMA. And we actually have some native Puerto  
17 Ricans here at the FCC who happen to be working in  
18 consumer outreach, who -- we're dedicated to that  
19 market along with the field offices because there  
20 are you know, some things we want to make sure that  
21 happen in that marketplace and that's going to be a  
22 tricky one.

1           Mr. Stevens: Well, I guess my last comment is  
2 that the FCC, Department of Commerce and several  
3 other people wanting to get this word out. And if  
4 armed with the right information I'm willing to go  
5 to our TV stations, our radio stations, our  
6 newspapers, that sort of thing, locally, but also  
7 what I'm saying is if given the information I can  
8 help spread that if necessary. So, please see me.  
9 I'm willing to.

10           Mr. Sigalos: Most necessary.

11           Ms. Berlyn: I have Lisa and then Charles and  
12 then Gloria.

13           Ms. Hamilton: Thank you. It's nice to see you  
14 again. And we really do, when I went out with  
15 Claude to Wilmington I really do appreciate all the  
16 efforts you did.

17           I think that was a highly successful event.  
18 And events like that that are targeted at a  
19 community and in this case it was for the deaf and  
20 hard of hearing, I think are really, really  
21 important because again, you reach out to people who  
22 feel and trust the community. But one thing that

1 surprised me when we were getting ready for that  
2 event was the flyers that were going to go out to  
3 promote the event didn't say on the bottom that  
4 people could request accessibility. They could  
5 request CART or interpreters, not until we put that  
6 on ourselves.

7       So my question is and the reason I ask is this  
8 many people who are hard of hearing or deaf assume  
9 that if they see a flyer that doesn't talk about  
10 access, it's not going to be accessible to them.  
11 They just don't even think that it's for them. So  
12 even if you don't have a target event, but you're  
13 having an event in another area that they might come  
14 to because it's close, they won't come unless it  
15 says something like you can request CART. You can  
16 request assisted listening devices or a sign  
17 language interpreter.

18       So my question is in future flyers or when you  
19 reach out to the whole country. You have a mock up,  
20 I'm sure. Do you have that kind of information  
21 included?

22       Mr. Sigalos: I don't believe that we actually

1 did the brochures on that, did we? I think it was  
2 our partners on that.

3 Ms. Hamilton: It was a partnership on that,  
4 right.

5 Mr. Sigalos: Yeah, but I mean that we didn't  
6 actually -- when we do public notices or other  
7 things like that it's just a standardized part of  
8 our document to include that. But I will say that  
9 when we go out that I'm always encouraging other  
10 people. Hey, can you put out a release? Can you do  
11 this? Can you do that? Can you promote this thing?  
12 Because otherwise it all falls up in through the  
13 Commission, you know, not everything comes out of  
14 the Commission, so where we have partners and  
15 they're going to promote things, all the better.

16 So it's only like the half answer to your  
17 question because I really can't commit that, you  
18 know, things that are done not by us but to promote  
19 an event are going to include that kind of  
20 information. And then the second part of it is you  
21 know we start jimmying it up. We're doing 20, 30  
22 events concurrently throughout the United States, it

1 becomes a huge resource issue when to deploy our  
2 resources. So it's a tricky calculation.

3 Ms. Hamilton: Well, let me follow that up with  
4 an if somebody does make a request, even if it's not  
5 on your literature that you accommodate anybody who  
6 is coming in.

7 Mr. Sigalos: We always, I mean, I work with  
8 Helen for years, so it's my nature just to  
9 automatically have a process to where we look to  
10 accommodate requests.

11 Ms. Hamilton: Ok. So I wouldn't just  
12 encourage you --

13 Mr. Sigalos: The concept of the FCC, if  
14 somebody wants to request, they request  
15 accommodations, we just do it. You know, unless  
16 there's something, you know, some burden or some  
17 hurdle that we just can't get over. We just do it.

18 Ms. Hamilton: Ok. So I'm just encouraging you  
19 then to the extent that you can to publicize that  
20 you do that because it's great that you would  
21 provide that, so people just need to know.

22 Ms. Schacter [via phone]: This is Janice

1 Schacter on the phone. Can I add something to that?

2 Ms. Berlyn: Yes.

3 Ms. Schacter [via phone]: Ok.

4 Ms. Berlyn: Janice Schacter is on the  
5 telephone. Thank you, Janice.

6 Ms. Schacter [via phone]: Sorry about that. I  
7 guess I'm a little confused why that can't be  
8 included because I agree and support Lisa's comment.  
9 You know the same way the FCC has certain protocols  
10 and certain things that have to be included in every  
11 release. This just has to be part of that.

12 And that really is not acceptable to say we  
13 can't guarantee. You guarantee all the other  
14 information is correct. This has to be. And it  
15 really should not be, you know, we can't guarantee  
16 this. That's really not acceptable.

17 Mr. Sigalos: Well.

18 Ms. Schacter [via phone]: That's just not  
19 acceptable. You know, would you say, you know if  
20 something, you know, you ensure that there's no  
21 racially discriminating information included in any  
22 release. This is part of that. When you don't

1 include information that a site is accessible you  
2 basically are telling people not to come.

3 Mr. Sigalos: Well let me just say that I  
4 absolutely disagree with 100 percent.

5 Ms. Schacter [via phone]: Well I --

6 Mr. Sigalos: We have a lot of partners out  
7 there, a lot of people who want to work with us, a  
8 lot of people with very little resource who are  
9 willing to take on outreach roles for us and hit  
10 specific constituencies. And if now we say to them,  
11 you know, you want to do something, you need to do  
12 x, y and z. And so your bottom line on that cost is  
13 no longer free because you have volunteers and you  
14 have a facility. But now you have to do these other  
15 things. It will have an amazingly chilling effect.

16 What I'm saying is where the FCC is involved  
17 and we are part of the event, we will absolutely do  
18 it.

19 Ms. Schacter [via phone]: Yes, but that's  
20 something called the ADA. You've now just  
21 eliminated the ADA. And you know what? You can't  
22 do that.

1           I'm sorry. Yes. That's the cost of doing  
2 business. It's a line item in the budget, the same  
3 way they put up the stage, the same way they put up  
4 the microphones, the same way they put up every  
5 other expense at whatever event they're doing.

6           It's a -- having access is a line item in the  
7 budget. And yes, it has to be accessible. That's  
8 called the American Disabilities Act. And you know  
9 what, I'm sorry but they've got to include that in  
10 the budget. You can't eliminate a portion of the  
11 population.

12          Mr. Sigalos: I guess I'm confused. I'm not  
13 talking about the FCC's budget.

14          Ms. Schacter [via phone]: I understand that.  
15 I'm talking about if your goal is to reach out to  
16 the community, the community has to be the entire  
17 community. You can't just eliminate a portion  
18 because that part of the community costs a little  
19 bit of money. That's the part of the community that  
20 needs the most help.

21          Mr. Sigalos: Ok.

22          Ms. Schacter [via phone]: And you have to

1 include --

2 Mr. Sigalos: Ok, so are you saying that --  
3 right now there are people that are doing outreach  
4 to DTV, independent of us 100 percent.

5 Ms. Schacter [via phone]: Right, but they have  
6 to make sure it's accessible. Just exactly what  
7 Lisa was saying. It has to be accessible to people  
8 with hearing loss. And it --

9 Mr. Sigalos: And if those people decide that  
10 they can't afford to do events and it cuts those  
11 events by 70 percent, that's the answer?

12 Ms. Schacter [via phone]: Well, I'm sorry.  
13 You know if you think it's appropriate to cut a  
14 portion of the population. If you were discussing  
15 about racial rights and you said it cost more to  
16 reach certain people, you would say no. It's not  
17 acceptable.

18 It always seems to be ok to discriminate  
19 against people with disabilities. And it's time we  
20 said enough. No more. Yes, you can. Let's pick  
21 the new mantra. Yes, you can reach out to these  
22 people. You have to reach out to them. These are

1 the most at risk people.

2 Ms. Berlyn: Janice?

3 Ms. Schacter [via phone]: These are the  
4 people.

5 Ms. Berlyn: Janice, this is Debbie. Let me  
6 just jump in here. And I think everyone around this  
7 table including Louis and Thomas and other folks at  
8 FCC are sensitive to the access question.

9 And we know that when the FCC is sponsoring  
10 events, that is a priority. Access is a priority.  
11 And is something that they try and resolve and take  
12 care of.

13 And I think that the question of what happens  
14 when there are non-profit organizations involved in  
15 trying to address DTV transition within a small,  
16 local community that I think we could believe we'd  
17 all agree that it would be helpful to work with  
18 organizations that address access in the local  
19 communities to try and work together perhaps. And  
20 so your point is well taken. And is something I  
21 think everyone here will attempt to address. But we  
22 know that the FCC has that as a top priority as

1 well.

2 Ms. Schacter [via phone]: Oh, that I know. I  
3 just didn't like how well we're not sure we can do  
4 that. And we need to be more inclusive and be more  
5 vigilant about it. I'm not saying we can guarantee  
6 everything, but we need to take a much tougher and  
7 stronger stance of being inclusive. And it can't be  
8 so, well I'm not sure if we can do it.

9 Ms. Berlyn: Right. Thank you, Janice.

10 Ms. Schacter [via phone]: That's what I'm  
11 saying.

12 Ms. Berlyn: Thank you.

13 Ms. Schacter [via phone]: Thank you.

14 Ms. Berlyn: Ann, is your point right on this -  
15 - to address this issue? Ok.

16 Ms. Bobeck: May I make a suggestion though to  
17 pool our resources, particularly if we have folks  
18 that have joint events? This would go hand in hand  
19 with to our weekly GMs meetings or to community  
20 outreach meetings where we have lots of non-profits,  
21 broadcasters involved. To the extent that you all  
22 have organizations that have sign interpreters or

1 folks that could assist in those meetings that can  
2 volunteer their efforts to make sure that there's  
3 community outreach?

4 Those would be certainly welcome. And I'm sure  
5 that we would certainly appreciate those efforts.  
6 So if we could partner both industry and your  
7 organizations for those meetings, we could make sure  
8 that we're hitting all targeted audiences. And I  
9 think that could be a great partnership.

10 Ms. Berlyn: Thanks, Ann.

11 Charles?

12 Mr. Benton: I am inspired by Brandon's  
13 volunteering to work more broadly on this. And here  
14 is a specific suggestion, Louis. You have a Native  
15 American staff leader at the FCC.

16 Mr. Sigalos: Yes.

17 Mr. Benton: It would be wonderful to get all  
18 the DMAs that affect Native areas in the country  
19 look at that as a universe. And with Brandon's  
20 help, you know, get a message out about the  
21 transition. Specifically to the DMAs that are  
22 preponderantly focused on Native American areas.

1 Further there is an organization called Native  
2 American or Native Public Media. Loris Taylor is  
3 the person that we've been, Benton Foundation has  
4 been dealing with her. And she is really -- it's  
5 radio.

6 But she's very much interested in the  
7 inventorying media on Indian Territory. So that  
8 reaching out to Loris, who is being funded by the  
9 funding community, could make a wonderful team so  
10 that you'd have your FCC, Native American staff  
11 person, Brandon, Loris Taylor and you've got a  
12 little team that focusing on this problem or this  
13 challenge in Native American parts of the country.  
14 So it's just my suggestion to be very specific.

15 Mr. Sigalos: Well that's excellent. And we do  
16 have, you know, Shana Bearhand here at the  
17 Commission who's working. And she purposely doesn't  
18 get rolled into what we're doing here and get a  
19 specific DMA because she's working with them.

20 And people have asked us, well, what about  
21 tribal? I say, well, let's go to Shana because we  
22 already have contacts.

1 Mr. Benton: Right.

2 Mr. Sigalos: And we're going to go through  
3 those, you know, existing relationships.

4 Mr. Benton: Right.

5 Mr. Sigalos: -- As we enter those  
6 communities.

7 Mr. Wyatt: Just let me add on that. Shana and  
8 others here at the FCC are working as a team to  
9 contact every tribal leader in the country.

10 Mr. Benton: Great.

11 Mr. Wyatt: And we've been doing that for two  
12 months. And Loris, you mentioned Loris. We've been  
13 working with Loris as well. She's been very  
14 helpful.

15 Mr. Benton: Wonderful.

16 Mr. Wyatt: And we certainly appreciate  
17 Brandon's offer. And we've been in contact with  
18 Brandon. And we'll get back in touch with him.

19 We've been reaching out very diligently to  
20 every tribal leader.

21 Mr. Benton: Wonderful.

22 Mr. Wyatt: And this is where Brandon's

1 insights might be particularly helpful because  
2 sometimes reaching out to the leader doesn't always  
3 get us to the right people right away. And it takes  
4 a little time to get to the right people. But the  
5 response has been very tremendous in terms of their  
6 reaction and the willingness to distribute  
7 information, to tell us where the at risk people are  
8 in their communities.

9       So we appreciate the suggestions. And we're  
10 going to continue to reach out to the tribal  
11 community.

12       Mr. Benton: That's great.

13       Ms. Berlyn: Thanks. Gloria?

14       Ms. Tristani: Yes. And first of all I want to  
15 thank you for what you're doing and how you're  
16 ramping up the effort here. It's extraordinary what  
17 you have to do in very little time.

18       And I was glad to hear that Louis you said you  
19 might be sharing with us the information about six  
20 regions and the coordinators and all that because  
21 one of the -- every person on this Committee has  
22 their own networks in different parts of the

1 country. And we want to be as helpful as possible.  
2 But sometimes we get the information way, way late.  
3 And that's not your doing.

4 But to the extent there's a master list that  
5 can be shared. These are the events that are going  
6 to happen next month, different areas. Everyone  
7 here can be, you know, put in their effort. And I  
8 would just encourage you to share that information  
9 sooner rather than later. I know you have tried.  
10 But sometimes it just doesn't get to us.

11 Mr. Sigalos: Hey, I believe that something --  
12 Monday is the 17th. Monday is three months.

13 Ms. Tristani: Yep.

14 Mr. Sigalos: I mean, we're at an all out  
15 sprint. I'm just moving forward. And we're moving  
16 forward, you know, at the FCC. And we do have that  
17 information. We just have to finish up some of the  
18 DMA assignments right now.

19 So, some are incomplete. We have one last  
20 group going through training next week. Everybody's  
21 being trained in what we're trying to do on how we  
22 do it here at the Commission. Make sure we have

1 some quality control over what's going on. They're  
2 all professionals, but not all of them have been in  
3 consumer outreach before. So we will get that list  
4 to everybody.

5 And the calendars, you know, at the DMA level  
6 we'll be sharing them. It gets really complicated  
7 when they start to aggregate up. You know, all of  
8 them together.

9 So, you know, those DMA coordinators -- the  
10 whole purpose is to share a calendar. Here are the  
11 community events. Let the broadcasters know what's  
12 going on. Maybe they want to cover it or let the  
13 viewers know that, you know, there's a sign up and  
14 set up day at a local church or something. And just  
15 the synergy is there to start working very well  
16 together. So we'll absolutely get that to you.

17 Ms. Tristani: So the extent you can share  
18 those calendars with everyone here?

19 Mr. Sigalos: Yeah. I just think there's no  
20 problem sharing. I just think that's going to  
21 happen more at the Designated Market Area level.

22 So once you get that contact, you know. So

1 whoever that name is, if, you know, it's  
2 Albuquerque. So and so is working in Albuquerque.  
3 I want to see the Albuquerque. Can you share with  
4 me the Albuquerque calendar?

5 Yeah, you call that person up. That's not  
6 going to be an issue.

7 Ms. Tristani: Well, no and that's good. But  
8 some of us don't -- can't sit there all day  
9 identifying the different areas. So to the extent  
10 there is publicly available information that you can  
11 share about. This is the calendar.

12 Mr. Sigalos: Oh, yeah.

13 Ms. Tristani: Because not everybody has the  
14 resources to be ok, this is, you know, let me check  
15 with Albuquerque.

16 Mr. Sigalos: And you know it may be that -- I  
17 agree with you. It's just that I always figured --

18 Ms. Tristani: If it's possible.

19 Mr. Sigalos: -- in my mind the practical  
20 application because like having online calendars,  
21 alright, that everyone can access. Well that's good  
22 except for the fact that they better be maintained

1 properly. There better not be a misspelling or a  
2 quote or you know, make sure that we're honoring  
3 each person. And that we, somebody here at the  
4 Commission is dedicated to calendars only. You  
5 know, that kind of stuff.

6 Ms. Tristani: Let me ask this now because I  
7 understand that if you give us the managers and the  
8 coordinators that will be very helpful to the extent  
9 there are FCC sponsored events.

10 Mr. Sigalos: Oh FCC--

11 Ms. Tristani: -- Which there are including  
12 the Commissioners --

13 Mr. Sigalos: Oh, yeah.

14 Ms. Tristani: -- Because that would be very  
15 helpful as well.

16 Mr. Sigalos: Absolutely.

17 Ms. Tristani: So.

18 Mr. Sigalos: Absolutely. When we get out in  
19 the community --

20 Ms. Tristani: And not getting it the day  
21 before because the day before people can't organize  
22 and do that.

1 Mr. Sigalos: Yeah, that's a tough one.

2 Ms. Berlyn: Right.

3 Ms. Tristani: Whatever you can do.

4 Mr. Sigalos: Yeah.

5 Ms. Berlyn: Right.

6 Ms. Tristani: We want to help.

7 Ms. Berlyn: You know. Right. I just want to  
8 get some clarification from Scott.

9 You know given the fact that this is our last  
10 meeting, just in terms of communication there's no  
11 reason however that there wouldn't be full lines of  
12 communication with the representatives around the  
13 table. So I think we can agree that we'll continue  
14 to provide as much information as possible to help  
15 keep the flow of information about activity and  
16 local contacts, all that information, going forward.

17 Mr. Sigalos: I mean, yeah, that's my hope. I  
18 mean that's what we need.

19 Ms. Berlyn: Right. Right. Thanks.

20 Thank you, Louis. Appreciate your coming down  
21 and talking to us about the plans that the FCC has.

22 And we're going to quickly move to Thomas Wyatt

1 to hear a little bit more information about DTV  
2 plans that will help us provide the intro to our  
3 Working Group lunch. So thank you Thomas --

4 Mr. Wyatt: Oh, sure.

5 Ms. Berlyn: -- For coming down.

6 Mr. Wyatt: Thank you, Debbie. And I'm glad to  
7 be here. And I just want to say first that Kathy  
8 wanted to be here, but she has a cooking schedule,  
9 could not be. But she sends her well wishes and  
10 appreciates all the hard work you're doing as well.

11 So, but Louis gave an excellent overview of the  
12 nationwide plan. And I want to maybe focus on a few  
13 points. And I was reminded on the really huge  
14 challenges we have in front of us.

15 I was at the National League of Cities the  
16 other day presenting before a group of mayors,  
17 council members and other government officials. And  
18 one council member, I won't mention her city, but  
19 she said to me, "Well, frankly I'm having a little  
20 difficulty convincing my fellow council members that  
21 this is a local issue. It seems like the FCC is  
22 trying to get us to do their work."

