

Minutes
Advanced Television Systems Committee, Inc.
Board of Directors Meeting
Westfield's Marriott
July 1, 2004

1. Call to Order; Determination of Quorum; Approval of Agenda

Chairman Phil Livingston (Panasonic Broadcast) called the meeting to order at 1:03 PM. The Attendance List is **Attachment 1**. A quorum was determined. The agenda (**Attachment 2**) was presented and Mr. Livingston noted that two items of correspondence recently received by the ATSC President would be addressed under Other Business. Mr. Reitmeier suggested that the Board agree on a summary of the Retreat and that this also be discussed under Other Business. The agenda was approved with these additions.

2. Opening Comments

Mr. Livingston indicated that the Board had a full agenda and should move forward expeditiously.

3. Consideration of the Draft Minutes of March 31, 2004

The Board approved the draft Minutes of the Board meeting on March 31, 2004.

4. Appointment of Corporate Secretary

Mr. Richer suggested that Tara Healy be appointed Corporate Secretary as well as Treasurer. A motion was made by Wayne Luplow to appoint Tara Healy Secretary and Treasurer of the Advanced Television Systems Committee, Inc. The motion was approved.

5. Report of the President

a. Membership Report

Mr. Richer gave the membership report (**Attachment 3**). He mentioned that a membership application had arrived on June 30 for OPLUS Technologies does not appear on the report.

b. Status of Ballots

Mr. Richer presented the status of ballots (**Attachment 4**).

c. Financial Report

Mr. Richer gave the January-May 2004 financial report and balance sheet (**Attachment 5**). He noted that the cost of the Board Retreat including the accommodations and the services of facilitator Gary Arlen are not in the budget, but he hoped to absorb these expenses with the dues received in excess of the budgeted amount.

d. Other

1: Mr. Richer extended his thanks to the Board, in particular Phil Livingston and Robert Rast, for the fine resolution they had crafted upon the resignation of former Director of Communications Christy Kehlbeck. Mr. Richer said he is planning to hire a full-time person to fill this position within the current budget.

2: Mr. Richer drew the Board's attention to a press release received from the Department of Justice (**Attachment 6**) regarding legislation known as the Standards Development Organization Advancement Act (SDOAA) recently signed into law by President Bush having to do with standards organizations and antitrust issues. ATSC counsel has been keeping Mr. Richer informed about the new law. SDOAA may have little impact on ATSC since it does not protect the membership from antitrust litigation. Mr. Richer proposed that ATSC's attorney attend the next Board meeting in order to fully brief the Board on the new law.

6. Nominating Committee

Mr. Hankinson, (ABC), chair of the Nominating Committee, reported that the committee had met four times since the last Board meeting to discuss procedures and to draft revisions to the Policy on Nominating Board Members and Chairman. He said that their discussions had focused on two primary issues: international participation and how to achieve a balance of industry segments on the Board. There is a strong sense of the committee that consideration of Board balance by industry segment is a priority and they are therefore proposing some changes to the nominating process in an effort to provide the committee with flexibility that can help achieve the goals set forth in the policy. Mr. Hankinson recommended that the Board approve these changes to the Nominating Policy. After some discussion, particularly regarding the wisdom of requiring a write-in slot on the ballot, a motion was made by Robert Rast, Micronas, to accept the revisions to the Nominating Policy as proposed by the Nominating Committee, with the addition of a final edit to bullet five of the second section requiring a write-in option on the ballot. The motion was seconded and approved. The revised policy is **Attachment 7**.

7. Membership Committee

Glenn Reitmeier (NBC), chair of the Membership Committee, presented a report on the progress of this group (**Attachment 8**). A number of Board members had been assigned to make contact with non-member companies and persuade them of the value of ATSC membership. Efforts on behalf of some of those Board members so assigned have to date yielded three new members. In order to continue this promising trend, Mr. Reitmeier encourages Board members to begin making contact with their assigned companies, or increase their efforts if contact has already been made.

