

June 21, 2004

To: All Members of the Advanced Television Systems Committee

CEA submitted a letter of objection to ATSC dated June 14, 2004 concerning approval of the ATSC Enhanced-VSB (E-VSB) Proposed Standard. A hyperlink to this letter on the ATSC members-only website was provided in the ATSC email initiating the E-VSB ballot. In evaluating CEA's stated concerns about the E-VSB standard, we believe CEA arrives at the wrong conclusions and the arguments put forward in the CEA letter for voting "No" on this ballot are misinformed. The purpose of this letter is to show that CEA's rationales for opposition to the E-VSB ballot are invalid and counter to the best interests of the overall television industry. We urge you to vote "Yes" on this important Proposed Standard.

CEA suggests that ATSC members should vote "No" on the E-VSB Proposed Standard so that E-VSB can be defeated as a Standard and subsequently re-established in the ATSC administrative standards hierarchy as a Candidate Standard. This is not an appropriate request or approach. Candidate Standard status was added as an option in the ATSC standardization process at the beginning of 2002 to address the need for a period of implementation and verification of a complex technical standard before final approval. According to the ATSC By-Laws, a Candidate Standard "is an explicit call to those outside of the related specialist group for implementation and technical feedback." As an example, DASE, a very complex specification, was the first ATSC Candidate Standard, which was an appropriate step since the software specification had never been completely implemented and a period of verification was certainly needed to confirm the validity and accuracy of the specification. Such is not the case at all with E-VSB. As part of the standardization effort begun in 2000, an explicit call for working hardware was issued in order to perform evaluations of competing systems using hardware implementations. Working E-VSB hardware was implemented and delivered for testing in December 2001. Along with other competing technologies, extensive laboratory and field tests of E-VSB were performed by an industry consortium, and numerous demonstrations of E-VSB technology with actual hardware have been held over the past several years, including NAB2003, NAB2004, the MSTV DTV Update and the ATSC Annual Meeting, among others. Clearly, E-VSB does not fit into the template of unimplemented technologies that are appropriate for an intermediate period of Candidate Standard status. Furthermore, the option to pursue Candidate Standard status for E-VSB was previously and specifically considered by the T3/S9 Specialist Group on RF Transmission that developed the E-VSB document. At its March 4, 2003 T3/S9 meeting, the meeting at which T3/S9 reported out its final work product on E-VSB to the parent T3 Technology Group, the option to pursue Candidate Standard status for

E-VSB was soundly rejected. Of the 30 experts present at that meeting, 29 supported moving E-VSB forward as a Proposed Standard as opposed to a Candidate Standard. The subsequent vote at the T3 Technology in June 2003 approved moving E-VSB forward as a Proposed Standard (although the actual membership vote was deferred until June 2004). The most recent June 10 2004 E-VSB vote by T3, which incorporated the agreement from negotiations between Broadcasters and CE firms to address the fears by CE firms, was approved by a wide margin -- 24 in favor and 4 opposed; triggering it to become the version that was sent to the full ATSC membership for ratification. E-VSB is being appropriately and deliberately considered as a Proposed Standard. CEA's suggestion to try to manipulate the ATSC's due process voting procedures and move the consideration of E-VSB backwards in the standards hierarchy is misguided advice.

CEA also tries to rationalize in their letter that moving E-VSB to Candidate Standard status will allow a period of testing to determine whether E-VSB delivers the expected enhancements. This argument ignores the substantial technical record on E-VSB developed by T3/S9 in the standard development process. The extensive laboratory and field tests performed by the VSB Enhancement Testing Consortium, which are available on the ATSC members-only website, were thoroughly evaluated, analyzed and published by an expert group within the T3/S9 Specialist Group, which rightly and carefully concluded that, based on the tested performance of E-VSB, a change to the DTV standard to add E-VSB as an option was merited. No further testing or performance analysis is needed or warranted.

CEA also warns that "great care" must be taken in considering such a "fundamental" change to the ATSC Standard because to use E-VSB, broadcasters must sacrifice to it some percentage of the 19.4 Mbps bandwidth and E-VSB services will not be available to existing receivers. This cautionary tone tries to raise questions where there really are none. All new services require some percentage of the 19.4 Mbps bandwidth and, except for multicasting using MPEG-2 compression; none are available to existing receivers. This applies to prospective data broadcasting services, interactive services, and multiple other enhancements to the DTV Standard that have been developed and previously standardized by ATSC. E-VSB is not fundamentally different at all in this regard. As with any other service, proper management of the 6 MHz asset by the broadcaster is essential if digital television service is to succeed. Broadcasters have always shown a great deal of shrewd resilience in meeting the needs of the marketplace and operating a thriving business for the benefit of the viewing public. CEA's concerns in this area are groundless.

CEA tries to make the case that E-VSB should not be standardized until specific applications are defined and broadcasters commit to their deployment. This would turn the standards development process on its head! Technical standards foster and enable the development of business applications and field trial experimentation, making possible the subsequent flourishing of innovative services in the marketplace. If applications for technical standard have to pre-defined, agreed to and scheduled for deployment before approving the technical standard that makes them possible, standards development will quickly come to a halt and innovative new services will be forced to be proprietary or not develop at all. CEA's guidance to wait on approving the E-VSB Standard until applications are fully developed is just plain wrongheaded. In any case, discussion on applications belongs in the ATSC Applications Subcommittee, which has had robust discussions over the past year about potential applications for E-VSB and developed a White Paper on E-VSB applications.

CEA also attempts to say that consumers will be disinclined to buy current DTV receivers since they will be enticed by the promise of future features associated with E-VSB and will therefore wait to make purchasing decisions, slowing down the overall DTV transition. By this line of reasoning, consumers should have already stopped buying DTV receivers, as they wait for new ACAP receivers, or receivers that process the Directed Channel Change feature, or handle conditional access subscription channels, etc. In fact, ATSC or other technical standards groups routinely approve technical standards of this type and only very rarely, if ever, do they end up as the central focus or even in the peripheral vision area of the public eye. Like other ATSC standards, E-VSB is a professional industry standard—not a consumer service being actively marketed. E-VSB is a tool for helping to develop new consumer services, but is highly unlikely to get a lot of attention by the consumer press at this early stage of market development. And in the unlikely case that attention in the consumer press does focus on E-VSB, the ATSC staff and member leadership is entirely competent and experienced with dealing with consumer press issues appropriately and professionally. Again, CEA’s concern in this area is groundless.

In summary, CEA’s stated belief that it is premature to approve the E-VSB Proposed Standard is unfounded. We applaud CEA’s Video Board members Hitachi, Toshiba and Zenith for identifying themselves in the CEA letter as not supporting the generic CEA position and we urge CEA to reconsider its opposition to the E-VSB ballot. The four-year process leading to this membership ballot was among the most thorough standards efforts undertaken by ATSC. Ratification of the Proposed Standard at this time is entirely appropriate, a positive endorsement of the ATSC standardization process and an action that offers substantial opportunities and benefits for broadcasters, manufacturers and consumers. We ask that all ATSC members join us in voting “Yes” on the E-VSB Proposed Standard.

Sincerely,

A handwritten signature in cursive script that reads "Lynn D. Claudy".

Lynn D. Claudy
Sr. Vice President, Science and Technology
National Association of Broadcasters