1           And of course I went into a long discussion  
2 about why it's important to the local community and  
3 how much we need their help. But it points out one  
4 of the challenges we have. We're really doing all  
5 we can to make sure that there's no consumer in this  
6 country left behind or left without the ability to  
7 watch television after February 17th, 2009.

8           And Louis talked about the focus on some of the  
9 DMAs and surely that's taking place and we've  
10 certainly leverage on our resources. He mentioned  
11 that there were volunteers throughout the Commission  
12 who are participating in the process. But we  
13 continue to reach out in a comprehensive way  
14 throughout the country.

15           The event in Orlando, Florida was very  
16 beneficial because there was a lot of constructive  
17 feedback from people that had familiarized  
18 themselves with what happened in Wilmington and what  
19 worked. And we talked about ways that they could  
20 help us replicate that in other communities, not  
21 just the top DMAs. So there's a concerted effort to  
22 really reach out throughout the country to make sure

1 that cities and towns are prepared.

2 And we're doing all we can to support them  
3 whether it's providing documentation, whether  
4 providing speakers. You all are aware that we have  
5 the speakers there now. And we've received a fair  
6 number of requests for speakers throughout the  
7 country.

8 I think we've gotten over 130, maybe more than  
9 that speaker requests so far. And those are still  
10 coming in. So we're doing our best to fulfill those  
11 as well.

12 So we recognize the major challenges. And  
13 we're moving full steam ahead. We're leveraging our  
14 resources with Louis. And Louis has a very good  
15 plan that you heard. And we're really delivering to  
16 the markets.

17 I just wanted to mention, just to give you an  
18 idea of sort of our ongoing outreach. For example  
19 in October we made over 790 visits around the  
20 country. Total to date we've made almost 9,500  
21 visits on the DTV transition.

22 We had 298 awareness sessions around the

1 country in October. To date we've had about two  
2 thousand, almost 2,280 such sessions. We've  
3 attended 173 conferences and events in October.  
4 We're up to almost 850 now. We had 60 media  
5 interviews in October. We're up to nearly 170 now.

6 We obtained 137 new committed partnerships with  
7 people that -- organizations that are willing to  
8 help us get the word out and do things in their  
9 communities, 137. To date, we're up to almost 750  
10 community partnerships with various organizations  
11 and government agencies. So we're really keeping  
12 the focus on developing those partnerships because  
13 we've learned that we really need the local  
14 communities to be involved and engaged. And we've  
15 put a lot of emphasis on that.

16 I'm glad Charles asked about the tribal  
17 outreach with Brandon. There's a very concerted  
18 effort to reach all the tribal leaders and tribal  
19 communities as well.

20 So our partners in Area Four Agency on Aging  
21 still doing a great job of working with us. I  
22 should mention AARP as well. They're doing a great

1 job to work with us and with seniors. And we're  
2 keeping the focus on reaching seniors around the  
3 country.

4 So I don't want to keep rambling about all that  
5 we're doing. But I do want to emphasize that the  
6 effort is comprehensive. You all are aware of the  
7 grassroots contract solicitation that closed.

8 And we were going to get those contracts in  
9 place as soon as possible. Those will be key to the  
10 success of the transition as well. And we're going  
11 to keep working with NTIA.

12 We're also glad to hear and see NTIA here to  
13 explain what's going on with the converter box  
14 program. They're doing a great job. And we're  
15 doing our best to stress the importance of getting  
16 the converter boxes, applying for the converter  
17 boxes, getting them and actually trying them.

18 One of the key messages that came out of  
19 Wilmington experience is you need to try your  
20 converter box, rescan it. One of the really good  
21 publications that we developed out of that  
22 experience is the troubleshooting guide. I don't

1 know if you've had a chance to look at it. But it's  
2 a very good guide on our website.

3 We also recognize that we need to get it out  
4 through other means so we're with all of our  
5 partners to really get it around the country. It's  
6 a standard part of DTV presentation. I had a chance  
7 to make a presentation about the troubleshooting  
8 guide in Orlando the other day and it was well  
9 received.

10 So it's really a useful tool, especially on the  
11 scanning issue as well as the antenna issue. As you  
12 all know there are a lot of annoyances to the  
13 antenna issue. And a lot of consumers are may be in  
14 the dark if they don't get some help understanding  
15 what they need to do.

16 So we're moving full steam ahead. We're  
17 excited about the nationwide initiative. So far  
18 we've, I think we've been to about 30 of the top  
19 DMAs already with more to come.

20 And as Louis alluded to earlier to the extent  
21 that we can share information about where we're  
22 going to be, what we're going to do. We'll share

1 that. And if you have ideas for how we can build on  
2 that, improve that. If you want to join us or  
3 participate, just let us know.

4 So we'll try to share that information so that  
5 you can incorporate that into your plans as well.

6 So, Debbie, I don't want to keep rambling about all  
7 the work we do. I have more stats. I'll just maybe  
8 stop and take questions.

9 Ms. Berlyn: That's fine, Thomas.

10 Does anyone have a question for Thomas about  
11 what the FCC is doing? Charles?

12 Mr. Benton: Thomas, yeah. This morning we  
13 learned from the NTIA that there's an additional 4.5  
14 million dollars in addition to the five million they  
15 have for consumer education, so that there they have  
16 about a 10 million dollar budget, 9.5. You had  
17 originally a two and half million dollar budget for  
18 consumer education. And my understanding is that  
19 Congress appropriated another 20 million.

20 Is that true? Do you have the 20 million? And  
21 if so, is there a plan?

22 And if there is a plan, could it be shared with

1 us because we don't know what's going on. It's very  
2 hard for us to be creative in making new suggestions  
3 of things that could go out that are not going on.  
4 So I just would like to have a little bit of  
5 clarification about the budget and the internal  
6 process for making decisions about spending verses  
7 whatever budget you do have. What is your budget  
8 now? And who is in charge?

9 Mr. Wyatt: And I know I always sound like I'm  
10 hedging when there's a budget question because I am  
11 hedging because frankly I don't know all the  
12 intricacies or details of the budget. I do know  
13 that there's additional money. And that money is  
14 being devoted to the nationwide initiative and to  
15 the overall outreach that we're conducting.

16 Charles, I will promise to get back to you if I  
17 can share more details about the budget. I will  
18 make that promise to get back to you with more  
19 specifics.

20 Mr. Benton: Thank you.

21 Mr. Wyatt: But at this time I can't really go  
22 into any more detail.

1 Mr. Benton: Great.

2 Ms. Berlyn: Anyone else have any questions for  
3 Thomas?

4 Mr. Wyatt: Ok.

5 Ms. Berlyn: Ok, Brandon?

6 Mr. Stevens: Just one quick comment that I  
7 wanted to mention earlier. Now when I was telling  
8 you guys about wanting to be a little more involved  
9 now that's not to suggest that you guys aren't doing  
10 anything in Indian Country or anything like that  
11 because I have had conversations with Shana  
12 Bearhand. And I wanted to tell you that she's doing  
13 an excellent job with helping us.

14 And also with some of the other things that  
15 help us in Indian Country, the Indian  
16 Telecommunications Initiative meetings. Those are  
17 very helpful. We hope to see those continue.

18 And whether it's been radio, broadband, digital  
19 television transition, low power FM or wireless  
20 spectrum availability for our people and for the  
21 country as a matter of fact it's been very helpful.  
22 I think you guys are to be applauded for a lot of

1 the initiatives there. And I just wanted to make  
2 that comment. But additionally anything else I can  
3 do to help, please let me know. I don't want to be  
4 -- I'd like to be involved.

5 Mr. Wyatt: I appreciate that comment. And we  
6 certainly will take you up on it. You'll be hearing  
7 from us. And I'm sure there are ways that we can  
8 work together. So thank you, Brandon.

9 Ms. Berlyn: Thomas, I have one question which  
10 I'm not sure if you can answer at this point. But  
11 there is the DTV transition and then there's another  
12 transition that's going on at the same time with a  
13 new Administration. And of course the DTV  
14 transition will take place after our other  
15 transition occurs.

16 So I just want to know what kind of  
17 coordination there is between the transition team  
18 for the new Administration and the DTV transition at  
19 the FCC.

20 Mr. Wyatt: Debbie, you're very insightful  
21 because I cannot tell you I don't know what  
22 coordination is taking place. I can tell you that

1 we're moving full steam ahead. We haven't let up  
2 one bit in terms of our outreach goals and really  
3 trying to conduct outreach throughout the country.  
4 So that is moving full steam ahead and has not been  
5 -- we have not wavered in any respect on that.

6 I would imagine there would be some  
7 coordination soon. And hopefully that's something  
8 else that we will be able to share with you at some  
9 point. Of course, you know, someone else will  
10 probably make that decision other than me.

11 But our goal would be to share as much  
12 information with the CAC as we can because we  
13 recognize just how valuable you all have been to  
14 this process and how much we've relied on you going  
15 forward as well. Cause I mean really 95 days is not  
16 a lot of time. And when you think of it in terms of  
17 weeks, what's that about 12 or 13 weeks. Not much  
18 time at all.

19 So we recognize that we have to keep up the  
20 hard work. And hopefully we will not waver as we  
21 move forward with all the goals that we set and the  
22 nationwide initiative is well underway and is only

1 picking up more steam as we go along. So you all  
2 will be getting more details about how that's going  
3 and where we're going with that.

4 Ms. Berlyn: And just one other point that I --  
5 we're going to talk at lunch about specific  
6 recommendations to go forward with the DTV  
7 transition. I think the FCC has also recognized  
8 that the transition doesn't end on February 17th,  
9 that there will be a point after February 17th to  
10 sort of iron out any issues that are still there.  
11 The coupon program continues. And we know that  
12 given, you know --

13 Mr. Wyatt: Right.

14 Ms. Berlyn: -- The situation in Wilmington  
15 there may be a period of time after the 17th to also  
16 continue to work on the transition.

17 Mr. Wyatt: Absolutely. For example, one thing  
18 we're doing is we're making sure that our consumer  
19 center is staffed and equipped to handle the, kind  
20 of, fallout, if I can call it that. But we will  
21 expect there to be a number of consumers that might  
22 require some assistance and need it very quickly.

1           So we're trying to make sure that our consumer  
2 center is equipped to deal with those calls. We're  
3 poised to provide meaningful solutions to those  
4 consumers. We'll be working with NTIA as well, very  
5 closely, so another very good point.

6           And you're right we are thinking beyond  
7 February 17th.

8           Ms. Berlyn: Great. Any other questions? Ok.  
9 Thank you so much, Thomas, appreciate your help.

10          Wow, we are not only back on track schedule  
11 wise, we are actually a little early. So we need  
12 to, I'm sure, let's take a break. I don't see lunch  
13 out yet, but it should be out within the next 20  
14 minutes.

15          So let's take a 15 minute break. And then if  
16 we could have the DTV Transition Working Group come  
17 --

18          [Break in audio.]

19          [Break.]

20          Ms. Berlyn: We're going to start the DTV  
21 working group discussion. And I'm going to turn  
22 things over to Paul. The Working Groups are

1 generally not -- oh, ok. We don't usually broadcast  
2 our Working Groups. So we're going to have live  
3 mics going here, but we won't be -- this won't be  
4 part of the broadcasted meeting that takes place.

5 So, we are going to now have a Working Group  
6 discussion and then when we reconvene, we're going  
7 to take up these issues as a whole, Committee as a  
8 whole. So I'm going to turn things over to Paul  
9 now, Chair of the Working Group.

10 Mr. Schlauer: Ok. I think you all were just  
11 given a handout from Charles Benton. And that can  
12 be part of our discussion. It's a little  
13 background.

14 As you know this CAC strongly supported the  
15 test marketing -- the test effort in Wilmington and  
16 we're very pleased that was kind of a fully support,  
17 joint venture with that Commissioner Copps' and  
18 Chairman Martin worked on together. And we've, of  
19 course, heard about the results and the lessons  
20 learned. And that's all very positive.

21 A few days after it was all over Commissioner  
22 Copps wrote a letter that I think you've all

1 received via email attachment that is dated  
2 September 12th when he outlined in his letter nine  
3 suggestions for follow up that could occur as a  
4 result of that. And the one pager that was just  
5 passed out by Charles that you had received earlier  
6 this week talks about that. And also kind of  
7 crystallizes down to possibly four priorities taken  
8 from those nine for something for us to consider  
9 talking about, endorsing, going forward with.

10 I think that, I guess that the goal of this  
11 discussion is to talk among ourselves to see if we  
12 want to turn any of that into a recommendation for  
13 the full group. And consequently push forward to  
14 the FCC to show that we have a strong feeling that  
15 in addition to the things that we've heard reported  
16 today that we definitely want a strong focus on  
17 certain efforts in the remaining months before  
18 February. So I guess what I'm asking for is a  
19 discussion to see what people think about the nine  
20 things that Commissioner Copps put forth, the  
21 summary items and to see if there's any kind of  
22 consensus on a recommendation to go forward this

1 afternoon that can be presented on behalf of the CAC  
2 to the Commission as our position on it.

3 And so I guess I would ask for discussion and  
4 comments from there.

5 Ms. Berlyn: Before we turn to that I just want  
6 to address another burning issue. And that's drinks  
7 for lunch. They are apparently on their way. So if  
8 there's someone who requires something other than  
9 water, it will soon be here. Just wanted to mention  
10 that.

11 Mr. Schlauer: Great. Thank you. Ok, Charles  
12 and then Gene?

13 Mr. Benton: Yeah, Debra, if I could just add  
14 one tiny, little, logistical point to Paul's  
15 excellent presentation. On the left hand side of  
16 your folder here, are three documents. Number one -  
17 - well in addition to the agenda, is the original  
18 Copps' letter of September 12th.

19 It is also a three page sort of bullet point  
20 summary of that letter. So that this is meant to  
21 make -- to facilitate the discussion so that we can  
22 look at bullet points instead of long paragraphs

1 which are hard to talk to. So that's that.

2 And then there's the letter from Martin -- I'm  
3 sorry, the letter from Dingell and Markey to  
4 Chairman Martin which really addresses point number  
5 six. And so the discussion we passed out the email  
6 that Paul and I sent out on Wednesday. So that  
7 those of you who haven't seen it or don't have it  
8 will have it in front of you.

9 So that you want to take the email plus these  
10 three back up documents in the left hand side of the  
11 folder as the tools, so to speak, for this  
12 discussion. And as Paul said the whole idea is  
13 priorities, do we want to get behind some of these  
14 recommendations or alternatively, all nine or all  
15 ten? I mean, it's up to the group.

16 Mr. Benton: Gene?

17 Ms. Berlyn: Can I add to that? So that we are  
18 also not limited, excuse me, I just took a bite.  
19 Limited by the recommendations here, some of these  
20 are -- some of the issues that Commissioner Capps  
21 recommended were issues that a lot of us had been  
22 working on over the past two years. And there may

1 be other issues as well that as --

2 Mr. Benton: Right.

3 Ms. Berlyn: -- Those of us focused on the  
4 consumer perspective may want to recognize for  
5 action as well.

6 Mr. Kimmelman: I just wanted to, before we go  
7 through the substance maybe try to broaden the  
8 context. Something that maybe hasn't been as much  
9 on the horizon until now. And that is that whatever  
10 recommendations we make to ask the Commission to  
11 immediately address those issues with the transition  
12 team and the new Administration and with Congress  
13 which is about to consider a stimulus package next  
14 week, but also very likely to come back the first  
15 week in January to discuss a broader stimulus  
16 package.

17 And so the context is broadened now with the  
18 possibilities of Congress looking to spend more  
19 money to jump start the economy and looking for  
20 programs that involve immediate employment as a key  
21 aspect of that. If you consider everything that  
22 they've tried in the last few months that has not

1 worked because it has not really enhanced consumer  
2 spending. It has not enhanced investment in the  
3 ways they wanted.

4         And so there's a real focus on growing the  
5 economy that I don't know that we -- that has been  
6 considered in the context of the DTV transition.  
7 When you talk about Call Centers and you talk about  
8 needing technicians who know how to hook up antennas  
9 and reaching people. And even talk about possibly  
10 investing in manufacturing more boxes or making sure  
11 the inventory is large enough to hit a spike in  
12 demand and then how to get that out to people in a  
13 way.

14         These are things probably in the past we would  
15 have said there's no way the government is going to  
16 take care of that or there's no way the private  
17 sector is going to take care of that. And I think  
18 there actually is a broader opportunity here. So I  
19 urge us to consider the recommendations in that  
20 context that there really is, I think, a much  
21 broader opportunity.

22         And so that includes even this question of the

1 legal interpretation of the expiration of the  
2 coupons whether or not that was an appropriate legal  
3 interpretation. We now have Congress that will be,  
4 for the first time, really, really focused on how  
5 this transition is going to happen, starting in  
6 January when they come back. And they're going to  
7 want to know what can we do to make this work  
8 better?

9       So I think those can be almost deemed to be  
10 reissued, if that is what there is a political  
11 support to do. And that while that would mess up  
12 probably the current Administration of the program,  
13 it could be in the context of Congress also  
14 indicating it wants to make sure there are enough  
15 converter boxes for everybody who needs them. So I  
16 think there are a number of opportunities here that  
17 go beyond what even these, you know, very important  
18 recommendations from Commissioner Copps and from the  
19 leaders on the Energy and Commerce Committee have  
20 proposed.

21       Mr. Schlauer: Great. Fabulous. Good point.  
22 Fabulous.

1           Ok, anybody else want to make some suggestions  
2 or comments? Yes, Cheryl?

3           Ms. Heppner: Wait, I'm chewing. Ok. I just  
4 wanted to add a recommendation to one of these.

5           I'm not sure whether it would fit in ramping up  
6 the Call Center or educating consumers on DTV  
7 troubleshooting, maybe in both. And I missed a lot  
8 of this morning. I apologize. I had to go upstairs  
9 for a meeting. So if some of this was said, I  
10 apologize.

11           But as you all know there's been huge amounts  
12 of problems with the digital transition for people  
13 using close captions. And those problems are just  
14 exacerbating. And so I would like for the FCC to,  
15 in addition to setting up a team, which thankfully  
16 Commissioner Copps did recommend convening a working  
17 group on digital closed captioning. That's the  
18 tenth item.

19           In addition to that, I would like for the FCC  
20 to have a dedicated line, a dedicated phone line,  
21 email box, you know, input line for people having  
22 questions related to close caption and to publicize

1 that line. And to populate the people answering  
2 that line with individuals that are knowledgeable.  
3 Although frankly there's so many questions I don't  
4 know whether they'll ever be able to find people  
5 that are knowledgeable.

6 But at least people who can gather the  
7 questions and inquiries in an intelligent way. And  
8 maybe even categorize them. And eventually prepare  
9 them in a way that they can be then handed over to  
10 this team of engineers who will start tackling the  
11 problems.

12 Mr. Schlauer: Ok.

13 Mr. Hedlund: Gene regarding your question on  
14 the availability of converter boxes or DTAs. The  
15 information we have suggests that inventory is not a  
16 problem. I think we heard from Sara from NTIA  
17 confirmed that and that there is presently in stores  
18 and now available online as well, tremendous numbers  
19 of DTAs.