8. ACAP Conformance

Ralph Justus, CEA, reported that there has been no progress furthering the analysis by CEA of ACAP conformance issues. Advancement on these issues has been put on hold pending the ongoing negotiations between consumer electronics manufacturers and cable MSO's. Mr. Justus relayed the reluctance of the consumer electronics industry to pay for

the development of the test regimen without some assurance that the endeavor is useful. Mr. Richer again expressed his opinion that ACAP conformance is an extremely important issue, of interest across all the industries, and encouraged the Board to get involved in order to avoid having a standard that will never be used. Mr. Richer voiced his regret that the strategy of getting ACAP conformance testing on a "fast track" to be worked on in parallel but outside of the bi-directional negotiations between CE manufacturers and cable companies was not moving forward in any way. He again suggested that the Board needs to be briefed on the issue and to make an effort to help resolve the matter. It was agreed that Mr. Justus with the support of Mr. Richer would develop for the next Board meeting a segment to educate the Board on ACAP conformance. It was further agreed that representatives from the cable industry should be invited to participate in this discussion.

9. Intellectual Property Committee

Pat Griffis (Microsoft) gave the IPR Committee report (**Attachment 8**) and presented the proposed revised Patent Policy (**Attachment 9**) and Sign-in sheet (**Attachment 10**). He thanked the group for their efforts and the generous input from several of the members' own IP counsel, and expressed his opinion that these efforts had resulted in an excellent Patent Policy. The members of the IPR ad hoc and the ASTC counsel have approved these documents. Microsoft's counsel Kurt Wimmer joined the meeting for the presentation of the document to address any questions the Board may have. A point by point review of the document resulted in a motion to provisionally approve the documents corrected with today's proposed changes, which by the end of the week will be distributed for Board consideration and review until August 1. At that time, if there are no substantive objections, the revised Patent Policy and sign in sheet will replace the existing Patent Policy and sign in sheet.

10. T3 Report

Ralph Justus presented the T3 report (**Attachment 11**) and ATSC Specialist Group and Working Group Activities document (**Attachment 12**).

11. IS Report

Mr. Richer directed the Board's attention to the written IS report (**Attachment 13**), in which the IS recommended that the Board request that CEA and SMPTE analyze the issues listed in the Findings section in IS/312 and undertake such standard and/or recommended practices to facilitate the maximum amount of each DTV screen with active content. Ralph Justus, CEA and Peter Symes, SMPTE voluntarily and informally agreed to put this matter before their respective organizations, and forward any feedback received to T3.

12. AS Report

Sterling Davis presented the report of the Applications Subcommittee (**Attachment 14**). He requested Board action on the EVSB White Paper (**Attachment 15**) that the AS has created. It is thought that disseminating this document before the EVSB ballot closes

would be premature. After some discussion, it is moved to table this document until the next Board meeting, and decide its future then if EVSB has been approved.

13. ATSC Forum Report

Due to lack of time, no ATSC Forum Report was given.

14. Executive Session

No Executive Session was held.

15. Other Business

A. Mr. Livingston mentioned that he received a suggestion that he audit the EVSB ballot. In conversation with Mr. Richer they determined that such an audit would be best handled by posting all membership ballot tallies to the member's only area of the web site. Victor Tawil, MSTV, made a motion that all membership ballot tallies be made available on the Members Only area of the web site. The motion was seconded and approved.

B. Mr. Richer addressed the recent correspondence received from CEA (**Attachment 16**) and from certain consumer electronics manufacturers (**Attachment 17**). He recommended that the Board appoint a small ad hoc group to conduct a formal review of the ATSC due process. It is so moved by Mr. Tawil. Mark Richer, Ralph Justus, Peter Symes and Victor Tawil will comprise the ad hoc, and will report on their progress at the September Board meeting. Mr. Richer reiterated his opinion that Board balance, which is mentioned in both of the letters, is a critical issue. He expressed the opinion that the response to these letters should be simple and short, saying merely that the Board has agreed to undertake this review and also that the Board has been addressing the issue of Board balance. Mr. Livingston took on the action item to draft a response to both of these letters and circulate it to the Boards for review, comments and input.

16. Schedule of Future Meetings

The next Board meetings are on September 29 and December 8, both in Washington, DC.

17. Adjournment

The meeting was adjourned at 4:07 PM.