20 And my assumption which I will check out is  
21 that the demand in forecast that was made by the  
22 manufacturers as well as retailers was based on

1 estimates of, you know, the number of TVs that are  
2 going to need these boxes and not necessarily  
3 tailored to how many coupons are going to be  
4 available or whether additional money would be  
5 available. If that information is different, I will  
6 be sure to let you know.

7         And we'll also hope to be able to bring back  
8 more information on what -- if there are any  
9 particular plans by manufacturers and retailers to  
10 address any potential problem at the end of at  
11 around February 17th. Again my understanding is  
12 there is no concern. There is plenty of supply and  
13 resources in place to make sure that there are  
14 sufficient boxes available.

15         Mr. Schlauer: Does anybody?

16         Ms. Tristani: I have a question.

17         Mr. Schlauer: Ok. Go ahead. Sure.

18         Ms. Tristani: It was a follow up on that. One  
19 of the recommendations of the 10 listed here is  
20 number eight is to encourage the rapid deployment of  
21 small, battery-powered, DTV sets. Do you know if  
22 that's happening already or?

1           Mr. Hedlund: Sure. I would we got CEA and  
2 CERC got the letter from Chairman Martin asking  
3 about the availability of portable DTVs as well as  
4 battery-powered, DTAs that could work with portable,  
5 analog televisions. And my understanding is that  
6 the Genesis of that request was in a hearing when  
7 Gene Green raised a question about this very issue.  
8 We filed our response and it is part of our filing  
9 the quarterly DTV reports filing.

10           And in there we said that portable DTVs are  
11 widely available. You can get them from Amazon,  
12 from Radio Shack and Best Buy. There are a number  
13 of models that are out there.

14           It was a fairly, you know, popular segment  
15 before. We anticipate that it will continue to be.  
16 Some of these sets are available as for a little as  
17 150 dollars. So it's, you know, it's a new market  
18 segment. You know, there is --

19           Ms. Tristani: And --

20           Mr. Hedlund: -- And manufacturers are  
21 responding --

22           Ms. Tristani: Are these small sets or medium

1 sized sets?

2 Mr. Hedlund: These are small sets.

3 Ms. Tristani: Small sets.

4 Mr. Hedlund: Yes. These are portable,  
5 battery-operated, DTVs.

6 Ms. Tristani: Do you know if there might be a  
7 price -- if they might be available at a lesser? I  
8 mean, I know --

9 Mr. Hedlund: What's -- so, it's a brand new  
10 product.

11 Ms. Tristani: Ok.

12 Mr. Hedlund: It's a brand new product segment,  
13 right? So as with any CE products as they're more  
14 and more these come out, prices go down. But  
15 already, you know, this early the fact that's  
16 there's sets available for as little as 150 dollars,  
17 which I recognize is a lot of money for a  
18 significant part of the population. But that's  
19 still, you know, a far cry from the initial price of  
20 DTVs when they first rolled out.

21 Ms. Berlyn: There are no battery-operated,  
22 converter boxes. So you can't convert -- you can't

1 have an analog battery TV.

2 Mr. Hedlund: You can't. No, there are.

3 Ms. Berlyn: There are?

4 Mr. Hedlund: Yeah, those are available. And  
5 they're referenced in here.

6 Ms. Berlyn: Can you use the coupon to purchase  
7 those?

8 Mr. Hedlund: I don't believe -- I have to  
9 check that. I don't know because it's an accessory.  
10 It's not the box itself.

11 Mr. Schlauer: One think I am wondering is if  
12 anybody that's, you know, working very directly in  
13 the field with at risk communities. Following  
14 Wilmington, I mean a lot of the calls were obviously  
15 people who were having trouble hooking up their  
16 boxes or antenna questions or as we heard earlier  
17 today about realizing they had to scan, you know,  
18 properly set their TVs and do the scanning and  
19 everything else. Has there been any good examples  
20 that anybody knows about of kind of, in home  
21 assistance that whether through AARP or other local  
22 groups that have gone out to people?

1 I guess I'm thinking of what Gene said about  
2 even the world of jobs and creative ways to help  
3 people. Have these 40 minute phone calls that Lou  
4 talked about, was that all it took with everybody or  
5 was there situations where literally the only answer  
6 was somebody going to their home. And I'm wondering  
7 if there's been community groups or other  
8 organizations that have literally done that or  
9 assisted people in that regard?

10 Looks like Deb is about to speak, but also  
11 Brenda.

12 Ms. Pennington: The Office of the People's  
13 Council of DC, we had a woman come in that  
14 represents a local group. I believe it's  
15 TransitiontoDTV.org. That's her website.

16 And she came in actually to give us a  
17 demonstration on hooking it up. And we only got  
18 four channels when we scanned. And the theory was  
19 that since we were in an office building that we  
20 weren't able to get as many channels.

21 And then she went -- she had several different  
22 boxes. She went to a higher end box. And we were

1 able to get maybe two more channels.

2 But I'm saying all this to say that there are  
3 some local community groups that are doing that kind  
4 of work. And we had them come in. And you're right  
5 while we sat around and, you know, I'm a member of  
6 this group, reportedly I knew some information on  
7 it, had an expert come in who has been educating  
8 consumers about it. And we needed help in  
9 troubleshooting as well. So it's a really big  
10 issue.

11 Ms. Berlyn: Yeah. To answer your question,  
12 Paul, I know that providing that hands on assistance  
13 is part of both NTIA's 4.5 million dollar grant  
14 program as well as the RFP that the FCC has,  
15 requested input and request for funding for  
16 community organizations to provide that sort of  
17 assistance. So I think right now it's kind of  
18 scattered.

19 And you know, there's no coordinated effort. I  
20 couldn't tell you that, you know, everywhere there  
21 is such an organization. There are in some areas  
22 volunteer organizations that have started to help

1 with that. But I know we're three months out. We  
2 do expect that there will be more assistance  
3 available given these two funding programs that are  
4 at NTIA and FCC.

5 Mr. Schlauer: Right and maybe, as with  
6 Charles' budget question before, maybe we simply  
7 haven't had that information given to us so we don't  
8 know because it isn't known yet who's going to get  
9 the grants and what the details are of their  
10 proposals or -- but I guess, I have a feeling that  
11 that's going to be something that's going to be of  
12 great need certainly come February. And I guess,  
13 you know, so some of these recommendations kind of  
14 certainly speak to those kinds of questions even if  
15 they don't specifically talk about in-home  
16 assistance.

17 Ms. Berlyn: Karen has a --

18 Mr. Schlauer: Ok. Karen?

19 Ms. Peltz Strauss: Just following up on this.  
20 These are -- there are free from the FCC. I just  
21 wonder whether there's any way for this Committee to  
22 find out what's happening with that.

1           You know, the groups, there are several around  
2 this table I think that applied and were planning on  
3 actually starting already. And it just seems that  
4 with this transition happening imminently I don't  
5 understand, for the record, why an agency would  
6 spend hundreds of thousands of dollars on a NASCAR  
7 car that crashed and blew up in flames and doesn't  
8 give money to community groups to help people fix  
9 these sets in their homes. I mean, I'm just  
10 astonished at the fact that they have not released  
11 that money.

12           So I don't know if there's anything that our  
13 group can do. But if we can, it would be nice.

14           Mr. Benton: Is this the money for which the  
15 deadline was the 21st of October?

16           Ms. Peltz Strauss: Yes and yes.

17           Ms. Tristani: That's just one RFP. There are  
18 other RFPs.

19           Ms. Berlyn: That's one RFP. There are others.  
20 That's right.

21           Ms. Tristani: And just for the record maybe  
22 they haven't awarded these yet but when -- and this

1 is not to shoot the messenger. But when we ask  
2 about budget and the FCC representative says I  
3 cannot tell you anything about budget, it's  
4 flabbergasting. But, you know.

5 We've got to work with what we have. So maybe  
6 we need to add to the recommendation to make sure  
7 that the public monies that have appropriated by  
8 Congress for these efforts -- there's accountability  
9 of how it's spent. Transparency, I think that's  
10 very important.

11 Ms. Berlyn: Yeah. Yeah. Good point.

12 Mr. Schlauer: I mean is there any feeling  
13 that, you know, on how we should proceed? I mean  
14 should we say that we as a group strongly recommend  
15 that not only Commissioner Copps' nine items in the  
16 tenth edition be addressed, but also we get report  
17 feedback back to us as to what is being done about  
18 those recommendations? Is that a possibility?

19 Should we scale it back and just pick a few as  
20 a top priority? What do people think? I guess I'm  
21 looking for potentially, if not more discussion,  
22 even a motion.

1 Ms. Berlyn: I don't think she's quite ready.

2 Mr. Schlauer: Dodie?

3 Ms. Tschirch: Forgive my stupidity. But as I  
4 look through these I'm not really -- I don't really  
5 understand how number nine would work. And if we're  
6 going to vote on something like this I want to make  
7 sure that I understand it first.

8 I'm not sure what happens to that bandwidth  
9 from those analog channels and if they really can  
10 continue to somehow broadcast messages on there.

11 Ms. Berlyn: Can someone from the -- well, I  
12 know Ann and Doug might be able to address that.

13 Ms. Bobeck: Under the Budget Deficit Act of  
14 2005 that established our transition date of  
15 February 17th, we must shut off our analog signals  
16 on that date. There is pending legislation  
17 introduced by Senator Rockefeller in the House by  
18 Capps that would extend our analog signals where  
19 technically feasible to allow some programming. It  
20 would be a slate that gives information about the  
21 transition.

22 Depending on the legislation, either two weeks

1 to a month out, to allow those who missed the  
2 message, not from a lack of our trying and good  
3 faith with our one billion dollar education  
4 campaign. But, you know the best of our abilities  
5 some people just aren't going to make that  
6 transition. So for those who turn on their TV on  
7 February 18th, at least one channel in a market is  
8 at least the theory, there would be an analog  
9 station that would direct those viewers as they did  
10 in Wilmington to apply for a coupon or call the FCC  
11 for more information for a limited period of  
12 additional time.

13 That may be taken up in the session starting up  
14 next week in the Lame Duck session. We expect it to  
15 do so. The NAB Television Board of Directors has  
16 taken a formal resolution to support such  
17 initiatives.

18 Again it's for technically feasible. It's not  
19 going to be every television station. A lot of  
20 folks are transitioning and when they shut off  
21 they've got to move so that others can relocate. So  
22 there's a lot of stations or other stations are

1 simply not available. But in some markets it may  
2 be, particularly where you're less congested off the  
3 eastern corridor there may be one or more stations  
4 in the market where that may be available.

5 Mr. Wiley: Can I just, one thing?

6 Ms. Berlyn: Yeah, Doug?

7 Mr. Wiley: Just add one thing to that.

8 Senator Rockefeller and Congresswoman Capps are  
9 working on coordinating their bills right now as we  
10 speak to re-introduce them, if and when the Congress  
11 comes back next week. And the bills will be  
12 introduced as identical in order to make them easier  
13 to move through the process. So, again we're  
14 supportive of that legislation.

15 Ms. Berlyn: So, can I just respond in part to  
16 your question. It would seem to me that what we  
17 should work on in terms of recommendations are  
18 actions that the FCC can actually take without an  
19 act of Congress. And that that's because we do  
20 advise the FCC.

21 Gloria, you disagree.

22 Ms. Tristani: No, no. And I didn't mean to

1 interrupt.

2 Ms. Berlyn: Oh, ok.

3 Ms. Tristani: But this is just to recommend to  
4 the FCC that they advise the Congress. That's  
5 nothing more than that. And if I could add here,  
6 every one of these recommendations -- I mean I  
7 understand it would be nice to whittle them down to  
8 four. But every one of these is important in its  
9 own way. And unless they're exceedingly  
10 controversial I would recommend that we recommend  
11 them all. I'm not saying that very artfully, but --

12 Ms. Bobeck: The only one that I question at  
13 this point and juncture with 95 days out is the  
14 feasibility that they'll be additional full test  
15 market, unless you count Hawaii as the big, grand,  
16 test market on January 15th. I think when we were  
17 looking at when this was addressed, right after  
18 Wilmington, that may have been a possibility. But  
19 on November 14th, I don't know the realistic  
20 expectation that that would move forward.

21 I just point that out as where we are now in  
22 that process.

1           Male Speaker [off mic]:

2           Ms. Bobeck: In Hawaii the reason we are  
3 transitioning early in Hawaii is because there is  
4 Hawaiian Petrel. It's a migratory, nocturnal bird.  
5 Their nesting season on the slopes of the volcano is  
6 in February.

7           And so to take down our analog towers in Maui,  
8 we're going to do so in January. That's going to  
9 force us to transition early. So it is really to  
10 protect an endangered species and a species  
11 protected under the Migratory Bird Treaty Act.

12           So as in consultation with the U.S. Fish and  
13 Wildlife Service, Senator Inouye's office and the  
14 FCC, the Hawaii broadcasters agreed to transition a  
15 month early to protect that species.

16           Mr. Schlauer: Will there be a message on the  
17 screen on the next day in Hawaii's market like there  
18 was in Wilmington?

19           Ms. Bobeck: I would anticipate that they are  
20 working on those efforts right now since they don't  
21 have a mandatory, statutory deadline. And of  
22 course, that is an incredibly complex effort in

1 Hawaii because not all stations, depending on the  
2 Islands, some of those are analog only, some of  
3 those are transit or receiver. So that will be a  
4 multi-faceted, coordinated effort with multiple  
5 slates of information depending on what Island you  
6 are what information or slate you will be receiving  
7 on January 16th.

8 Mr. Schlauer: My guess a lot of people in  
9 Hawaii will want to watch the inauguration five days  
10 later.

11 Ms. Bobeck: I would agree.

12 Ms. Tristani: Ann, I have a question. Which  
13 one were you referring to when you said you question  
14 the full?

15 Ms. Bobeck: It's the additional field testing.  
16 I guess --

17 Ms. Tristani: Well it doesn't say all markets.  
18 It says, maybe we say as many markets as feasible at  
19 this point.

20 Ms. Bobeck: Ok. It's just the full scale test  
21 market. So, you know the nuance of that is now what  
22 broadcasters are doing which is the soft analog shut

1 off test to raise awareness.

2 And just so you all know for example in  
3 Philadelphia on November 17th, all the broadcasters  
4 in the entire Pennsylvania are shutting off at the  
5 same time so that there's a soft test to raise  
6 awareness. And another example is on December 2nd,  
7 L.A. is doing that as well.

8 Ms. Tristani: Well, I know a lot of is  
9 happening.

10 Ms. Bobeck: So it's just a nuance of that.

11 Ms. Tristani: Yeah, but I would just to the  
12 extents feasible or time permitting.

13 Ms. Bobeck: Right. I think that's an adequate  
14 point.

15 Mr. Schlauer: Might even just add, you know,  
16 continue to conduct additional field testing or  
17 something like that.

18 Ms. Berlyn: Lisa?

19 Ms. Hamilton: A question for clarification.  
20 We were talking about the small, battery-powered DTV  
21 sets on number eight. Do you know if the DTV sets,  
22 that the small ones are caption capable?

1           They don't have to be. The question is did  
2 they choose to be?

3           Mr. Hedlund: I don't have that information.  
4 But I can find out.

5           Ms. Hamilton: Alright. Because if we're going  
6 to push for that. I'd want some kind of a  
7 clarification that set if they're not able to be  
8 captioned which is possible that these DTV boxes  
9 could make a big difference to people who are deaf  
10 or hard of hearing if they're battery-powered.

11           It could be instead of giving out a small  
12 television set you could give out the DTV boxes that  
13 are battery-powered for emergencies.

14           Mr. Hedlund: Yeah. And to just to clarify one  
15 thing I said earlier on that. The battery powered  
16 DTV converter boxes are under NTIA's rules, coupon  
17 eligible. The battery packs that go into electric,  
18 you know, traditional DC powered DTAs or AC power  
19 DTAs are an accessory minusing, those are not, those  
20 may not be eligible.

21           So, but I will find out about it.

22           Mr. Schlauer: Brandon?

1           Mr. Stevens: As far as the outgoing number  
2 nine, I wanted to get in on that conversation a  
3 little while ago. The outgoing message. I was  
4 under the impression and I'm asking this as a  
5 question for anybody that knows in the room.

6           One of the reasons to transition from analog to  
7 digital is to open up that spectrum and potentially  
8 start testing for distributed antenna systems for  
9 broadband services. Isn't that part of the activity  
10 that goes on? So I didn't know whether to question  
11 the message that appears or how long that can appear  
12 or how soon will we see testing in certain market  
13 areas or certain areas for the distribution of  
14 broadband?

15           Because I've heard that discussion, so I didn't  
16 know if that was still a question somewhere.

17           Ms. Bobeck: I think the layman's answer is  
18 that at that point we would be tenants because that  
19 spectrum has already been bought and paid for --

20           Mr. Steven: Was it?

21           Ms. Bobeck: -- With the exception of the 24  
22 megahertz that's allocated for public safety. The

1 practical I think reality is that although that  
2 spectrum is paid for with 20 billion dollars in the  
3 two to four intervening weeks subsequent to February  
4 17th, I don't know that anyone will actually be  
5 utilizing that spectrum immediately or maybe they  
6 would be in the kind of sudden thinking the American  
7 transition allows some stations to remain on. And I  
8 think those are the discussions taking place right  
9 now on Capitol Hill.

10 Mr. Stevens: Ok. Just a question.

11 Ms. Tristani: And it is a very short time  
12 period, right?

13 Ms. Bobeck: Exactly. I think right now  
14 they're only talking about two weeks to 30 days.

15 Ms. Berlyn: Brenda and then I'd like to make a  
16 point.

17 Ms. Pennington: Excuse me, could you give the  
18 dates again for the soft testing in Philly and L.A.?

19 Ms. Bobeck: And Philly includes actually the  
20 entire state of Pennsylvania. It's November 17th,  
21 so on Monday. And then L.A. is on December 2nd.

22 And anyone who wants to email me I can let them

1 know what other soft tests are coming around in the  
2 markets as well. There's a lot that are popping up  
3 throughout the country. So as broadcasters come  
4 online we're gathering that information as well.

5 Ms. Pennington: Right. Also, how were the  
6 jurisdictions the state selected primarily I wanted  
7 to know why wasn't DC selected?

8 Ms. Bobeck: It's never -- it's self selecting.

9 Ms. Pennington: Oh, ok.

10 Ms. Bobeck: It is never the broadcasters  
11 getting together with their state associations with  
12 general managers and working together and saying  
13 let's coordinate a soft shut off test. So it is  
14 folks getting together and coordinating tests on the  
15 ground, voluntarily.

16 Ms. Pennington: Ok. Thank you.

17 Ms. Bobeck: We anticipate they'll be doing  
18 much more in the future.

19 Ms. Berlyn: Paul, as I look at the original  
20 list, the summary of the original list of activities  
21 from Commissioner Copps, there are a couple that I  
22 think the FCC has or is addressing. And I'm not so

1 sure that we would really want to -- in order to  
2 give strength to our other recommendations I'm not  
3 sure we want to include something that we know is,  
4 sort of, already in process such as the special FCC  
5 team to deal with needs of at risk communities.

6 Based on what Louis has shared and Thomas, I believe  
7 that that is underway. You know, that has just  
8 certainly ramped up since Wilmington.

9       And then the other one is -- let's see, hold  
10 on. There was another one that I saw here. Sorry.  
11 I'll find the other one as we talk.

12       But that would be one that I would recommend we  
13 perhaps either we recognize that that effort has  
14 begun and is underway or we don't have it on there.

15       Ms. Tristani: Could we address that by above  
16 the one -- let's see the Commission's Consumer  
17 Advisory Committee recommends that the Commission  
18 take the following actions or something that the  
19 Commission take the following or continue. So that  
20 we don't get into fine tuning every one because -- I  
21 mean, I think for example under two they're doing a  
22 lot of it, but do they have a single point of

1 contact on the Commission? I'm not sure. So I  
2 don't know.

3 Paul, is there a way to amend the introductory  
4 language that indicates that maybe some of these  
5 actions are already happening?

6 Mr. Schlauer: Well I mean in theory it would  
7 have been nice to have had a report back, you know.

8 Ms. Tristani: Yeah.

9 Mr. Schlauer: Because this was September 12th.  
10 And for all we know, you know, pretty extensive  
11 effort has been embarked upon in several of them.  
12 But we just don't necessarily know.

13 I mean maybe we can figure out a phrase to lead  
14 into it to say that you know, we would welcome, you  
15 know a report from the Commission on, you know, what  
16 action in response to Copps' letter the FCC has  
17 taken. And also urge it to, you know, immediately  
18 put efforts into these nine areas or these ten  
19 areas, something like that. I mean that's not very  
20 well written or verbalized.

21 But yeah, otherwise, we could spend a lot of  
22 time trying to figure it out or asking for feedback.

1 I mean we -- same with the field testing and some of  
2 the other issues. It seems like there's a way to  
3 just request action or information as to what action  
4 has been taken might be an adequate way to address  
5 it.

6 Ms. Tristani: That would.

7 Ms. Berlyn: Oh.

8 Mr. Schlauer: Rich?

9 Mr. Ellis: We could just amend that second  
10 paragraph to say that the Commission's Consumer  
11 Advisory Committee recommends that the Commission  
12 initiate, continue or more fully implement the  
13 following actions.

14 Ms. Tristani: That would do it right there.

15 Mr. Schlauer: That would be good, yeah.

16 Ms. Berlyn: Say that again. Say that again.

17 Ms. Pennington: Thank you.

18 Mr. Ellis: You should be listening next time.

19 [Laughter.]

20 Mr. Ellis: The last meeting I get all the digs  
21 in now. Just amend the second paragraph there. The  
22 Commission's Consumer Advisory Committee recommends

1 that the Commission initiate, continue or more fully  
2 implement the following actions as suggested by  
3 Commissioner Copps.

4 Ms. Tristani: Was everything here suggested by  
5 Commissioner Copps? So I mean, I don't mean to --

6 Mr. Ellis: Just take out those last words  
7 then.

8 Ms. Tristani: But just take out Copps.

9 Mr. Ellis: Yeah.

10 Ms. Berlyn: Yeah, I agree. These are our  
11 recommendations. We should own them. Yup.

12 Ms. Pennington: So actions would be the last  
13 word in the sentence?

14 Ms. Berlyn: Yes.

15 Mr. Schlauer: Any further comments or? Karen?

16 Ms. Peltz Strauss: I just want to make sure  
17 that we get something in that says -- that asks the  
18 FCC to set up a hot line for closed captioning  
19 issues and video description issues.

20 Mr. Schlauer: Well and that's number ten. So  
21 we've got to be sure that that's --

22 Ms. Peltz Strauss: Yeah, it's different than

1 number ten because number ten asks for a working  
2 group.

3 Mr. Schlauer: Oh, ok.

4 Ms. Peltz Strauss: It really goes really more  
5 to number three in ramping up the FCC Call Center.  
6 I guess there's two ways of doing this. One is to  
7 just add where it says technical staff should, at  
8 the bottom of that first sentence. The second  
9 sentence says beyond duty for a specific questions  
10 about converter boxes, antennas. We could add  
11 closed captioning, video description or other  
12 issues.

13 Or we could say the Advisory Committee also  
14 recommends that the FCC establish a separate hot  
15 line to respond to technical questions pertaining to  
16 closed captioning and video description. The latter  
17 is preferable. It really depends on what the group  
18 wants to do.

19 Ms. Tristani: Fine.

20 Ms. Peltz Strauss: If you feel comfortable  
21 with the latter, I would recommend the latter.

22 Ms. Berlyn: I'm sorry. You're seconding

1 Karen's point.

2 Mr. Benton: Seconding Karen.

3 Ms. Berlyn: Ok, thank you.

4 Ms. Tristani: I heard it here. But we had  
5 talked a little bit about budget and accountability.  
6 And I don't know if we want to have a number 11 on -  
7 -

8 Ms. Berlyn: Accountability?

9 Ms. Tristani: Accountability of public money  
10 spent.

11 Ms. Berlyn: Yeah, I think that's an idea.

12 Ms. Tristani: Let's see.

13 Mr. Schlauer: Well and maybe in light of what  
14 Gene Kimmelman said, maybe we should reference the  
15 transition to the new Administration that --

16 Ms. Tristani: To the extent practicable work  
17 with the --

18 Mr. Schlauer: -- The new Administration to --

19 Ms. Tristani: Who's good at drafting here?

20 Mr. Schlauer: Rick, get busy because it sounds  
21 like he's, Kimmelman, is suggesting that it may open  
22 up new opportunities and maybe that could be an

1 overarching statement is part of this rather than an  
2 item on the list.

3 Ms. Berlyn: Yeah, you know, just to talk a  
4 little bit more about that. He was talking about  
5 the, you know, possibility the economic stimulus  
6 plan offering an opportunity.

7 Mr. Schlauer: Right.

8 Ms. Berlyn: And you know, we certainly want  
9 any possible avenue explored and utilized. But, you  
10 know, one of the other issues that Gene was raising  
11 which I think is perhaps part of the contingency  
12 plan is that we do stress the need to watch and  
13 address what happens in the month or so before the  
14 transition. With NTIA telling us that they can't  
15 get coupons out to consumers who request them a  
16 couple weeks in advance.

17 We want the FCC to work with Congress, NTIA,  
18 etc. to address those final days of the transition,  
19 the challenges and ensure that consumers get the  
20 sort of assistance that they need with the  
21 transition.

22 Ms. Tristani: Well there is a number four

1 deals with that. And maybe we need to strengthen  
2 that because now we know what the problems are. So,  
3 number four, the two bullets. Let's see. From  
4 transition, let's see, to -- I mean is it not  
5 covered by the language that's there unless we want  
6 to specifically talk about the coupon problems.

7 Ms. Berlyn: Maybe. One thing we can do is add  
8 NTIA in that first bullet point where it says  
9 consultation with Congress, industry, we should add  
10 to NTIA.

11 Ms. Tristani: Well, but the paragraph above  
12 says the Commission and the National  
13 Telecommunications and Information Administration.  
14 Ok, so --

15 Ms. Berlyn: Oh, you're right. You're right.

16 Ms. Tristani: So I think it's covered there  
17 already, but unless somebody wants to add a bullet.  
18 This was language from September, a bullet that says  
19 make sure there's enough funding for converter -- I  
20 don't know. I mean, I don't know how far you'd want  
21 to go with this, but --

22 Ms. Berlyn: Yeah, I guess looking at,

1 practically speaking, looking at number four. I  
2 don't know how important it is to set up a joint  
3 working group to accomplish that. We just want a  
4 contingency plan.

5 I don't know whether, you know, we have to set  
6 up a working group to accomplish that. We just want  
7 cooperation between, you know, the responsible  
8 agencies in -- I don't know. I think --

9 Ms. Tristani: Well, how about should instead  
10 of establish a joint working group, take that out  
11 and say ensure that they coordinate and, you know.

12 Ms. Berlyn: Ensure coordination to achieve the  
13 following.

14 Ms. Tristani: Right.

15 Ms. Berlyn: Yeah. Paul, are you getting all  
16 these recommendations down?

17 Mr. Schlauer: No.

18 Ms. Berlyn: You're not?

19 Mr. Schlauer: I see other people studiously  
20 writing. I assume --

21 Ms. Berlyn: Well, ok. Well because I have not  
22 been writing either. Scott, we may need to put

1 heads together to really come up with the final  
2 words for this. I think we're starting to get the -  
3 -

4 Ms. Tristani: Well I don't think it's that  
5 complicated. And I'm concerned about timing here  
6 because there are things happening in Congress next  
7 week or that, excuse me, may be happening --

8 Ms. Berlyn: Potentially.

9 Ms. Tristani: -- Potentially. I know it  
10 changes by the minute and by the hour. But this is  
11 our last opportunity and --

12 Ms. Berlyn: Oh, I'm not talking about delaying  
13 for, you know. I'm talking about, you know, taking  
14 20 minutes today to make sure we have the language  
15 down.

16 Ms. Tristani: Oh, ok. Then we need to take it  
17 now because that needs to be fixed. But I do think  
18 we need to add a number 11 which addresses the  
19 budget and accountability issues, which addresses  
20 the transition and addresses the fact that Congress  
21 may be meeting next week.

22 And of course we're not going to be

1 recommending to Congress. We're going to be  
2 recommending to the FCC that they recommend using  
3 those opportunities in whatever way it was that Gene  
4 suggested. So, and it can be very vague and open  
5 ended without being controversial. But there are  
6 concerns.

7 Ms. Berlyn: Perhaps what we can do is we could  
8 have the folks around the table that have  
9 recommended specific language to just sit together  
10 with Paul and get it all down and make sure we have  
11 the wording in the right document. And then we can  
12 -- we have planned on this agenda to have this  
13 working group discussion. And then to meet, right  
14 now we're meeting as a working group, but then to  
15 meet as a CAC and approve this.

16 So between now and the time in which we want to  
17 look at this to approve it, perhaps there could be a  
18 small group that would do that. And, you know, I've  
19 heard recommendation for language from Gloria, from  
20 Karen, was there anyone?

21 Ms. Tristani: Well, yours is four. You  
22 recommended four.

1 Ms. Berlyn: Yeah. Is there anyone else who  
2 would like to be a part of that who has specific  
3 language? Oh, yeah. Rich, you had great language.  
4 Right. We have to put you in there and Charles.

5 Ms. Tristani: -- Already in there.

6 Ms. Berlyn: Oh, ok. Ok. Does anyone have any  
7 other points to raise? Any other issues that we're  
8 not covering in this recommendation?

9 Ms. Tristani: Or anything that's very  
10 controversial that we've discussed already so that  
11 we don't work on language and then --

12 Ms. Berlyn: No?

13 Ms. Tristani: Ok.

14 Ms. Berlyn: Alright. It is five minutes to  
15 one. Why don't we take another fifteen minute  
16 break? Let's have the subgroup -- is this ok,  
17 Scott? Yeah.

18 We'll have the drafting group meet. You know,  
19 we'll just pick a corner here in the room and go do  
20 that. Please be back by 1:15, in this room, in your  
21 chair because Commissioner Adelstein is coming to  
22 talk to us. And I want to make sure everybody is

1 here for that.

2           So we're going to break now. We're going to  
3 get back at 1:15. We're going to hear from  
4 Commissioner Adelstein. And then we're going to  
5 meet as a CAC as a whole, review this recommendation  
6 and take a vote. Ok.

7           [Break.]

8           Ms. Berlyn: We have a Commissioner who is  
9 extremely prompt. Told me he'd be here at 1:15 and  
10 you were here at 1:15. Thank you so much.

11           We appreciate your coming by, Commissioner  
12 Adelstein to address the CAC. We know that you and  
13 the other Commissioners have been on the road quite  
14 a bit of late on the DTV transition. And we  
15 appreciate everything you're doing. So, thank you  
16 for coming today.

17           Commissioner Adelstein: Well, thanks for  
18 having me. I just wanted to thank you all for  
19 helping us with this enormous task before us of DTV.  
20 I think -- unfortunately I don't think we're really  
21 prepared as we should be right now for the mess that  
22 we have coming upon us.

1 I have been all over the country, as you  
2 mentioned. We've all been traveling. I think it  
3 was a very good idea both to educate and also to  
4 educate ourselves as well as the public about what's  
5 happening out there. And what I see really isn't  
6 pretty.

7 I mean there's a lot of confusion. There's a  
8 fairly high level of awareness. That's not where we  
9 should be putting our resources.

10 But there's a lot of confusion about what to  
11 do. And in particular what we did learn from  
12 Wilmington which was a great idea to do is that a  
13 lot of the problems are people who need hands on  
14 assistance. People with disabilities, people who  
15 are elderly, people who may not speak English as a  
16 first language, people who are just technophobes in  
17 general, even normal people who go through and do  
18 everything right and still find their TV doesn't  
19 work, wonder why.

20 Maybe it's there antenna. Maybe they forgot to  
21 scan. Maybe they forgot to set it to channel three.  
22 There's going to be a lot of questions that come on

1 the date.

2       And I think you're working on some  
3 recommendations here today which I really appreciate  
4 and looking forward to seeing. I know a working  
5 group was kind of honing them. I want to throw out  
6 some ideas for you to consider adding as part of  
7 that that I'd like your input on here.

8       We have a little time for dialogue about what  
9 the potential is. I mean what I see is the biggest  
10 challenge before us is getting a field operation in  
11 place, people that can actually help those in need  
12 when somebody has a problem. We are finding, for  
13 example, that when people call our phone line it  
14 might take 45 minutes to walk people through setting  
15 it up.

16       And we have time to do that now. And the  
17 broadcasters sometimes their engineers will walk  
18 somebody through when they call the station. And  
19 it's nice when you have them coming in in a trickle.

20       But when we get them coming in in a flood.  
21 We're not prepared to get to people's homes, on the  
22 ground or having phone banks in the areas that can

1 take the overflow from the FCC one and walk people  
2 through. And take the time it needs to actually  
3 walk through their individual issues because a lot  
4 of times, I mean I get some of the most technical  
5 questions when I'm on the field.

6       Very good questions from the public about, you  
7 know, how does their VCR work with this? Can they  
8 tape at the same time they're watching a show? You  
9 know, how do they hook it up with their VCR?

10       What if they have -- one woman had done  
11 everything right. She was really trying. And  
12 nobody could figure it out. We had engineers there  
13 that couldn't figure out what her problem was. And  
14 we thought maybe the mice had chewed through the  
15 coax to the antenna on the roof.

16       I mean who's going to walk folks through when  
17 they have legitimate questions like this? And who's  
18 going to help those who really can't do this for  
19 themselves? That's what I'm mostly concerned about.

20       I mean early on we talked about the Boy Scouts.  
21 People threw out that idea because it wasn't going  
22 to work. Right now we don't have a plan to do that.

1 I think, most fundamental is that we need some  
2 kind of field operation.

3 Secondly, in order to minimize the amount of  
4 work that this field operation has to do. And the  
5 demands of the phone centers which certainly need to  
6 be beefed up. And I think that's going to be one of  
7 your recommendations is the soft cut offs.

8 These soft cut offs are enormously successful.  
9 A lot of broadcasters are doing them. We've asked a  
10 marketing company to come up with best practices,  
11 working with NAB on that.

12 Promax BDA was at a conference and they're just  
13 going to give broadcasters an idea of what works and  
14 what doesn't. They can decide for themselves what  
15 they want to do with it, whether they want to use  
16 that or not. But you know, there's a lot of things  
17 like this that needed to be better planned out.  
18 We're kind of doing it on an ad hoc basis.

19 But the more of the soft cut offs that we do  
20 and the more effectively they're put together, we're  
21 finding we get a lot of phone calls. We get them  
22 here. And we need to coordinate with broadcasters

1 that are doing soft cut offs.

2 In other words cutting off the signal for a  
3 period of time, be it 30 seconds, five minutes, 30  
4 minutes, running an analog notice saying, if you're  
5 seeing this message, you're not ready for digital.  
6 And those who are ready get the message that they're  
7 ready. And you can run programming about how to fix  
8 it during the time, to the analog part of that  
9 programming, a lot of ways of doing that that work.  
10 We get a spike in calls when that happens.

11 The FCC needs to coordinate so that we are  
12 ready to take the number of phone calls that you get  
13 when that happens. And be prepared for it so we  
14 know what time. And our office is properly staffed  
15 so we can be used as a resource for an 800 number if  
16 localities don't have sufficient capacity on their  
17 own. A lot of communities are working with their  
18 local PBS which has call centers and helping to  
19 staff it with their engineers and others that are  
20 trained.

21 But overall the more calls we get and the more  
22 problems that we resolve through these soft cut

1 offs, the fewer are going to plague us on February  
2 18th when people wake up and find out they're not  
3 ready. So better to get us a lot of little spikes  
4 in calls now and deal with as much as that backlog  
5 now as we can through the period of soft cut offs.  
6 So maybe one of your recommendations could be to  
7 encourage those and to make sure that they're done  
8 in a way that's most effective.

9         And I'm not sure what that is. I'm not a  
10 marketing expert. That's why it's up to market  
11 experts to figure that out and NAB and broadcasters  
12 know how to get the word out to the public.

13         Those are just a couple thoughts that I would  
14 have on areas that I'm particularly focused on the  
15 need to address. And I'd be curious to get your  
16 response. I don't know how much time we have. But  
17 I'd like to have a bit of a dialogue, if I could.

18         If you think that's a good idea. If you think  
19 -- there's a lot of other good ideas I know that  
20 you're recommending. I support them all. And I  
21 think we need to do it.

22         I mean part of the overall problem is -- I've

1 been saying this for a year and a half that we don't  
2 have a plan still, nor a coordinated federal  
3 response. I mean most recently I heard that there  
4 was a problem with delivering this. They were being  
5 sent third class -- where was this to?

6 Ms. Berlyn: To Hawaii.

7 Commissioner Adelstein: Hawaii, right. They  
8 were sent third class to Hawaii. And then they're  
9 just sitting there and they get thrown away. And  
10 now Hawaii is going early, you've got a bunch of  
11 coupons in the dumpster that can't be replicated.

12 Why weren't we talking to the post office? You  
13 know I recommended a long time ago having an  
14 interagency task force that would coordinate with  
15 all the different agencies of government that are  
16 affected. This is the kind of thing that that was  
17 designed to address and many other problems with the  
18 analog pass through when NTIA apparently didn't know  
19 that a lot of these stations weren't actually  
20 transitioning or how important that issue was.

21 We had to scramble. And now most of the boxes  
22 do have analog pass through. But some of them still

1 don't. A lot of people have them that don't have  
2 analog pass through. And there's going to be  
3 confusion with that.

4       So we did have that. The JO told us. I  
5 testified over a year ago about the need for a plan.  
6 We still don't have a plan.

7       One of the ideas you have here is a contingency  
8 plan. What if things go awry? What are we going to  
9 do?

10       We have to have a contingency plan or we should  
11 have a plan going forward. And that way we'd know  
12 where to dedicate our resources. And not just find  
13 ourselves ad hoc doing some ineffective public  
14 awareness campaign at a time when public awareness  
15 is already pretty high and we need to be putting our  
16 resources into the field operations, into the phone  
17 centers, into the ground where it really makes a  
18 difference.