Attachments

- Attachment 1 Attendance
- Attachment 2 Agenda
- Attachment 3 Membership Report
- Attachment 4 Letter Ballot Status
- Attachment 5 2004 Financial Report and Balance Sheet
- Attachment 6 Department of Justice Press Release
- Attachment 7 Nominating Committee report
- Attachment 8 Membership Committee Presentation
- Attachment 9 IPR Ad Hoc Report
- Attachment 10 revised Patent Policy
- Attachment 11 revised Sign – in sheet
- Attachment 12 T3 Report
- Attachment 13 Specialist and Working Group Activities Report
- Attachment 14 IS report
- Attachment 15 AS report
- Attachment 16 letter from CEA
- Attachment 17 letter from CE manufacturers

**ATSC Board of Directors Meeting
Attendance List
July 1, 2004
Westfields Marriott, Chantilly, VA**

Board Members Present

Lynn Claudy, NAB
Sterling Davis, Cox Broadcasting
Joe Flaherty, CBS
Ira Goldstone, Tribune
Pat Griffis, Microsoft
Tom Hankinson, ABC
Michael Isnardi, IEEE
Ralph Justus, CEA
Phil Livingston, Panasonic
Wayne Luplow, Zenith
Robert Rast, LINX
Glenn Reitmeier, NBC
Andy Scott, NCTA
Peter Symes, SMPTE
Victor Tawil, MSTV

ATSC Members and Guests

Alwyn Group	Gary Arlen
ATSC President	Mark Richer
ATSC Director of Operations	Tara Healy
Covington & Burling/Microsoft	Kurt Wimmer
DirecTV	Bob Plummer
Echostar	William Beals

Draft Agenda
Advanced Television Systems Committee, Inc.
Board of Directors Meeting
July 1, 2004
1:30 – 4 PM
Westfields Marriott, Chantilly, VA

1. Call to Order; Determination of Quorum; Approval of Agenda
2. Opening Comments (P. Livingston)
3. Consideration of Draft Minutes of March 31, 2004 Meeting
4. Appointment of Corporate Secretary
5. Report of the President (M. Richer)
 - a. Membership Report
 - b. Status of Letter Ballots
 - c. Financial Report
 - d. Other
6. Nominating Committee (T. Hankinson)
7. Membership Committee (G. Reitmeier)
8. Intellectual Property Committee (P. Griffis)
9. ACAP Conformance (R. Justus)
10. T3 Report (R. Justus)
11. IS Report (A. Allison)
12. AS Report (S. Davis)
13. ATSC Forum Report (W. Luplow)
14. Executive Session
15. Other Business
16. Schedule of Future Board Meetings: September 29, December 8
17. Adjournment

ATSC Membership Report

July 1, 2004

New Members

Evertz
Media General
Techwell
USDTV

Changes

Canal + taken over by NDS France

Resignations

Baylor
Liberate
Livewire

Total Members & Observers:

March 31, 2004	135
July 1, 2004	136

Letter Ballot Status

Letter Ballot Description	Results	Status
ATSC Ballots		
Withdrawal of A/56, System Information for DTV	24 yes, 0 no, 0 abs	Closed May 12, 2004
Rev. C, A/53C Digital Television Standard	24 yes, 0 no, 0 abs	Closed May 21, 2004
Editorial privileges	24 yes, 0 no, 0 abs	
Receiver Performance Guidelines RP	19 yes, 0 no, 7 abs	Closed June 18, 2004
Editorial privileges	21 yes, 0 no, 5 abs	
Rev. of A/53 C Annex D incorporating EVSB		Closes July 13, 3004
Synchronization Standard for Distributed Transmission		Closes July 14, 2004
Conditional Access System for Terrestrial Broadcast, Rev. A		Closes July 22, 2004
T3 Ballots		
Receiver Performance Guidelines RP	31 yes, 1 no, 7 abs	Closed April 7, 2004
	30 yes, 3 no, 6 abs	
Design of Synchronized Multiple Transmitter Networks		Closes July 14, 2004