19       So anyway, I could go on and on. I'm a little  
20 frustrated, little worried, but hopeful that with  
21 all of us working together we can work through this.  
22 I'd just like to get your response to that and what

1 you think we could do to get a field operation in  
2 place in the short time that we have left that will  
3 actually be able to get to those who need help on  
4 the ground.

5 Ms. Berlyn: Commissioner, I think we all  
6 completely share your concerns. And your  
7 recommendations are excellent. We are in the  
8 process of drafting a document that will help  
9 outline our recommendations.

10 And one thing that you mentioned in terms of a  
11 plan is that we now have 95 days. And so as we get  
12 closer I think the concerns will change. And one  
13 concern I have is that as we get closer to the  
14 transition date there will be households that have  
15 not taken action. And it may be too late for them  
16 to get a coupon in time to get their converter box  
17 and get it installed properly.

18 And I think if we're talking about a  
19 contingency plan we should also include in that a  
20 plan to provide some sort of assistance, emergency  
21 assistance, at that point so that we can reach  
22 households, especially in these economic times where

1 every dollar counts and particularly for low income,  
2 fixed income, the vulnerable groups that the FCC has  
3 identified that will be of particular concerns. So  
4 I think that's absolutely a part of, as you  
5 mentioned, some sort of contingency plan. But more  
6 seriously focus on those final couple of weeks.

7 Commissioner Adelstein: That makes sense, I  
8 think. We found that everything evolves here. That  
9 as we're moving along we're learning as we go a  
10 little bit with the new concerns focusing more on  
11 the antenna issues and the converter box set up  
12 rather than just the more generalized awareness.

13 And the contingency planning is one that we've  
14 really got to think about. Do you think we need  
15 legislation for that or do you think we could do it  
16 under current legislation that we have?

17 Ms. Berlyn: If it involves getting converter  
18 boxes to more households, it may require some  
19 flexibility should we say, in the program? It may  
20 require converter box coupons going first class, for  
21 example, as they're doing in Hawaii. We may have to  
22 consider that for late requests that they be sent

1 out first class. And whether or not the budget as  
2 it currently exists can handle that is something  
3 that we would have to consider.

4 Ms. Tristani: That's one issue. We had a  
5 representative from NTIA this morning who said by  
6 her estimate of the unredeemed coupons, these are  
7 coupons that have been delivered, but not used in  
8 the 90 days, maybe three million at this point.  
9 There are three million households that cannot use  
10 those coupons. They cannot reapply for coupons.  
11 These are over the air households.

12 And NTIA's position or the lawyers at NTIA have  
13 said we can't interpret the law in any other way.  
14 And the NTIA representative said it's a practical  
15 matter. She did not see NTIA changing that  
16 position. So that a real, immediate barrier that  
17 may not change until after January 20th unless  
18 there's some re-thinking at NTIA.

19 So how do you address that reality of maybe  
20 that number will grow of unredeemed coupons by over  
21 the air households that cannot reapply?

22 Commissioner Adelstein: Did we know how many

1 of those are people that really are going to need  
2 them? I mean certainly a certain number of them  
3 might have been people that were cable households  
4 that didn't realize --

5 Ms. Tristani: No, no. These are over the air.  
6 There were 10.4 million coupons total that have not  
7 been redeemed.

8 Commissioner Adelstein: Oh, those are just  
9 over the air.

10 Ms. Tristani: So we estimated down to three  
11 million for over the air. These are over the air  
12 already.

13 Commissioner Adelstein: Wow.

14 Ms. Berlyn: And that was an estimate provided.

15 Ms. Tristani: An estimate. It might be  
16 higher. I thought that. I'm giving her the  
17 benefit.

18 Commissioner Adelstein: Well, you know what I  
19 tell people when I'm on the road and they threw  
20 these things in the drawer and they expired or they  
21 thought they could do it later. They didn't notice  
22 the 90 day expiration. That it is totally legal to

1 get one from a friend or family member that doesn't  
2 need it because they have cable or satellite. Now  
3 you've got to get the word out to those folks, A.

4         And B, look at certain communities, Puerto Rico  
5 in particular is a big concern because in Puerto  
6 Rico they went very early. A lot of people applied  
7 because I think there's, I think, 50 percent of over  
8 the air in Puerto Rico. And they didn't have any  
9 boxes on the Island at the time apparently or very  
10 few boxes.

11         Ms. Tristani: They weren't available.

12         Commissioner Adelstein: They weren't  
13 available?

14         So people got these coupons. They've expired  
15 because they couldn't find a box that worked. And  
16 they can't necessarily go to friend or family member  
17 because half the Island is over the air.

18         So in certain communities that are all over the  
19 air, they can't go next door and say, hey you've got  
20 satellite could I -- or you've got cable could I use  
21 your coupon. I'm extremely concerned about Puerto  
22 Rico in particular where there's a crisis in one

1 particular island. But that's the case in other  
2 areas as well.

3 Ms. Tristani: But Commissioner it's not just a  
4 Puerto Rico problem. It's a problem all over the  
5 nation. And I think it's great that to those people  
6 that we can reach and tell them, hey, tell your  
7 neighbor to apply for the coupon.

8 And how many days do we have that we can apply  
9 without it not getting there on time. But the  
10 reality is that, you know, that's not going to take  
11 care of the bulk of the problem. So one of my  
12 thoughts was, maybe we're thinking out loud with the  
13 transition teams that are coming into different  
14 agencies maybe they can help move this along, I  
15 don't know.

16 And could we ask you because we asked the  
17 representative of the Consumer Governmental Bureau  
18 that was here. Is there any information on the FCC  
19 transition team or we're still waiting?

20 Commissioner Adelstein: I don't have any.

21 Ms. Tristani: No, no.

22 Commissioner Adelstein: I know that there's a

1 major concern about DTV.

2 Ms. Tristani: Yeah, yeah.

3 Commissioner Adelstein: I mean this is one of  
4 the great focuses --

5 Ms. Tristani: No, no. And that's why because,  
6 you know, obviously we would be going to them as  
7 well individually to help. You know because  
8 hopefully they'll help.

9 Commissioner Adelstein: But when we get  
10 information on that we can let you know who to  
11 contact. I don't have a good source for that right  
12 now.

13 Ms. Berlyn: Charles?

14 Mr. Benton: Well, something else that was  
15 mentioned this morning is about the budget. My  
16 understanding is that Congress has appropriated 20  
17 million dollars. I don't know whether that cash has  
18 flowed or not.

19 But not only are we in the dark about the plan  
20 that you were referring to. But we don't know about  
21 the budget that supplements and strengthens the five  
22 million at the FCC and the two and a half million --

1 I'm sorry, the two and half million at FCC and the  
2 five million at NTIA that was originally for the  
3 consumer education outreach. So what is the story  
4 with the budget? And if the cash has flowed who's  
5 responsible for setting priorities and spending that  
6 money?

7 Commissioner Adelstein: Well the Bureau is  
8 doing that without any input as far as I know. They  
9 haven't asked for our input as a Commission. The  
10 money was requested based on the recommendation of  
11 the full Commission that some of us here, not to  
12 name any names, really insisted on a higher budget  
13 that was initially proposed. A third of the  
14 original budget would have gone to one little  
15 project we've all read about in the paper this  
16 morning, if we hadn't had our way.

17 So we really insisted on more money. But it  
18 was fairly open ended as to where we go. And I'm  
19 not exactly sure how much of that was -- is going to  
20 be dedicated to the RFP that was put out.

21 And I was out in the field when the RFP was  
22 coming due. I think I was in Portland, Oregon. And

1 they were applying. And I happened to be sitting  
2 around a table with a bunch of community organizers  
3 which is a good thing, I think, no matter what some  
4 might have said.

5 [Laughter.]

6 Commissioner Adelstein: And they were  
7 wondering what to do. They were going to apply.  
8 And we tell them well the deadline, you know, is  
9 tomorrow. They go, ooh. It looks like it's going  
10 to be a late night for us.

11 They didn't know early enough to get this thing  
12 done. They stayed up all night. I'm sure they got  
13 that application in.

14 Ms. Berlyn: Yeah.

15 Commissioner Adelstein: But a lot of people  
16 didn't know about this RFP. I'm not sure exactly  
17 what the priorities are going to be, how much money  
18 is going to allocated for it. I'm glad that we're  
19 doing it. I think it's very helpful to help some  
20 communities.

21 You know Oregon was talking about 150,000  
22 dollars for a phone bank that they needed. That's

1 the kind of place we need to put the money. And I  
2 think having localized, decentralized phone banks is  
3 really going to help. Our phone banks can get  
4 overwhelmed.

5 And there's a lot of local issues. It's  
6 different in every community. Somebody might say I  
7 live in this valley or I live at this address and  
8 why is it I can't get channel seven.

9 It's going to be hard for us to really be up to  
10 speed on that. But these local operations are much  
11 more able. Particularly because when they get a  
12 tough technical question like that somebody might be  
13 able to tap on the shoulder of the local broadcast  
14 engineer and say, what's the issue here or why am I  
15 getting bad reception there.

16 I mean a lot of the questions are going to be  
17 about people missing channels or not getting  
18 reception, some of the contours are changing.  
19 Trying to answer those questions out of a federal  
20 phone bank is going to be virtually impossible. So  
21 getting resources to these local initiatives is  
22 really critical.

1           And I'm not sure exactly what the priorities  
2   are going to be. I need to talk to the Bureau about  
3   how they're allocating the funding. When they're  
4   allocating the funding? I'm sorry I can't enlighten  
5   you that because I'm just not sure exactly how  
6   they're doing that.

7           I'm glad that we're doing that. And I  
8   certainly didn't mean to indicate that this was  
9   isolated to Puerto Rico. I just think Puerto Rico  
10  is an example of an extreme case. But all across  
11  the country it's hard to tell people.

12          I mean I tell you that just so you know what I  
13  can say as an FCC Commissioner because I don't have  
14  responsibility for this coupon program. We're  
15  working with NTIA. But they have some big questions  
16  about all these expired coupons. I didn't realize  
17  it was up to that many. I'm really worried about  
18  it.

19          Ms. Tristani: I'm equally worried. And of  
20  course I do care about Puerto Rico. But I just  
21  meant, you know, I wanted to make the point that it  
22  is not just a Puerto Rico issue. It's going to

1 happen and it's happening all across the nation.

2           And there's a real concern which is not your  
3 jurisdiction, but with the NTIA attitude that it's  
4 like, it's not our problem. And you know, the words  
5 were people didn't take the advantage of the  
6 opportunity to -- well if the boxes weren't  
7 available and you had a coupon. There was no  
8 opportunity.

9           Commissioner Adelstein: I know. I'm not sure  
10 that it was clear to everybody there was a 90 day  
11 expiration either.

12           Ms. Tristani: Exactly.

13           Commissioner Adelstein: That wasn't as obvious  
14 to many.

15           Ms. Pennington: Yes, I work for the Office of  
16 the Peoples' Council here in DC. And we have had  
17 some people come in and talk about DTV transition to  
18 our staff because we educate consumers. And we've  
19 also received telephone calls from consumers who  
20 have gotten the coupons.

21           And I'm really following up on Gloria's point  
22 of to have gotten the coupons, went the stores, but

1 the stores did not have them because during the  
2 Wilmington trial a lot of the boxes were shipped  
3 down to Wilmington in order so that they would be  
4 available for the use during the trial. So it  
5 certainly is not just, you know, a problem that's  
6 isolated to Puerto Rico. And a lot of the consumers  
7 also did not know that it was a 90 day expiration  
8 date.

9 Commissioner Adelstein: Right. I mean, some  
10 people went to the store, they weren't there. You  
11 know, the 90 day expiration date was something that  
12 Congress did -- put in the law. So they do have  
13 some questions about what the statute permits.

14 Nevertheless we're going to have a big problem  
15 as a result of this that we have to have a plan to  
16 deal with. I mean, people are sometimes through no  
17 fault of their own, sometimes they didn't pay as  
18 much attention. But, you know, that's how people  
19 are. They don't know there's a 90 day, if you don't  
20 tell them up front.

21 And then something that I emphasize everywhere  
22 I go but a few of us walking around the country and

1 saying things at a few town hall meetings is not  
2 going to get to 14 million people that are over the  
3 air that really need this information.

4 Yes, Karen?

5 Ms. Peltz Strauss: First of all thank you for  
6 the recent closed captioning order. Because that  
7 was very, very helpful to have the FCC clarify some  
8 of the obligations of the DTV broadcasters. But for  
9 about two years now we've been a broken record here  
10 and visiting the Chairman's office, visiting the  
11 media bureau, visiting CGB, pleading for technical  
12 help on the problems that have occurred with digital  
13 closed captioning.

14 It is -- I can't even begin to tell you. It  
15 would take hours at this point to tell you the  
16 number of problems having to do with the  
17 interconnections between the TVs, cable boxes, DVRs,  
18 VCRs, DVDs, the HDMI cable. The problems are  
19 endless.

20 And we've been asking over and over again for  
21 the Commission to set up a technical working group  
22 of engineers from the broadcasting cable, satellite

1 industries, the consumer electronics industries,  
2 consumers, captioning providers, video description  
3 providers to resolve these problems. We have come  
4 in on a number of occasions. And it's just not  
5 happening.

6         And one of the frustrating things is that when  
7 we -- the very, very first meeting that we ever had  
8 with CGB, we sat down and they actually asked us for  
9 things. They asked us to spread the word to our  
10 community. And we said we'd be happy to, but you  
11 have to understand that even if everybody in our  
12 community knows that they have to go digital on  
13 February 17th. It's going to be nothing to them if  
14 on February 18th they don't have their captions.  
15 It's as good as going dark even if they still have  
16 the picture coming through.

17         So I'm just renewing this request in the hope  
18 that as the transition, not only the digital  
19 transition, but the Presidential transition takes  
20 place that this actually eventually becomes a  
21 reality.

22         Commissioner Adelstein: I think it has to.

1 I'm frustrated we haven't done more. We did do the  
2 order which was very helpful.

3 Ms. Peltz Strauss: It was great.

4 Commissioner Adelstein: But I'm frustrated to  
5 hear that you're not still getting the technical  
6 assistance that you think you need. And it's one of  
7 the more tricky areas for people on the ground to be  
8 able to figure out how to do this.

9 Ms. Peltz Strauss: Right.

10 Commissioner Adelstein: This is an example  
11 where we do need a special team along with the  
12 broader field organization to help people walk  
13 through the complexities of making that work because  
14 in the end closed captioning works better on  
15 digital. We know you can --

16 Ms. Peltz Strauss: When you get it right it's  
17 amazing.

18 Commissioner Adelstein: Right.

19 Ms. Peltz Strauss: And you can control the  
20 font, the color, the size. But if you don't get it  
21 right, it's a disaster.

22 Commissioner Adelstein: And you get nothing.

1 Either you get much better or nothing.

2 Ms. Peltz Strauss: Right.

3 Commissioner Adelstein: But it's actually  
4 preferable to get something.

5 Ms. Peltz Strauss: Right.

6 Commissioner Adelstein: Than to get this  
7 wonderful quality with all the different colors and  
8 backgrounds and sizes than to get nothing at all.  
9 We've got to make sure that we don't leave behind  
10 the deaf and hard of hearing community. And it's  
11 particularly important for emergency information  
12 when radio is not a realistic alternative.

13 Ms. Peltz Strauss: And let me just add, the  
14 blind community as well because even though video  
15 description isn't required it is still passed  
16 through. It is provided voluntarily. And that also  
17 can, hopefully, eventually, provide information  
18 about emergencies as well because it's a pending  
19 petition on that as well.

20 So it's not only closed captioning. It's a  
21 bigger problem for closed captioning just because  
22 there is so much content that is now closed

1 captioned and it's in danger of being lost. And you  
2 know, I've pointed out to NAB that I would think  
3 that the NAB or the Cable Association should be  
4 equally concerned because their clients or your  
5 broadcasters are all paying for this content. And  
6 it's not going to flow through to the community.  
7 But it is a problem, as I said, for both types of  
8 accessibility tools.

9 Commissioner Adelstein: And that's going to be  
10 one of your recommendations I take it, right? I  
11 believe that's in the draft recommendations.

12 Ms. Peltz Strauss: Yes.

13 Commissioner Adelstein: And we absolutely --  
14 well, I'll do everything that I can to help. I  
15 think that's really, really a critical area that we  
16 should be doing more on.

17 Ms. Peltz Strauss: Thank you.

18 Ms. Berlyn: One other question from Cheryl.

19 Ms. Heppner: Not really so much a question as  
20 an observation that it's sometimes very difficult  
21 for people who don't work with us or represent the  
22 deaf and hard of hearing community to understand the

1 full impact of not having captioning on television.

2 It's rare to ask that it probably hurts anybody

3 else. It's our one form of communication.

4 We can't listen to radio. We don't hear public

5 address systems. When we're standing in line at a

6 supermarket, we don't overhear conversations around

7 us. So we don't instinctively pick on the things in

8 the environment the way anyone else does.

9 For our news we really depend on those

10 captions. For a lot of what people talk about we

11 find it on television. And if also something that

12 really changes the fabric of the way we live.

13 I'll use an example, personal example. When I

14 first married my husband was hearing. And we tried

15 to find things that we could do together as a

16 couple, movies with caption, TV with caption.

17 My husband and I both thought it would be fun

18 to do white water together. We got in canoe. We

19 started going down the river. And then we realized

20 we can't do this. For me to be in the front and for

21 him to be in the back when he wanted me to paddle on

22 this side or that side or something, we had no way

1 for him to communicate and tell me that.

2       So he ended up having to bang on the side of  
3 the canoe while he's -- just to get me to turn  
4 around. And I couldn't really turn around without  
5 falling out or something. And we soon decided, ok.  
6 It just was not going to work for us. We were  
7 always finding.

8       So we tried something else. My husband loves  
9 to fix up old cars, remember this was a long time  
10 ago back when cars were not run by computers and  
11 anybody could take them apart and put them back  
12 together who had the know how. So he had this  
13 lovely little Alfa that he fixed up. And he thought  
14 we'll do rallies together as a couple. Ok, sounds  
15 like fun.

16       We got in this bright, red car and we got out  
17 to do a rally. And then I realized with the top  
18 down, the wind blowing. It feels so good to him and  
19 me, it's like horrible because all I could hear was  
20 wind noise.

21       So for me to communicate with him I have to  
22 look at him. He's driving. I only got half of his

1 face so I can't really see him, plus there was the  
2 wind blowing my hair in my face the whole time.

3 What are we going to do?

4 And we got television captioning. This is  
5 something we can do together. This has just made  
6 such a tremendous difference in our lives and in our  
7 family's lives.

8 Thanks for allowing me to share that.

9 Commissioner Adelstein: Well thank you for  
10 sharing that. I think this is one of the areas that  
11 you pointed out that shows how acute the need is for  
12 a field operation. You know, for people to get  
13 their hands into somebody's home and help them walk  
14 through this actually set up.

15 Some people just aren't going to be able to do  
16 it on their own. They might have tried to do it  
17 right. And there's some bug. They don't know what  
18 went wrong.