Advanced Television Systems Committee

Balance Sheet

As of May 31, 2004

	<u>May 31, 04</u>
ASSETS	
Current Assets	
Checking/Savings	
1001 - Crestar M.M.	422,672.60
1002 - Indep M.M.	427,093.49
1003 - Checking	<u>137,520.86</u>
Total Checking/Savings	<u>987,286.95</u>
Accounts Receivable	
1200 - Accts Rcvbl - Dues	<u>92,789.99</u>
Total Accounts Receivable	<u>92,789.99</u>
Total Current Assets	1,080,076.94
Fixed Assets	
Fixed Assets	<u>11,812.78</u>
Total Fixed Assets	<u>11,812.78</u>
TOTAL ASSETS	<u><u>1,091,889.72</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 - Accounts Payable	<u>210.88</u>
Total Accounts Payable	<u>210.88</u>
Credit Cards	
2200 - American Express	<u>2,980.19</u>
Total Credit Cards	<u>2,980.19</u>
Total Current Liabilities	<u>3,191.07</u>
Total Liabilities	3,191.07
Equity	
3900 - Net Assets - Unrestricted	438,598.90
Net Income	<u>650,099.75</u>
Total Equity	<u>1,088,698.65</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,091,889.72</u></u>

Advanced Television Systems Committee

Budget vs. Actual

January through May 31, 2004

	Jan - May 31, 2004	Budget
Ordinary Income/Expense		
Interest Income	2,191.22	6,000.00
Miscellaneous Income	0.00	
Seminar Revenue	0.00	68,400.00
Meeting Sponsorships	6,000.00	8,000.00
Newsletter Sponsorships	8,000.00	10,000.00
Dues Income	921,432.00	869,700.00
	937,623.22	962,100.00
 Gross Profit	 937,623.22	 962,100.00
 Program Services	 274.75	 60,420.00
Postage & Shipping	330.69	2,000.00
Other Expense	1,495.61	5,400.00
Duplication & Printing	2,440.01	8,200.00
Professional Fees	5,343.53	15,899.00
Insurance & Taxes	5,567.18	13,100.00
Office Supplies & Equipment	7,671.79	18,460.00
Newsletter	11,063.34	29,200.00
Telephone & Internet	14,190.67	30,106.00
Rent	15,543.00	40,700.00
Travel & Business	18,521.85	47,122.00
Meeting Expenses	23,783.17	24,100.00
Salaries & Benefits	273,983.35	666,513.00
	380,208.94	961,220.00
 Net Income		 880.00



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, JUNE 24, 2004
WWW.USDOJ.GOV

AT
(202) 514-2007
TDD (202) 514-1888

JUSTICE DEPARTMENT IMPLEMENTS THE STANDARDS DEVELOPMENT ORGANIZATION ADVANCEMENT ACT OF 2004

New Law Extends Liability Limitation To Standards Development Organizations That File For Protection

WASHINGTON, D.C. - The Department of Justice today released a statement by R. Hewitt Pate, Assistant Attorney General in charge of the Antitrust Division, regarding the Standards Development Organization Advancement Act of 2004 (SDOAA), which extends the protections provided by the National Cooperative Research and Production Act of 1993 (NCRPA) to standards development organizations (SDOs).

The NCRPA provides that certain joint ventures will have their antitrust liability assessed under the rule of reason, and that special rules for attorneys' fees apply in antitrust cases challenging certain joint ventures. In addition, it permits parties participating in joint research, development, and production ventures to limit their possible antitrust damage exposure to actual, as opposed to treble, damages by filing a notification with the Department and the Federal Trade Commission (FTC). The SDOAA permits standards development organizations to obtain the same protections provided to certain joint ventures by the NCRPA.

"Standards development organizations develop technical standards that are essential to the efficient functioning of our national economy. Congress has determined that the threat of treble damages pressures SDOs to restrict their standards development activities at a great cost to the United States. The Standards Development Organization Advancement Act of 2004 relieves SDOs from certain antitrust concerns and facilitates the development of pro-competitive standards," said Pate.

On June 22, 2004, President Bush signed into law H.R. 1086, which includes the Standards Development Organization Advancement Act of 2004 (the Act). This Act amends provisions of the National Cooperative Research and Production Act of 1993, which affords certain antitrust protections to joint ventures engaged in research, development, and production, to extend the same antitrust protections to standards development organizations (SDOs) while those organizations are engaged in standards development activity. The Act states that the term SDO does not include parties participating in the SDO.

The Act provides that the antitrust rule of reason applies to SDOs while they are engaged in standards development activities, and provides special rules for attorneys' fees in any antitrust case challenging a SDOs standards development activity. The Act also provides SDOs with the opportunity to limit their antitrust liability for standards development activities to actual, as opposed to treble, damages. The rule of reason and attorneys' fees provisions of the Act automatically apply to all SDOs covered by the Act. However, SDOs must file a proper notification with the Department and the Federal Trade Commission (FTC) to obtain the liability limiting protections provided by the Act. Proper notifications should:

(1) be filed not later than 90 days after the date of the enactment of the Act, or 90 days after commencing a standards development activity engaged in for the purpose of developing or promulgating voluntary consensus standards;

(2) disclose the name of the SDO and its principal place of business;

(3) provide documents showing the nature and scope of the standards development activity;

(4) contain two copies of all documents submitted to the Department and one copy of all documents submitted to the FTC;

(5) be delivered to the Department and the FTC at the following addresses:

Department of Justice
Antitrust Division
Office of Operations
Patrick Henry Building
601 D St., NW Room 10-013
Washington, DC 20530

FEDEX Zip Code: 20004

Federal Trade Commission
Bureau of Competition
Office of Policy and Coordination
600 Pennsylvania Ave., NW, Room 392
Washington, DC 20580

Any SDO may file additional notifications as are appropriate to extend the protections to standards development activities that are not covered by the initial filing or that have changed significantly since the initial filing.

Promptly after receiving a proper notification, the Department or the FTC will publish a notice in the Federal Register that identifies the SDO and describes its standards development activities in general terms. The Department or the FTC will make the notice available to the filing SDO before publishing it in the Federal Register. Notifications may be withdrawn before publication in the Federal Register; however, no SDO will receive the liability limiting protections of the Act if its notification is withdrawn before publication.

To facilitate publication in the Federal Register, SDOs may provide the Department and the FTC with a draft notice. In addition, SDOs should provide the name and contact information of the person or persons authorized to approve the proposed notice.

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04-443

Policy on Nominating Board Members and Chairman

Nominating Process for the Board of Directors

Goals

It is the goal of the Advanced Television Systems Committee, Inc. (ATSC) to attain a Board of Directors that shall be comprised of executives knowledgeable about and involved in digital television, DTV Standards, and related issues. It is the further goal of the ATSC that the members of the ATSC Board of Directors represent a balance among related industry segments.

Responsibilities of Directors

- Directors have a fiduciary responsibility to act in the best interest of the ATSC.
- Directors must be able to exercise independent judgment
- Directors must have the time, resources and willingness to participate in a positive and constructive way in the work of the Board. Directors are expected to attend all Board meetings (typically, five to six per year) and may not grant a proxy vote to another individual.
- Directors must be willing and able to lead and participate in Board ad hoc groups and subcommittees. Board members undertaking to lead such groups shall be expected to execute assigned tasks in an efficient manner.
- Directors should be familiar with ATSC due process and technical activities.
- Directors must be in a position to provide leadership and support of ATSC efforts to advance digital television technology.

Nomination Process

Board Members:

- Nominations for vacant positions on the Board of Directors shall be solicited from the entire ATSC membership with a "Call for Nominations".
- Nominees must confirm that they are bona fide employees or officers of Voting Members of ATSC, in good standing, and that they are willing and able to carryout the responsibilities of Directors as described above.
- ATSC Voting Class Members may nominate an employee or officer of their own organization or of another Voting Class Member.
- The list of nominations shall be presented to the Nominating Committee. The Nominating Committee shall review the nominees' qualifications and may reduce the number of candidates to help achieve the goals described above.
- The final list of nominees, including at least one write-in option, shall be distributed by the ATSC staff to the full ATSC membership as a recommendation by the Nominating Committee. The membership shall vote on the nominees in a ballot of 4 weeks duration.
- Mid-term vacancies will use the same process as described above.

Chairperson:

- The Nominating Committee shall nominate up to two potential candidates for Chairperson from Board members with continuing terms or those being nominated to serve on the Board of Directors.
- The Nominating Committee shall consider previous experience on the Board when selecting nominees for Chairperson.

a t s c
Advanced Television Systems Committee

Membership Committee Report

July 1, 2004

Glenn Reitmeier, Wayne Luplow, Sterling Davis, Mark Richer

Glenn Reitmeier

a t s c
Advanced Television Systems Committee

ATSC Membership Committee

- ? Goal – Recruit & Retain members
- ? Approach
 - ? Identify categories
 - ? Develop “value points” for each category
 - ? Identify specific target organizations
 - ? Contact prospective members...