19 And you know trying to do that over the phone  
20 is going to be very difficult for anybody,  
21 particularly those hard of hearing over the devices  
22 that you have to use. It's tough. Who's going to

1 do that?

2 I mean, it's just I think the most, maybe one  
3 of the most acute cases of the overall need for  
4 people with disabilities, people who are elderly,  
5 don't speak English, low income, whatever it might  
6 be that they can't necessarily set this up. There's  
7 a particular complexity with making sure that the  
8 closed captioning works. But if we don't have an  
9 overall field operation with a subgroup that's able  
10 to deal and ensure that closed captioning works on  
11 the array of devices, we're going to have a problem.

12 There's going to be a huge demand for this.  
13 And you can't do this in 20, 30 days. I mean we're  
14 already kind of late to the game. I think we should  
15 have been working on this a long time ago and figure  
16 out exactly what that ground operation is going to  
17 look like. And if we can't do it, how are we going  
18 to come up with the plan for localities.

19 One of the things that worked in Wilmington is  
20 getting the fire department to do it. We paid the  
21 fire department to go into people's homes and set  
22 things up. I happened to be in Portland meeting

1 with Commissioner Fish, who's happens to be the Fire  
2 Commissioner in that town. They set it up that way.  
3 And he said, that's a great idea. I'm going to get  
4 the fire department here in Portland to do this.

5 But that's nice I happened to meet with this  
6 person who happened to have that responsibility and  
7 happened to think it was a good idea and is going to  
8 happen to implement it. That's kind of ad hoc to  
9 say the least. I mean why aren't we coming up --  
10 what is the national plan?

11 Who is going to do this in every community?  
12 And if it's not going to be a federal level, what  
13 are we telling the states to do? Who's going to be  
14 there to do it? What about organizations like yours  
15 that can get some people in the field and AARP and  
16 others to go to the homes of elderly who need help  
17 with this situation?

18 I think that may be the most acute problem.  
19 Because trying to deal with all of it over the phone  
20 is going to be tough. Some people are going to need  
21 home visits. And they're going to need some serious  
22 time on the phone to walk through this if they can

1 do that.

2           So I hope you make that part of your  
3 recommendations. This is a critical area that we  
4 have to address. And very disappointed we haven't  
5 done more on.

6           So thanks for sharing that. And thank you all  
7 for your input on this. I hope we can re-up the CAC  
8 for another two years.

9           You've done a great job. I think we need your  
10 input. We need your help.

11           And I'm hopeful we can continue to receive it  
12 going forward over the next couple of years. Thank  
13 you for your service on this. And thanks for your  
14 input on this particular issue.

15           Ms. Berlyn: Thank you, Commissioner.

16           [Applause.]

17           Ms. Berlyn: Ok, group. We have quite a busy  
18 afternoon ahead of us. So we are going to -- yes,  
19 Gloria? You want a recommendation?

20           We have not -- the drafting group has not  
21 finished our task. I'm glad we listened to the  
22 Commissioner's remarks. That helps us as well. So

1 we need some more time to do that.

2 I'm also sensitive to the fact that we have  
3 some guest speakers who are going to talk as well.  
4 So we need to come up with our plan for the balance  
5 of the afternoon. It is now quarter of.

6 I would suggest the following. That we go  
7 right to our broadband panel. And that at the  
8 conclusion of that broadband panel the drafting  
9 group will meet and others will take a very short  
10 break. And then we will take up in the time after  
11 that, we will take up the recommendations of both  
12 the visibility working group as well as the DTV  
13 working group.

14 So that's our plan. And so with everybody's  
15 patience and cooperation, I think we can stay on  
16 track and get through the balance of our work. So  
17 now let me turn this over to Brandon Stevens, who is  
18 going to moderate a discussion about broadband.

19 And, you know, it's a little break from DTV.  
20 But looking forward to the work that so many people  
21 do around this table, broadband is probably the next  
22 big issue of getting -- is going to get attention in

1 the next year. So thank you, Brandon for putting  
2 this together.

3 Mr. Stevens: Well, Madame Chairwoman at the  
4 last meeting you had asked for a little more  
5 information on broadband. And after some discussion  
6 about making recommendations at the last meeting  
7 about the importance of broadband and also adopting  
8 the federal/state joint board for universal service  
9 fund's recommendations on use of universal service  
10 funds for broadband. I wanted to bring a little  
11 more awareness of the issues of broadband to this  
12 Committee. And I hope that in any kind of re-  
13 commissioning of this group that we can further  
14 discuss this.

15 I've been working with broadband and fiber  
16 optics and access issues for a number of years, for  
17 the past while working for the Eastern band of  
18 Cherokee Indians. And in times I was not always a  
19 project manager for the tribe, I was an economic  
20 development planner and worked with United States  
21 Department of Agriculture's Rural Utility Service.  
22 And also during that time the Eastern band of

1 Cherokee Indians also developed an LLC to build  
2 fiber optics into our region.

3 I have invited today, first of all Jonathan  
4 Claffey, who works with the USDA. And also works  
5 with what is the Rural Connect Program under Ken  
6 Kushner. And he's going to speak first.

7 But just to talk about some of the issues in  
8 rural America. Some of the things, not only some of  
9 the agencies like Department of Commerce, working  
10 with, but how they're dealing with broadband and  
11 access in rural areas. I think we'll also see that  
12 it's not just a matter of getting access.

13 But, you know, some of the things that are the  
14 barriers there may be definitions of what broadband  
15 access is and how that's working through. But Mr.  
16 Claffey, you have the floor now. We appreciate you  
17 spending some of your valuable time with us this  
18 afternoon.

19 Mr. Claffey: Well, thank you all very much.  
20 Thank you for having me. I appreciate the  
21 opportunity to come and speak with you all about the  
22 USDA programs and the works that we're doing in

1 rural development because we think it's important  
2 and we think it's having a real impact. But we  
3 recognize that we've got quite a few spaces to fill  
4 in as well.

5 I'd like to start out by maybe giving you a  
6 little bit of background about why the Department of  
7 Agriculture is here talking to you about broadband  
8 deployment. Maybe put our programs in context for  
9 you with regard to what it is we're doing.

10 Within USDA I work for an organization which is  
11 now Rural Development. Rural Development consists  
12 of three sister agencies of which I work in the  
13 Utilities Program which is the predecessor to the  
14 old REA programs. It started Rural Electrification  
15 Telecommunications Financing back to get power to  
16 the farms and then followed by phone service.

17 Those programs have evolved and today are very  
18 much a part of the rural development and economic  
19 drive engine to promote just a better quality of  
20 life in rural America. The other two just by way of  
21 mention, the sister programs are Rural Business  
22 Programs and our Rural Housing Programs. So you can

1 see between the three agencies they really encompass  
2 a one-stop shop for financing of rural ventures,  
3 rural towns and rural communities.

4 In fact one of our former colleagues used to  
5 say that rural development is one agency that could  
6 actually build a town from the ground up because it  
7 would be able to finance the infrastructure needs,  
8 water, sewer and power as well as business and  
9 communications needs through our business programs  
10 and our telecommunications programs and housing  
11 through our housing program. So it is an all  
12 encompassing tool now that has evolved for rural  
13 America. And it's administered, of course, under  
14 the USDA's Rural Development Programs.

15 Within the -- and the main reason for me being  
16 here today within the Utilities Program. I have  
17 worked for the Telecommunications Program. I am the  
18 Deputy Assistant Administrator for the Utilities  
19 Programs, Telecommunications Programs.

20 I've actually been with the same agency, RD,  
21 for about 21 and a half years. I started in 1987.  
22 So I'm a career employee who's had a long career

1 with rural development issues and financing  
2 initiatives that go a long way towards bettering the  
3 life in rural communities. And really helping them  
4 transform and you'll hear me use that word several  
5 more times, our rural communities from agricultural  
6 based economies into much more than that. And the  
7 Telecommunications Program has very strong financing  
8 tools available to it for providing financing for  
9 rural broadband deployment.

10       Historically and continuing today we've had our  
11 -- what we refer to as an infrastructure program  
12 which typically lends about 690 to 700 million  
13 dollars a year for -- to local exchange carriers  
14 providing telecommunications and broadband services.  
15 These are your independent LECs that have been  
16 clients of the old REA and the RUS and rural  
17 development for 10, 20, 30, 40 years now. They're  
18 very progressive companies.

19       Complementary to that in 2002, the Farm Bill  
20 introduced a new program to us in terms of  
21 broadband, specifically broadband deployment. And  
22 it allowed us to actually make loans in areas that

1 we were traditionally prohibited from making loans  
2 before in areas that may already have providers,  
3 hence we would be funding areas where there may be  
4 some competition. But also increase the parameters  
5 of where we could go in terms of the size of the  
6 towns.

7 Our traditional programs were limited to very  
8 small areas, towns of 5,000 or less and the outlying  
9 areas. And of course the new Broadband Program  
10 allowed us to go into towns of up to 20,000 in  
11 population. That program traditionally has had  
12 around a half a billion dollars worth of lending  
13 authority associated with it. And the two programs  
14 combined have put out almost 700 billion dollars  
15 since 2001 in loans for broadband deployment in  
16 rural areas.

17 We have some other programs that we're working  
18 that help us to -- they're tools of ours that help  
19 both in terms of broadband deployment and building  
20 off of what you get out of having a broadband  
21 infrastructure in place. One of those is our  
22 Distant Learning and Telemedicine Loaning and Grant

1 Program. You may be familiar with that.

2 But of course you need broadband infrastructure  
3 in place in order to really take advantage of a  
4 program like this. That program is a very  
5 successful grant program on one side. The loan  
6 program has been a little less successful in terms  
7 of finding a business model where schools, libraries  
8 or even health care providers can support that  
9 financing.

10 But in a nutshell on the loan side, or on the  
11 grant side, it's an equipment based program that  
12 makes grants available for schools, healthcare  
13 clinics, libraries, any educational type of  
14 facility, K through 12, universities, community  
15 colleges, rural health clinics to receive the  
16 equipment that enables them to use a telemedicine or  
17 a distance learning service. So we have that  
18 program. It's annually funded at around 25 to 30  
19 million dollars. It's a competitive grant program.

20 We have another smaller grant program which we  
21 call our Community Connect Grant Program which it's  
22 a broadband based program whereby a single community

1 can put in an application that does not have  
2 broadband service available to it. And we could  
3 make a grant that actually provides the funding to  
4 put the infrastructure in place. And then there are  
5 some parameters that we want the grantee to agree to  
6 and build their system to.

7       Number one, connect every critical facility  
8 within the town and offer them -- and give them free  
9 broadband service for two years. Critical  
10 facilities we've sort of defined as police station,  
11 fire houses, the Town Hall, hospitals, schools, etc.  
12 What you would consider those types of facilities  
13 that you need to operate safely and you need to  
14 operate for community.

15       We also would require them to put a community  
16 center in place. They could either build one or if  
17 they had space available, designate that space  
18 whereby at least ten computers are put in there,  
19 connected to the internet, open to the public free  
20 of charge, operated for two years so that those  
21 residents that didn't have computers in their homes  
22 or couldn't afford the service there, could go and

1 experience what it really was that broadband was  
2 bringing to them, how they could use this new tool.  
3 Again that would be operated for two years and we  
4 could fund the cost there.

5         The real core of this program is to get funding  
6 into the areas that simply could not be supported by  
7 either private investment which is obvious in a lot  
8 of these very small towns or even by government  
9 subsidized, lower interest loan investments. So we  
10 were operating this grant program. It's highly  
11 competitive.

12         And as I said it's not an enormous amount of  
13 funding. It's around 10 million dollars a year in  
14 that program. So you can see that we're certainly  
15 over subscribed there.

16         When we talk about some of the challenges for  
17 rural deployment, you all know this in terms of  
18 costs. It costs a lot more to do almost everything  
19 in rural areas. And we're dealing with an industry  
20 that is a mix, as you well know, of partially  
21 regulated areas and non-regulated areas. And  
22 entities who are now competing against one another

1 who have different sets of rules that they must  
2 follow.

3         Within our broadband program, the new one  
4 introduced by the Farm Bill and then just  
5 reauthorized by the 2008 Farm Bill. We recognize  
6 these challenges that we're going to be financing in  
7 areas where you need to leverage some of the more  
8 lucrative areas. If you will, lower cost to serve,  
9 higher use areas, in order to expand that donut out  
10 and get to those areas that are un-served. That's  
11 one major challenge for us.

12         And I know I'm going to be a little short on  
13 time here, but what I would like to do is also bring  
14 up a few of the provisions that we're going to be  
15 faced with here because the new Farm Bill changed  
16 our statute. And we're currently rewriting our  
17 rules and regulations. And there are several  
18 important components to that that we're going to  
19 have to deal with which will change the landscape  
20 under which we're able to lend into.

21         The previous Farm Bill allowed us to --  
22 virtually the criteria was a town of 20,000 or less

1 and under and you could go into that area. Now it  
2 might not be feasible and we might not make the  
3 loan. But it didn't matter how many different  
4 competitors were there at the time that they've  
5 submitted an application. All they had to do was  
6 meet the morality requirement, if you will.

7       The new statute requires us to -- it prohibits  
8 financing where essentially the market is already  
9 taking care of the situation. And it's defining  
10 that as there are three or more incumbent service  
11 providers already say, within a proposed service  
12 territory. We wouldn't put a fourth one funded by  
13 the government into that area.

14       It also requires applicants to bring within a  
15 proposed service territory that they're submitting  
16 to us a level of at least 25 percent of households  
17 within that territory that do not have access or  
18 have access to broadband by only one provider. So  
19 those two parameters as you can see right there will  
20 change the landscape under which we make loans.  
21 They are not completely foreign ideas to us because  
22 we had actually proposed something similar when we

1    tried to rewrite the rules before the Farm Bill  
2    started its deliberations.  And we put that on  
3    hiatus for obvious reasons because the statute was  
4    about to change.

5            But the goal there, the real goal there is to  
6    incent companies and other entities to extend  
7    service to underserved and un-served areas.  And  
8    then also not to put federal dollars where the  
9    market has already adequately provided competition  
10   which drives, you know, obviously quality and price  
11   issues.  I wanted to mention those new parameters.

12           We're on a fast track, I believe.  We think we  
13   can get an interim rule out by the end of the  
14   calendar year that would allow us to start accepting  
15   applications back in that program.

16           I guess in closing, you know, rural America is  
17   our charge here in rural development.  You can tell  
18   from just the brief mention of our programs we're  
19   focused in almost every aspect, rural business  
20   incentives, infrastructure.  We actually have a --  
21   it's a fairly easy graphic to visualize.

22           A graphic that we usually use in a power point

1 presentation is a pyramid. And within that pyramid  
2 it shows all of the different rural development  
3 programs. As you build on community leadership and  
4 your infrastructure, safe and clean drinking water,  
5 reliable electricity and affordable electricity,  
6 broadband communications.

7 Add your business programs that can now --  
8 we've got numerous success stories of businesses  
9 that can be anywhere. Broadband is transformative.  
10 It allows economic development, as you well know.  
11 And it will be the mechanism much like and it's a  
12 cliché I know, much like the canals and the  
13 waterways, the interstate highways, the railroads.  
14 It will be that mechanism that allows us to  
15 essentially prosper wherever we want to live.

16 So I appreciate your time. And I certainly, I  
17 would be happy even to give you my phone number if  
18 you would like follow ups with me and would like to  
19 arrange a meeting to, you know, come or have a  
20 conference call and learn more about our programs  
21 and what they can do in rural areas. It's 202-720-  
22 9556.

1           And again my name is John Claffey. And I  
2 appreciate the opportunity to speak with you today.

3           Mr. Stevens: I'm going to lead off with one  
4 question for you. In the past couple of years how  
5 much saturation do you think, whether it's been  
6 fiber optics or wireless or -- how well has  
7 broadband access getting into America -- how many  
8 portions of the country are you're seeing that have  
9 no access or dial up verses those that are beginning  
10 to see some saturation there? I mean, is there a  
11 lot of work left to go as far as the un-served area  
12 verses those areas that are underserved?

13           Mr. Claffey: Yeah, I believe there's a lot of  
14 -- if I had the exact statistic that you just asked  
15 for I think I could sell it to somebody. There are  
16 so many variables in the question you just asked. I  
17 believe there's a lot of work to be done because I  
18 believe that the demand for bandwidth is going to be  
19 going up. It's not set at a static level.

20           By virtue of the fact that we have a community  
21 connect grant program that's well over subscribed,  
22 that's proof right there that there are plenty of

1 areas that -- and that program relies on our  
2 definition that we still have not changed as we --  
3 when we adopted our rules in 2003 that broadband was  
4 defined as 200 kilobits per second in each  
5 direction, fairly low level by today's standards.  
6 So we see, you know, 50, 60, 70 towns applying every  
7 year for that program who don't even have those  
8 speeds available. I think it is critical where the  
9 definition level gets set. But I think we're going  
10 to be chasing this for a while in terms of getting  
11 broadband out to the most rural communities.

12       Towns and more densely populated areas are  
13 seeing one, to two, to three competitors already.  
14 But pushing that envelope out further I think is our  
15 real challenge. And I think that's when I spoke  
16 somewhat of we need to be open to some amount of  
17 competitive financing in terms of that it will  
18 leverage a company's ability to say, if you let me  
19 have some of this market. I can go to the market  
20 that's un-served. And I think there's a lot of that  
21 market still left.

22       Mr. Stevens: Any other questions for Mr.

1 Claffey? Or comments?

2 Ms. Tristani: The loans or the grants  
3 generally are they available for public entities as  
4 well or?

5 Mr. Claffey: Yes. You know the short answer  
6 is essentially only individuals or partnerships are  
7 ineligible. For profit, not for profit, co-op,  
8 corporations, municipalities, they are eligible.

9 They need to be incorporated in such a way that  
10 they're able to legally contract with the  
11 government, execute loan security agreements,  
12 mortgages, notes, loan contracts, etc. But yes.

13 Ms. Tristani: The other question is on the  
14 speed definition of broadband of which the FCC only  
15 recently updated as well. Are you looking at  
16 updating that definition?

17 Mr. Claffey: Well certainly the Farm Bill  
18 directs the Secretary. And of course that authority  
19 is delegated down to the Administrator of the  
20 Utilities Programs to look at that. And I think,  
21 you know, it's been -- we're redoing our rules and  
22 regulations since 2003. So I would imagine, yes, we

1 would be looking at updating that as well.

2 Ms. Tristani: Thanks. Thank you.

3 Mr. Stevens: Any other questions for Mr.  
4 Claffey?

5 Mr. Claffey, I appreciate your time being here.  
6 And I hope that some of the folks walk away with a  
7 little information or at least a contact now to gain  
8 some resources for USDA or some of the other things  
9 that are just kind of outside the box for accessing  
10 broadband. But we appreciate your time, sir.

11 Mr. Claffey: Well, thank you. And you're very  
12 welcome. And please, if you would like to contact  
13 me, that's why I gave you the phone number and we  
14 can talk more about our programs because we think  
15 they're important. Thank you again.

16 Ms. Berlyn: Thank you.

17 Mr. Stevens: About five years ago Western  
18 North Carolina experienced some black outs. I think  
19 I may have told this story to this group before that  
20 we had some cut offs with telecommunications. We  
21 suddenly found out that there were not a lot of  
22 areas for upstream egress or points of dial tone

1 service even.