**Personal contact by ATSC Board Members
Is essential – we need All Board members to pitch in!**

Glenn Reitmeier

a t s c
Advanced Television Systems Committee

Status

- ? New Members / Applicants
 - ? Media General broadcast group
 - ? Evertz
 - ? Techwell
- ? Let’s get a brief update from each responsible board member...
- ? Please continue your efforts to make personal contact with decision makers at potential new member companies

Glenn Reitmeier

a t s c
Advanced Television Systems Committee

Recruiting – Broadcasters & Cable

- ? Broadcasters
 - ? Gannett - Sterling Davis
 - ? Hearst-Argyle - Ira Goldstone
 - ? Belo - Tom Hankinson
 - ? Media General - Phil Livingston
- ? [ATSC standards essential to your digital future - control your destiny!]
- ? [be sure that broadcaster interests are heard and represented]
- ? [make sure that your voice is heard - don’t leave it to networks or other BCs]
- ? Cable MSOs
 - ? Charter - Andy Scott
 - ? Cablevision - Andy Scott
 - ? Bright House - Andy Scott
 - ? MediaCom - Andy Scott
 - ? Insight - Andy Scott
 - ? CableOne - Andy Scott
- ? [plug and play, ACAP, etc - interoperability and common stds benefit everyone]
- ? [be sure that cable interests are heard and represented]
- ? [make sure that your voice is heard - don’t leave it to other MSOs]

Glenn Reitmeier

a t s c
Advanced Television Systems Committee

Recruiting – CE & IT

- ? Consumer Electronics
 - ? Apex - Ralph Justus
- ? IT Companies
 - ? HP - Pat Griffis
 - ? Gateway - Pat Griffis
 - ? Dell - Ralph Justus
 - ? IBM - Pat Griffis
 - ? Intel - Bob Rast
 - ? Hauppauge - Pat Griffis
- ? [PC/IT products handling digital media - ATSC standards key to future products]
- ? [traditional CE companies are in - be sure PC/IT interests heard and represented]
- ? [make sure that your voice is heard - don’t leave it to Microsoft or others]

Glenn Reitmeier

a t s c
Advanced Television Systems Committee

Recruiting – Professional Eqpt & Other

- ? Professional Eqpt
 - ? Evertz - Glenn Reitmeier
 - ? Miranda - Ira Goldstone
 - ? Onmeon - Phil Livingston
 - ? Omnibus - Glenn Reitmeier
 - ? Radyne Comstream - Joe Flaherty
 - ? Sencore - Mike Isnardi
 - ? Pixelmetrics - Tom Hankinson
- ? Universities & R&D Centers
 - ? Columbia - Mike Isnardi
- ? International
 - ? TV Azteca - Joe Flaherty
 - ? CBC - Joe Flaherty
 - ? CityTV Toronto - Glenn Reitmeier
 - ? KBS - Wayne Luplow

Glenn Reitmeier

Report of the ATSC IPR Adhoc July 1, 2004

In November 2003, the ATSC Board established an ad hoc committee to review and recommend revisions to ATSC's patent policy. The old ATSC patent policy was not sufficiently clear on requirements for participants to disclose the intellectual property they had contributed to the work of the ATSC. Legal decisions since the old policy was adopted (notably the famous *Rambus* case) have increased the risk that members of our industry thus could be required to pay unfair and unreasonable terms to license patents under our old policy. The ATSC also has an almost unique issue in that it permits non-members to participate fully in meetings, and the Board also was concerned with the impact of non-members making contributions that could include their intellectual property.

The Board put out an open invitation to participation on the ad hoc committee, and a broad cross-section of ATSC members agreed to work through these issues. The committee was chaired by Pat Griffis of Microsoft and included participation by Mark Richer of ATSC, Wayne Luplow of Zenith, Brian Smith of Philips, Craig Todd of Dolby, Peter Symes of SMPTE, Michael Petricone of CEA, Ralph Justus of CEA, John Kelly, counsel for EIA-CEA, Jerry Whitaker of ATSC, John Crook of DirecTV and Marina Bosi of MPEG-LA. Counsel for several members, including Microsoft, also helped with the policy. In addition, counsel for ATSC participated in drafting the new policy and signed off on its final form. The committee met several times over the course of the past several months in person in November 2003 and January 2004, by telephone multiple times and by means of an email reflector throughout the past several months, and worked through multiple drafts of a revised patent policy and a sign-up sheet to assist in holding non-members to our patent policy.

The new patent policy that resulted builds on the longstanding ATSC patent policy but updates it for the current legal climate. It is consistent with industry norms. It fully permits the inclusion of patented and copyrighted material in ATSC standards, and requires the owners of patents that may be implicated by ATSC standards to disclose that they hold those patents. They then must commit to licensing them on fair, reasonable and non-discriminatory terms, or provide notice to ATSC that they will not license those patents (which is important, because then the technical bodies can begin working around any patents that will not be licensed). It does not, however, require anyone to perform patent searches. The draft also specifies time frames for disclosure and procedures for referencing documents authored elsewhere in ATSC standards. Finally, it builds several safeguards for the participation of non-members in ATSC processes, and Mark Richer drafted a sign-in sheet that complements these safeguards. The result, we believe, is a balanced and effective patent policy that will protect the ATSC for the future.

I have included copies of both the final draft policy and new sign-in sheet for the Board's consideration and approval. Given the legal nature of the documents I understand each board member may wish to have time to review and comment before final adoption. The time required for this consideration should be agreed at the Board meeting.

I appreciate the hard work and cooperative spirit of our committee and of the ATSC's staff and counsel. I'd be pleased to respond to any questions the Board has at our meeting.

Respectfully submitted to ATSC Board of Directors,
Patrick Griffis- Chairman, IPR Adhoc

ADVANCED TELEVISION SYSTEMS COMMITTEE, Inc.

Patent Policy

1. **Inclusion of Patents in Specification Documents.** There is no objection in principle to drafting a Specification Document in terms that include the use of an Essential Claim, if it is considered that technical reasons justify this approach. It shall be the policy of the Advanced Television Systems Committee, Inc. (ATSC) that Essential Claims included in ATSC Specification Documents be available to implementers on reasonable and non-discriminatory terms. Prior to a vote on a Proposed Standard or a Proposed Recommended Practice subject to a disclosed Essential Claim and no later than the time frames specified in Section 5, the ATSC shall receive from the person or entity that holds the patent or patent application with the Essential Claim written confirmation that:
 - a. A license to the patent with the Essential Claim will be made available without compensation to Members, Observers, and third parties for the purpose of implementing the Proposed Standard or Proposed Recommended Practice;
 - b. A license to the patent with the Essential Claim will be made under reasonable and nondiscriminatory terms and conditions to Members, Observers, and third parties for the purpose of implementing the Proposed Standard or Proposed Recommended Practice; or
 - c. A license to the patent with the Essential Claim will not be provided under reasonable and nondiscriminatory terms and conditions to Members, Observers, and third parties for the purpose of implementing the Proposed Standard or Proposed Recommended Practice.

This written confirmation shall be submitted to the ATSC's Board of Directors for review and retained in the ATSC's files. After issuance of the ATSC Standard or Recommended Practice, the ATSC shall make the written confirmations available to Members, Observers and third parties upon request.

2. **Notice of Essential Claims upon a Standard or Recommended Practice.** When the ATSC receives a written confirmation as set forth in Section 1(a) or 1(b) with respect to a Proposed Standard or a Proposed Recommended practice that becomes part of an ATSC Standard or ATSC Recommended Practice, the resulting document shall include a notice as follows:

NOTE: The user's attention is called to the possibility that compliance with this standard may require use of an invention covered by patent rights. By publication of this standard, no position is taken with respect to the validity of this claim or of any patent rights in connection therewith. The patent holder has, however, filed a statement of willingness

to grant a license under these rights on reasonable and nondiscriminatory terms and conditions to individuals or entities desiring to obtain such a license. Details may be obtained from the ATSC Secretary and the patent holder.