2           And on two separate Fridays a seven to eight  
3 county region was put into the black which relies  
4 heavily on tourism. So that means ATMs, fax  
5 machines, internet, all kinds of critical  
6 infrastructure was cut off. And it was primarily at  
7 the hand of someone who was digging a ditch one  
8 weekend. The next weekend someone just putting in  
9 some infrastructure that cut the lines.

10           And through the whole region we were in the  
11 dark, which prompted us to talk to the incumbent  
12 carriers for expanding their infrastructure,  
13 building more points of egress. And at that point  
14 little rural areas including our Cherokee Indian  
15 reservation did not have a population to serve to  
16 allow that company to expand for return on  
17 investment and that sort of thing.

18           So it prompted the Eastern band of Cherokee  
19 Indians and Drake Enterprises, whom David Hubbs is  
20 an employee of. But Drake Enterprises what I have  
21 to tell you, is also one of the founding fathers of  
22 software that makes it possible for us to

1 electronically file income taxes. Some of the -- so  
2 at that point infrastructure such as broadband,  
3 fiber optics, T1 lines, were very important to this  
4 company.

5         And as a point of us needing infrastructure for  
6 hospitals, communications, the two merged as an LLC  
7 called Balsam West Fibernet. There is a strand of  
8 mountains in West North Carolina called the Balsam  
9 Mountains. So west of that area is where we're  
10 having some trouble with telecommunications. We  
11 created this LLC and combined resources to build  
12 over 300 miles of fiber optics to serve the area.  
13 This helped with access in all different levels.

14         David is here to tell us about some of the  
15 activities of one, the challenges of rural areas and  
16 the need for broadband and also some of the things  
17 that we've encountered. And now some of the success  
18 stories of where Balsam West Fibernet is going.

19         So, David? Mr. David Hubbs is our CEO of  
20 Balsam West Fibernet.

21         Mr. Hubbs: Thank you, Brandon. I was just  
22 marking out lines on my paper. You stole all my

1 material. But I think I can make due.

2 Thank you for having me here. Brandon asked me  
3 to come and talk about who we are and what we've  
4 done and why we did it and what we think it means  
5 and to do all that in ten minutes. So I'm going to  
6 give that my best shot.

7 As Brandon said Balsam West is a regional,  
8 fiber optic network in rural, Western North  
9 Carolina. The particulars of the 300 miles that we  
10 installed, we put it in all underground. We are in  
11 the six western most counties of the state including  
12 the tribal lands of the Eastern band of Cherokee as  
13 well as a sliver of East Tennessee and North  
14 Georgia. Rural communities all.

15 I don't think there are any of those counties  
16 with very large populations. I think the  
17 populations range from 15,000 to a max of 29,000.  
18 We have tried to touch every 'burg and 'ville in the  
19 region that we serve.

20 So that's a little bit about what we've done.  
21 And there's more that we have done. But before I  
22 get on to that I think it'll make more sense if I

1 explain why we did it.

2 And Brandon explained a little bit of that.

3 But I'll just kind of address it from the Drake

4 Enterprises. What we saw.

5 Drake is a small company. It's large in the

6 standards of our region. We have about 500

7 employees. We're actually a family of several small

8 companies all working together.

9 But the largest of those companies is Drake

10 Software. And Drake creates software to calculate,

11 print and electronically file Federal and State

12 income tax returns. It's very glamorous work.

13 And we -- Phil Drake, our founder, was actually

14 a pioneer in the early days of trying to develop

15 software and systems to transmit information to the

16 IRS. And it's not rocket surgery to figure out that

17 they would a lot rather have information

18 electronically that they can access rather than

19 warehouses and warehouses full of paper. So in the

20 80s that began to take hold as a method of filing

21 information with the IRS and at that time it was

22 pretty much a modem to modem telephone call. You

1 dial a number, transmit the data and hang up.

2           Then in the 90s as the Internet began to become  
3 ubiquitous. We realized that our income tax filing  
4 software had to evolve to take advantage of the  
5 Internet. But here we were in a small town in  
6 Franklin, North Carolina in late 1994. And there  
7 were no Internet service providers. There was no  
8 one we could call and say, we need a circuit. There  
9 was no dial up, no nothing.

10           So we had to remain competitive in our  
11 industry. So we negotiated directly with the  
12 backbone provider and got Internet service over a  
13 long haul transport directly to us out of Atlanta.  
14 And that cost us about six to ten times what it  
15 would have cost were we in an urban area. So we had  
16 a little bit of extra cost there.

17           As the 90s bore on our dependence on the  
18 Internet in order to conduct our business became  
19 greater and greater and greater. We recognized a  
20 necessity by the late 90s of becoming multi-home.  
21 And what that meant to us was that we were going to  
22 buy two circuits to the Internet. We bought one to

1 Atlanta and one to Greensboro, North Carolina. And  
2 we did that so that we would be protected in the  
3 event a circuit went down we wouldn't be out of  
4 business. We'd be able to continue to transmit.

5 What we learned the hard way is that our region  
6 had another disadvantage besides the last mile. Our  
7 disadvantage was the middle mile. We learned the  
8 hard way and Brandon mentioned those outages.

9 In 2002 a single pipe with a cable in it that  
10 served our entire region went down eight times. And  
11 so it didn't just affect our business. It affected  
12 every home, bank, credit union, business of any  
13 kind, hospitals, schools, everybody. And of course  
14 it affected our business. And we needed to solve  
15 that problem if we were going to remain competitive  
16 in our field.

17 So we contacted the bank loan provider and  
18 asked about how could we get some geographical  
19 diversity on those two circuits. And they couldn't  
20 find any infrastructure that could fill that need.  
21 So we talked to the incumbent, local carrier. And  
22 we explained what the situation was. And our demand

1 was not great enough to warrant an investment on  
2 their part.

3       So we were basically left with two choices.  
4 We're either going to move our company or we're  
5 going to build. And either one of which is going to  
6 be very expensive.

7       And so we decided if we were going to have to  
8 spend a lot of money to solve this problem anyway,  
9 why not invest it in our own hometown. Fortunately  
10 we have a very active community college system. We  
11 have a very good relationship with the Eastern band  
12 of Cherokee Indians.

13       They also were suffering from the same kind of  
14 middle mile problem as us. And so by working  
15 together and using information that Southwestern  
16 Community College had learned in some studies that  
17 they had done, we began to plot and scheme as to how  
18 we could solve this problem and build for ourselves.  
19 So we built this ring.

20       We, in essence we solved our geographical  
21 diversity problems. We built our regional network.  
22 We made arrangements with an adjacent regional

1 network and negotiated our own transport all the way  
2 to Atlanta that's completely geographically diverse  
3 than what the incumbent telephone company has. And  
4 we were working, are working on other relationships  
5 like that.

6         Additionally we have worked with the medical  
7 community, the school systems. We have now  
8 connected 45 school buildings in the six western  
9 most counties with their own fiber optic cable to  
10 each building. There are more schools to be done,  
11 but we've done 45 schools so far.

12         We have been working with the medical  
13 community. We've connected together the West Care  
14 Medical Systems. They have five different  
15 facilities in different towns around the area.

16         We have also worked with banks, insurance  
17 companies, municipal governments, county governments  
18 as well as some other carriers we're beginning to  
19 work with now. So we have, you know, tried to do  
20 the work to address another problem besides the last  
21 mile that can affect rural communities. And what we  
22 realized -- I grew up in a small town and perhaps

1 some of you did. And we realized that when it comes  
2 to telecommunications technology, the small towns  
3 get it last. We always get it last.

4 And that only makes sense. I mean you have to  
5 have a certain amount of population in order to  
6 warrant the investment in some technologies. And I  
7 think that's a perfectly appropriate approach for a  
8 20th century to build for demand.

9 But in North Carolina, as you know, and in many  
10 other rural areas we have had a mass exodus of  
11 manufacturing jobs, as well as agricultural jobs and  
12 so forth. So we needed a new strategy to try to  
13 make ourselves suitable and attractive for the 21st  
14 century economy. In order to attract knowledge  
15 based, technology companies to our area, either to  
16 grow them or attract them there, we needed to have  
17 the infrastructure that they need to have.

18 So I don't even know how long I've been  
19 talking. But we are beginning to work on some other  
20 ways to bring in some other revenue streams and try  
21 to bring the flow of dollars in terms of using  
22 telecommunication infrastructure into our region

1 rather than having it flow out. And so we're just  
2 trying to do a little bit of our part with that.

3 And I am aware that there is a couple of pilot  
4 programs out there. I think the FCC has a pilot  
5 program for medical connectivity. We are trying --  
6 we are not applying for a grant, but we're trying to  
7 work with the medical community in our area to see  
8 if that would be attractive to them. Because we  
9 would like to be their vendor, you know.

10 And but at the same time there's some other  
11 potentialities. I think the schools could certainly  
12 -- they're in pursuit of more grant dollars to try  
13 to continue to get connectivity for all of their  
14 buildings as well. Thank you.

15 Mr. Stevens: And one other thing before we  
16 open up questions. One of the avenues that this  
17 whole fiber optic ring has built in for Western  
18 North Carolina has been efficiency. Because in  
19 Western North Carolina, on the map, you may be able  
20 to draw a point from city to city and it looks as we  
21 say as the crow flies couple miles in between  
22 cities. But the roads are single lanes, switchback

1 roads that take literally hours to go back and  
2 forth.

3       What this has created is created a virtual  
4 community that has no barriers. In other words, the  
5 local hospitals and communities have been able to  
6 treat patients, telemedicine basis or to transmit  
7 large amounts of data such as imaging for cancer  
8 patients, people who have severe illnesses to major  
9 cities, Knoxville, Atlanta, Asheville, and beyond  
10 even to cities around the world to gain diagnosis.  
11 It's also helped our educational areas.

12       But this has reduced the time lag traveling in  
13 between the cities. Also, for us there's not a lot  
14 of areas to take a look at business industry, I'll  
15 say it that way, industry that could potentially  
16 pollute the mountains or anything like that. It's  
17 given us an avenue to build clean industry, software  
18 based, call centers and especially to some areas  
19 that don't have a labor force that has a high level  
20 of education, but has created economic  
21 opportunities.

22       So there in lies the importance of why

1 broadband is important, especially to rural areas.

2 So, questions for Mr. Hubbs?

3 I made that kind of impression? Now also --

4 Mr. Hubbs: Is that good or bad?

5 Mr. Stevens: I don't know. Let's see. Marty,

6 you had an announcement or can you tell us about --

7 because there's a broadband summit or sort coming up

8 so --

9 Ms. Doneghy: I was just talking to Brandon

10 during one of the breaks and mentioning something

11 that was written up in I guess Com Daily or one of

12 the daily broadcasting magazines about a national

13 broadband summit happening December 2nd in the

14 Senate Commerce Science and Transportation hearing

15 room. And the name that I had from the article was

16 a Jeff Baller with a group. They're calling

17 themselves --

18 Ms. Berlyn: Jim.

19 Ms. Doneghy: Jim Baller, ok. Calling

20 themselves the National Broadband Coalition Group.

21 And it sounds like from the article they're opening

22 themselves up to everyone. I thought it was

1 significant because if you can get the Senate  
2 Commerce hearing room, that's pretty good.

3 I know that that Committee has done quite a few  
4 hearings on why broadband matters since September.  
5 And I think that activity is going to continue in  
6 the next Congress. I was just throwing it out.

7 Mr. Stevens: If no other questions. Ok, I'm  
8 sorry, Scott?

9 Mr. Doron: I guess I had a story and then a  
10 question. And it's easy sitting here in DC thinking  
11 that the word is out on the importance of broadband.  
12 Especially to rural communities, this is not the  
13 case.

14 Two years ago through a grant from the Delta  
15 regional authority, we interviewed city managers or  
16 county managers, whoever would have been responsible  
17 for telecommunications issues within the county. We  
18 found out that more often than not, nobody was  
19 responsible. And that these county managers or city  
20 managers had telecommunications very far down on  
21 their list of priorities. One comment was how can I  
22 worry about that when I don't even have clean water?

1 So there are issues like that.

2 But one thing I found very interesting about,  
3 you know, the discussion is role of state policy  
4 investments in this area. If you look at, at least  
5 the public pronouncements of state investments, at  
6 least the ones that I'm familiar with, North  
7 Carolina and Kentucky, through ENC and Connect  
8 Kentucky, appear to be the leaders or models for  
9 state investments in this with Tennessee then kind  
10 of glomming on to the Connect Kentucky model. But  
11 you didn't mention the state assistance at all or --

12 Mr. Hubbs: We didn't get any.

13 Mr. Doron: Ok. What does --

14 Mr. Hubbs: But we work with ENC.

15 Mr. Doron: Ok. You didn't get any because you  
16 weren't eligible or what were the issues there that  
17 I'm missing?

18 Mr. Hubbs: Well, we tried to get something but  
19 we didn't. And maybe we just didn't do a good job  
20 of identifying exactly what the problem was that we  
21 were trying to address. And we've learned a lot in  
22 the process as well.

1           But every step of the way, you know, it has --  
2   our intuitions about it have been correct. We did  
3   fill a very serious gap in the middle mile. ENC was  
4   primarily interested in the last mile, you know.

5           And they've done some remarkable work getting  
6   local telephone companies to purchase what we call D  
7   slams, DSL switches, so they can provide DSL service  
8   and that sort of thing. And the Kentucky program,  
9   Kentucky Datalink is remarkable. They have  
10   interconnected with a lot of other regional  
11   infrastructure.

12           But we were -- a lot of the state project was  
13   funding to help fill around holes. But we had a  
14   square hole that we were, round pegs in square  
15   holes. We recognized a different problem. And we  
16   have the last mile problem in our area too. And  
17   we're doing some things to address that.

18           And we're trying to encourage service providers  
19   to come in, that, you know, we can help deliver  
20   their services. We're going to try to deliver some  
21   services ourselves, voice and so forth and perhaps  
22   video at some point in time. But mainly we're just

1 a transport provider.

2 And we've tried to give our region another  
3 connection to the outside world because the  
4 incumbent world -- our need was not warranting any  
5 action on their part. So there's a little bit of  
6 difference than in what we've done and what the  
7 state was trying to accomplish. But we were working  
8 with the state.

9 We're now helping to provide our schools  
10 connectivity to a state project called NCREN where  
11 each of the county school systems has a dedicated  
12 connection back to the state infrastructure. And  
13 we're part of that.

14 Ms. Berlyn: Charles?

15 Mr. Benton: Yeah. This is not a question, but  
16 let me just add a couple of observations here. In  
17 North Carolina, really is a model in state  
18 leadership and beyond Kentucky and connect the  
19 nation, I mean Jane Patterson and all those great  
20 folks.

21 And picking up Marty on your comment. Jim  
22 Baller has been working as a consultant for a long

1 time in North Carolina. And a lot of his content in  
2 the national broadband strategy flows out of that  
3 relationship with E North Carolina. And that is an  
4 open meeting on the Hill on December 2nd between 10  
5 and 12. And those interested in a national  
6 broadband strategy should come. I mean, it will be  
7 a very interesting meeting.

8       You're signed up on this, Rich and a whole  
9 bunch of other people too. So it's -- Jim has  
10 really done us all a service in trying to push  
11 forward finding common ground on a national  
12 broadband strategy. So, very exciting. Marty, I'm  
13 glad you raised that.

14       Mr. Stevens: Any more questions for Mr. Hubbs?

15       David, appreciate your time. And what we hope  
16 to do is just to bring a little more education.  
17 There's not a whole lot more to do with broadband as  
18 far as our work as a CAC here in this particular  
19 session.

20       What we did do, I know the overshadowing theme  
21 here was the additional transition in television.  
22 But along the way we hope to raise a few issues and

1 some awareness of what broadband can do and the  
2 importance of that. And I'd like to thank all the  
3 people who worked in the working group with us.

4 Charles Benton, you've been a great help and  
5 you've been a great resource and a great leader with  
6 our group. And all the people who worked with us,  
7 spending some time on conference calls and that sort  
8 of thing, I really appreciate your time and your  
9 efforts there. And this is a big issue, obviously  
10 to me and also to some of the constituency I  
11 represent. But I thank you for your time and  
12 Chairman?

13 Ms. Berlyn: Yeah. Thank you very much,  
14 Brandon. And it's a different subject than what  
15 we've dealt with all day here, digital television,  
16 but I see it as a, sort of, a bridge issue because  
17 certainly the next CAC will most certainly be  
18 looking at this issue. So you hope to prepare folks  
19 who may be involved in the next one a bit today. So  
20 thank you very much.

21 Ok, it's a -- we're right on time for our plan  
22 here. I'm going to ask the subcommittee of drafters

1 to get together. I think we just need five or ten  
2 minutes.

3 And everyone else, please take a break. And  
4 then we'll get back and start to look at some of the  
5 recommendations. Thanks.

6 [Break.]

7 Ms. Berlyn: We need to get reconvened.

8 There might be a few folks out. Let me go get  
9 the people out in the hallway.

10 Thank you everyone. Patience, I appreciate it.  
11 Ok, so we have on our agenda.

12 We still have left -- yeah, we're not making  
13 the agenda as it currently exists in front of you.  
14 But we will get everything done that needs to happen  
15 today. And I anticipate that we won't have comments  
16 from the public seeing I don't see a public around.

17 Alright, we've worked on changes and  
18 recommendations for our DTV --

19 Mr. Benton: I've got to go, but I've just got  
20 want to do one thing. I can't resist doing one  
21 thing.

22 Ms. Berlyn: Right. I think you need to raise

1 your hand.

2 Mr. Benton: I would like to put in a  
3 resolution of recognition to Scott Marshall of his  
4 service.

5 Mr. Marshall: You're out of order.

6 Ms. Berlyn: Hear, hear.

7 Mr. Marshall: You're out of order.

8 Mr. Benton: Service not only to this CAC, but  
9 prior CACs were wonderfully served by this dedicated  
10 public servant. And I just wanted to, you know, put  
11 in a message that ought to be part of the official  
12 record as we wind down this two year term of the  
13 CAC.

14 Male Speaker: Second that.

15 [Applause.]

16 Ms. Berlyn: Well done, Charles.

17 Mr. Marshall: Thank you, Charles. Thank you  
18 everyone.

19 Ms. Berlyn: We could not do what we do without  
20 Scott that's for sure. So thank you. And my only  
21 regret is that we didn't do it this morning in front  
22 of others from the FCC.

1 [Laughter.]

2 Ms. Berlyn: So they know what a faithful  
3 public servant he is.

4 Ms. Tristani: This is on the record.

5 Ms. Berlyn: This is on the record. And it's a  
6 unanimous number 14.

7 Mr. Marshall: We're still working. And it's  
8 on the record. Yes.

9 Ms. Berlyn: We've had several recommendations  
10 for number 14. Ok. Alright.

11 So we are now in the recommendations of both  
12 the Disability Working Group and the DTV Working  
13 Group. And if I could indulge everyone, if you  
14 don't mind if I do the DTV one first seeing the  
15 scribbles on here are incredible. And I want to  
16 make sure that we have a fresh -- a correct version  
17 here.

18 We did several things when we did our drafting.  
19 We tried to reflect the discussion that we had over  
20 lunch as well as some of the comments that  
21 Commissioner Adelstein made to the working group.  
22 And then we also looked at reordering some of these

1 so it made some sense for this CAC's recommendations  
2 as opposed to the Commissioner Copps's letter  
3 originally in which we've used and done quite a bit  
4 of changes to.

5 So help me if you could, Drafting Group. But  
6 let me just start out by saying that the first one  
7 on this recommendation is a ramp up of the FCC call  
8 center. And we added, "And other direct consumer  
9 assistance." So that will be our first point.

10 This is instead of -- you see number three on  
11 here is now going to be number one. And in the  
12 second paragraph we added the following. It now  
13 reads "For consumers who need more hands on  
14 assistance the Commission should" and we add here,  
15 "provide resources to facilitate" -- wait, I'm  
16 sorry. "Should provide resources to and facilitate  
17 the development of local partnerships." Ok. So  
18 commas are important here.

19 Ok. So that now becomes number one. Number  
20 two is your old number four. And here we say -- oh,  
21 I'm sorry. Do we have another -- the Committee  
22 recommendation to establish a specific channel is

1 that under the new number one?

2 Ok, so we have another addition to the new  
3 number one which goes as following. "The Committee  
4 also recommends that the FCC establish a specific  
5 channel of communication to respond to issues  
6 related to closed captioning including, but not  
7 limited to email address and TTY line."

8 Mr. Marshall: It will be closed caption and  
9 video description.

10 Ms. Berlyn: And video description. Ok. And  
11 then the parenthesis comes after video?

12 Mr. Marshall: Correct.

13 Ms. Berlyn: Ok. And dedicated voice line.

14 Mr. Marshall: Voice line, yeah.

15 Ms. Berlyn: Got it. Ok. Alright.

16 So that's the new number one. All of that is  
17 the new number one.

18 Now the new number two is "prepare  
19 comprehensive DTV" -- I'm sorry, "DTV contingency  
20 plans. The Commission and the NTIA should jointly"  
21 and then we have three bullet points. The first two  
22 the same and a third bullet point says, "Address

1 issues related to the renewal, expiration and late  
2 distribution of converter box coupons." Ok, so  
3 that's the new number two.

4         The new number three is the old number one  
5 which now says, "Conduct additional field testing."  
6 And I don't think we include it in the title here.  
7 And soft cut offs. That should be the header. And  
8 then underneath it, it says, "The Commission should  
9 encourage more soft cut offs by broadcasters and to  
10 the extent practicable, conduct field tests in  
11 various markets, etc." Ok? So that's the new  
12 number three.

13         The new number four is the old number six. The  
14 header is the same on number four. The title there,  
15 the paragraph underneath reads, "The Commission  
16 should continually refine and disseminate trouble  
17 shooting checklists."

18         So that was a recognition that the FCC  
19 currently has a trouble shooting document. So we  
20 just want them to continue that effort to update it.  
21 Ok.

22         Number, the new --

1 Mr. Ellis: In the examples.

2 Female speaker: In the titles.

3 Ms. Berlyn: Oh, in the examples. Right. We,  
4 where it says antenna functionality, closed  
5 captioning, and the digital cliff effect, in that  
6 paragraph.

7 Ok. The new number five is the old number ten.  
8 "Convene a working group on Digital Closed  
9 Captioning and Video Description."

10 Ms. Peltz Strauss: Technical, technical.

11 Ms. Berlyn: Oh, that's in the header. Ok.  
12 "Convene a technical working group on Digital Closed  
13 Captioning and Video Description." And underneath  
14 it will read, "The Commission should convene a  
15 technical working group on Closed Captioning and  
16 Video Description that includes representatives from  
17 the broadcast cable and satellite industries,  
18 consumer electronics, manufacturers and retailers  
19 and providers of consumers -- "

20 Ms. Peltz Strauss: And providers and consumers  
21 of captioning.

22 Ms. Berlyn: "And providers and consumers of

1 captioning and video description."

2 Ms. Peltz Strauss: Right.

3 Ms. Berlyn: And then under the second bullet  
4 we added video description. So it's "Evaluate the  
5 captioning and video description capabilities of  
6 digital equipment."

7 Ms. Peltz Strauss: And actually we missed one  
8 under the first bullet as well. "Identify current  
9 and anticipate problems with the transmission and  
10 display of digital captioning and of video  
11 description."

12 Ms. Berlyn: Ok. Ok. Now, next, the new  
13 number six is the old number two. And we did not  
14 make any changes to that.

15 The new number seven is the old number nine.  
16 And we did not make any changes to that.

17 The new number eight is the old number five.  
18 And we did not make any changes to that.

19 The new number nine is the old number eight.  
20 "Encourage the rapid deployment of small battery-  
21 operated DTV sets." Underneath that we have a  
22 paragraph that now reads, "The Commission should

1 encourage the development of small, battery-powered,  
2 fully accessible," and in parenthesis, "(captioning  
3 and video description), DTV sets and converter boxes  
4 and work with industry to ensure that these products  
5 are widely available in the market in sufficient  
6 numbers."

7 Jamie?

8 Mr. Hedlund: I just got more information.  
9 There are -- under 13, battery-powered, portable  
10 sets under 13 inches that are available that include  
11 closed captioning circuitry. There are models that  
12 are already out there.

13 Ms. Berlyn: Excellent, excellent. Would you  
14 recommend any amendment to this then? Cause we do  
15 say, "Should encourage?" Should we say, continue to  
16 encourage?

17 Would you recommend any?

18 Mr. Hedlund: I wouldn't recommend edit. I  
19 mean the market. We would say that the market is  
20 responding, but --

21 Ms. Berlyn: Ok. Ok, thank you. Ok, now, the  
22 new number ten is the old number seven.

1           The new number -- ok. So that's -- those are  
2 all the old bullets. We added three more.

3           Number eleven reads, "The Commission should  
4 ensure the accountability and transparency of all  
5 public funding related to the DTV transition."

6           The new number twelve, "The Commission should  
7 recommend that Congress investigate opportunities to  
8 facilitate the goals of the DTV transition using  
9 appropriate financial resources."

10          Ms. Kalani: Could you repeat that?

11          Ms. Berlyn: The Commission should recommend  
12 that Congress investigate opportunities to  
13 facilitate the goals of the DTV transition using  
14 appropriate financial resources.

15          And the new thirteen is, "The Commission should  
16 work closely with the Presidential transition team  
17 to ensure a seamless, efficient and effective DTV  
18 transition effort."

19          And that is it. Although there've been several  
20 recommendations for a fourteen. We are keeping it  
21 to thirteen.

22          Ms. Kalani: Could you repeat that?

1 Ms. Berlyn: Sure. Number eleven is "The  
2 Commission should ensure the accountability and  
3 transparency of all public funding related to the  
4 DTV transition."

5 Ms. Kalani: Thank you.

6 Ms. Berlyn: That is the recommendation of the  
7 DTV Working Group. Does someone want to move it  
8 forward?

9 Mr. Stevens: So moved.

10 Ms. Berlyn: Ok.

11 Ms. Peltz Strauss: Second.

12 Ms. Berlyn: Ok. Brandon moves. Karen second.  
13 Further discussion?

14 Alright. All those in favor of this  
15 recommendation indicate by saying "Aye."

16 [A chorus of ayes.]

17 Ms. Berlyn: Any opposed?

18 [No response.]

19 Ms. Berlyn: Claude, you were an aye. Was  
20 Claude an aye? I saw his hand up.

21 Female Speaker: Yes.

22 Ms. Berlyn: Ok, thank you. Any --

1 Mr. Marshall: Abstentions.

2 Ms. Berlyn: Abstentions, thank you. Anyone  
3 abstaining?

4 One, two, three, four. Ok, four abstentions.

5 Mr. Marshall: Do they want to be named on the  
6 record or just four abstentions?

7 Ms. Berlyn: Do you need to be named?  
8 Abstentions? No.

9 Mr. Marshall: No? Ok, thank you.

10 Ms. Berlyn: I'm fine with that.

11 Mr. Marshall: And if it would be helpful we  
12 could ask our reporter to do a rush delivery on this  
13 section of the transcript. Would that help you in  
14 putting this together?

15 Ms. Berlyn: Oh, that would be great. Yeah,  
16 that would be great.

17 Mr. Marshall: Linda Metcalf, if that's  
18 possible?

19 Ms. Metcalf: [off mic]

20 Ms. Berlyn: Thank you.

21 Mr. Marshall: Just this section now. I don't  
22 want to go into bankruptcy.

1 Ms. Metcalf: I'll pass that along.

2 Mr. Marshall: I might have to rely on the  
3 stimulus package.

4 Ms. Berlyn: Ok, great. Thank you.

5 Mr. Marshall: Thank you.

6 Ms. Berlyn: Thank you DTV Working Group. That  
7 was great, quick work. Disability Working Group, do  
8 you have a recommendation to make for action today?  
9 Cheryl?

10 Ms. Heppner: Eric and I, as Co-chairs of this  
11 work group are going to rotate with each other.

12 Eric and I started by giving thanks for the FCC  
13 for hosting the meeting specifically for deaf and  
14 hard of hearing persons in the Wilmington area on  
15 the digital television transition. Claude Stout and  
16 Lisa Hamilton were there along with staff of the  
17 FCC. And it was a very successful event.

18 We also would like to thank the Commission for  
19 its work to meet some of the recommendations that  
20 we've made previously. We'd all like to come with  
21 that wonderful fact sheet showing the features of  
22 several -- as recommended in our June 27, 2008

1 meeting minutes. And also I would like Eric to  
2 speak to this but we were very pleased by the closed  
3 captioning statutory ruling and NPRM that was  
4 released recently on November 7, 2008.

5 We addressed several recommendations and added  
6 to digital TV captioning from June 2008 meeting.  
7 Prior to the converters coming out several of us  
8 from the Disability Working Group met on October 13  
9 and again on October 27 with staff of Chairman  
10 Martin's office. And also for the first meeting  
11 with Cathy Seidel, the head of CGB and staff of the  
12 DRO we asked the two of us -- for the National  
13 Association of the Deaf.

14 At these meetings we addressed issues such as  
15 the need to clear up the occasion of new network  
16 exceptions and to stop implementing exceptions. We  
17 also talked about the needs for improvement in the  
18 complaint process that will make it easier for  
19 consumers who are deaf to address complaints and  
20 give us a -- response.

21 Eric, would you like to speak to the issues  
22 that you brought up?

1           Mr. Bridges: Sure. During the meeting that  
2 Cheryl was speaking of, we talked about the  
3 recommendation that was adopted during the June  
4 meeting concerning access to televised emergency  
5 information. And expressed our, not just ACB's  
6 belief but the blindness community's belief and hope  
7 that the FCC would move forward on adopted language.

8           Turns out a couple days later a public notice  
9 was created concerning this issue. Just as a bit of  
10 timeline after the June meeting when the language,  
11 the recommendation, was adopted. In early October  
12 the American Council of the Blind utilized that  
13 recommended language as part of the petition for  
14 rulemaking on this issue of access to televised  
15 emergency information.

16           The recommendation that is before you today  
17 essentially states what I've just said. That this  
18 was adopted in June, put into a petition for  
19 rulemaking by the American Council of the Blind.  
20 And the hope is that this letter of support will  
21 prompt the FCC to continue to move this issue  
22 forward.

1 Madame Chair?

2 Ms. Berlyn: Thank you, Eric. Is this the  
3 recommendation that is in the packet, correct?

4 Mr. Bridges: Yes.

5 Ms. Berlyn: If everyone can pull that out.  
6 You can see the recommendation is in your packet  
7 that the Disability Working Group is asking for  
8 support for. So I take it Eric, you are moving  
9 forward this recommendation?

10 Mr. Bridges: Yes.

11 Ms. Berlyn: And do we have a second?

12 Female Speaker: Second.

13 Ms. Berlyn: Thank you. Discussion?

14 Hearing none, we will move to a vote. All  
15 those in favor indicate by saying aye.

16 [A chorus of ayes.]

17 Ms. Berlyn: Opposed?

18 [No response.]

19 Ms. Berlyn: Abstentions? One, two, three,  
20 three abstentions. So the recommendation is  
21 approved. And I thank the Disability Group.

22 Yes, Cheryl?

1           Ms. Heppner: I would like for Karen to add a  
2 few words about the recent action related to closed  
3 captioning.

4           Ms. Berlyn: Karen?

5           Ms. Peltz Strauss: Just real quickly without  
6 going into depth. The new order, one of the best  
7 things about the new order is that clarifies, I  
8 think Cheryl started to say this, that new networks  
9 that have been analog networks and are now digital  
10 networks don't qualify for the new network  
11 exemptions. So they're basically considered the  
12 same as they were for the purposes of the captioning  
13 rules.

14           They also have to pass through both digital and  
15 analog caption especially because people who still  
16 have analog TVs are going to be getting would only  
17 necessarily be able to get those analog, sometimes  
18 could only get those analog captions with some of  
19 the set top boxes. And then one of the biggest  
20 changes of the new complaint processes because right  
21 now in order to file a complaint against a  
22 broadcaster or any cable company or satellite

1 company you have to first file with the programming  
2 distributor and then wait 45 after the end of the  
3 close of a quarter. To make a long story short, it  
4 adds up to, I think, about 180 days or something  
5 like that to get, maybe even more to get an answer  
6 from the provider.

7         And what this now says is you can bring a  
8 complaint directly to the FCC or to the distributor  
9 and lays out a very specific process. The other  
10 thing for doing this -- the other thing that it does  
11 is it gives, it tells the video programming industry  
12 to designate contacts, specific contacts for the  
13 filing of complaints. So that you now have to --  
14 now consumers will have an easier time finding out  
15 who to file a complaint with.

16         And for immediate problems, like you're  
17 watching TV and the captions drop off and you have  
18 no idea of where to go to now, this requires that  
19 all you have to do is go to the distributor's  
20 website or go to the FCC's website. And you will be  
21 able to find out who to contact at the moment that  
22 it happens. So there are some very significant

1 changes.

2           And I want to thank this group because many of  
3 these were suggested in our comments to the FCC. So  
4 I think this is a success story for CAC.

5           Ms. Berlyn: Thank you, Karen. And thank you,  
6 Cheryl and Eric, for all the work that you have done  
7 in this area. It's been great. So thank you very  
8 much.

9           And we are towards the close of our day here.  
10 I just wanted to say a couple of things very  
11 briefly. I'd like to thank everybody for your  
12 participation.

13           This has been -- this is the third Consumer  
14 Advisory Committee that I have worked with, first  
15 one serving as Chair. But I thought we were  
16 extremely productive. And not only were we  
17 productive, but I think we were able to recognize  
18 issues that were of great importance to consumers  
19 and some of which were adopted by the FCC.

20           So I think we should be very proud, not only of  
21 the work that we did, but also the issues that we  
22 did cover and the importance to consumers and their

1 relevance to the Commission. We had several of our  
2 recommendations actually adopted. And I won't go  
3 through them all now. I was planning on doing a  
4 little bit more, but in the interest of time, I will  
5 just say that this is the first CAC that I have been  
6 associated with that did have as much action that  
7 actually was turned into action from the FCC.

8         So congratulations to everybody who  
9 participated, both in the full CAC and in the  
10 working groups. And it's been great to work with  
11 you. And oh, Scott can say something, sure.

12         Mr. Marshall: I'll be very brief too. And  
13 it's been great working with all of you too. And I  
14 echo what Debbie has said so eloquently about this  
15 group.

16         These Consumer Advisory Committees have been  
17 around since early 2001 and I've been privileged to  
18 work with you all that time. And many of the faces  
19 around this table have been there for this duration  
20 as well. And I think we've got a lot to be proud of  
21 as we've learned how to do this better, learn how to  
22 interact with the Commission better.

1           Sure, there's always things we want to do more  
2 and better. And we'll do that in the future too.  
3 And I hope that the Chairman, and I know he will,  
4 proceed to appoint members to a new committee that  
5 was re-chartered recently that will run through  
6 2010. And that we can continue with the momentum  
7 that we've established with this Committee.

8           Ms. Berlyn: Very good. Thanks. Karen?

9           Ms. Peltz Strauss: I just want to say thank  
10 you so much to Debbie.

11          Ms. Berlyn: Aw, come on.

12          Ms. Peltz Strauss: Because this is not an easy  
13 job. This is a large Committee and your  
14 organization structure, dedication, commitment, I  
15 really think is telling in the fact that this  
16 Committee established or accomplished so much. So  
17 thank you very much for your time.

18          Ms. Berlyn: Thank you.

19          [Applause.]

20          Ms. Berlyn: Thank you. Appreciate that. And  
21 we actually have something for everyone.

22          And I'm sorry that a few people sneaked out

1 before we could get a hold of them. But if you've  
2 ever served before you know that one of the nice  
3 little treats you get at the end of the day, at the  
4 end of the CAC is a certificate of appreciation.  
5 And so, we have those to give out here.

6 And I will quickly go through and see -- yeah,  
7 I see they're organized alphabetically by  
8 organization. So I won't individually thank each  
9 one of you for that, but I will thank you as a  
10 group. And we will distribute your certificates.

11 Gloria?

12 Eric?

13 These are suitable for framing. They're very  
14 nice. Ok.

15 Charles has left. We'll make sure he gets his.  
16 Dodie I think just left as well. There's a reward  
17 for staying to the end.

18 Karen? Yours.

19 And wow, we're missing a lot of people. I have  
20 Bill Belt's.

21 Jamie?

22 The Julie, Bill, Jamie appreciation. Thank

1 you.

2 [Laughter.]

3 Ms. Berlyn: That's Paul. And here's Claude.

4 Thank you. Thank you for helping Betty. There's

5 mine.

6 Brandon?

7 Lori has left. John Cole? Thank you,

8 especially John Cole, who comes all the way from

9 Hawaii every time. We've been trying to convince

10 him to let us go there instead.

11 Doug I have. Jack Sander? Do you want to take

12 his?

13 Commissioner Santini, we'll get these in the

14 mail I think to everybody else.

15 Brenda? Thank you very much.

16 Cheryl? Thank you.

17 Dan, got yours here.

18 Marty? I know, I know.

19 Rich? You know we're getting to the end.

20 That's Verizon.

21 Scott? There we go. Thank you very much. And

22 Lew Craig is not here. I think that's it.

1           Oh, I'm sorry. Lew is there? Thank you. Lew,  
2 all the way from Alaska, serious commitment.

3           Again, thank you all. Look at that, we're  
4 ending actually 15 minutes early after all that hard  
5 work. We should ask for -- yes. There's nobody  
6 here.

7           Is there anyone who wants to make a public  
8 comment?

9           [No response.]

10          Ms. Berlyn: Thank you. Do we need a motion to  
11 adjourn? Do I have a motion to adjourn?

12          Ms. Tristani: I move to adjourn.

13          Ms. Berlyn: Oh thank you. I thought we were  
14 going to stay here.

15          [Laughter.]

16          Ms. Berlyn: A beautiful thought until February  
17 --

18          [End of audio.]

19

20

21

22