3. **Disclosure of Patents.** A Participant shall disclose in writing the existence of any Potential Claim of which any Representative of the Participant who is active in a technology group or specialist group has actual personal knowledge. A Participant shall deliver any Disclosure Statement to the President of the ATSC. All submitted Disclosure Statements must be maintained in the ATSC's files.
4. **Contents of Patent Disclosures.** Disclosure Statements shall include (a) the name of the Participant making the Disclosure Statement; (b) the name of the person or entity that holds the patent or patent application with the Potential Claim; (c) the patent number or published patent application number, if available, in which the Potential Claim is contained; (d) sufficient identifying information about the Potential Claim to permit it to be identified within a Specification Document, along with a statement describing how the Potential Claim may be an Essential Claim; and (e) the written confirmation required by Section 1, if the Participant making the Disclosure Statement is the holder of the patent or patent application on which the Potential Claim is based. In the case of Potential Claims in non-published patent applications, a Disclosure Statement need only identify the existence of the non-published patent application and need not disclose the specific content of such a non-published application or any identifying information that is treated as confidential information by the patent office in which the application has been filed.
5. **Timeframe for Patent Disclosures.** A Participant should make a Disclosure Statement at the time a Contribution is made. At latest, a Participant shall make a Disclosure Statement within the following time periods: (a) in the case of a Potential Claim in a patent owned by the disclosing Participant, thirty (30) business days after the Participant submits a Contribution, (b) in the case of a Potential Claim in a patent application owned by the disclosing Participant, thirty (30) business days after the Participant obtains knowledge of the filing of a patent application that would, if granted, constitute a Potential Claim upon a Specification Document being considered by the ATSC or by an ATSC technology or specialist group, and (c) in the case of a Potential Claim not owned by the disclosing Participant, within a commercially reasonable time after the Participant obtains knowledge of a Potential Claim upon a Specification Document.
6. **Failure to Disclose Patents.** With respect to a Potential Claim, any Member that (a) does not disclose its refusal to license the Potential Claim pursuant to Section 4, or (b) fails to submit a Disclosure Statement concerning the Potential Claim in conformance with Sections 3, 4 and 5, shall be deemed to agree to license the Potential Claim to other Members and Observers and any requesting third party under reasonable and nondiscriminatory terms and conditions and shall not be entitled to make an election under Section 1(c).

7. **No Patent Search Required.** Section 4 does not require a Representative or Participant to perform or conduct patent searches. Knowledge of Potential Claims of a Participant shall not be automatically imputed to any Representative.
8. **No Responsibility for Identifying Patents.** The ATSC shall not be responsible for identifying Essential Claims or for conducting inquiries into the legal validity or scope of Potential Claims.
9. **Non-Member Participants.** Each technology group and specialist group shall use reasonable and consistent efforts, within the discretion of its chair, to ensure that any non-Member who participates in any ATSC activity agrees to be bound by this Patent Policy. In particular, chairs of groups may require non-Member Participants to (a) execute declarations of their intention to comply with this Patent Policy, (b) to require the companies they represent to execute such declarations, or (c) to take other steps to demonstrate their knowledge of and agreement to be bound by this Patent Policy. In addition, chairs of groups shall use reasonable efforts to state at the commencement of meetings that this Patent Policy applies to any Contributions made during such meeting by Members, Observers and non-Member Participants alike, and all email reflectors shall contain a similar message. Chairs of groups shall have the discretion to refuse input and contributions by non-Member Participants who refuse to comply with such measures.
10. **Claims in Documents Normatively Referenced.** Any patent or patent application with Essential Claims contained in a document that is normatively referenced by a Specification Document shall be subject to the licensing and disclosure requirements of this Policy. Any Participant that holds any Potential Claims in a document that is normatively referenced by a Specification Document shall make the submissions required by Sections 1 and 3 of this Policy as soon as commercially reasonable after a decision is made by a technical body to normatively reference the material on which the Potential Claims are based and in any event prior to a vote on the Specification Document at issue. No such requirements shall apply to references to materials contained in Specification Documents that are informative references rather than normative references.
11. **Definitions.** Capitalized terms used herein shall have the meanings ascribed to them in this Section.
 - a. **“Contribution”** means any comments, specifications, recommendations, edits, or other contributions made or disclosed by a Participant or a Representative of a Participant who is authorized to submit a contribution to the ATSC, a technology group, or a specialist group concerning the subject matter for which the ATSC, technology group, or specialist group was established.
 - b. **“Disclosure Statement”** means a written disclosure made pursuant to Section 3.
 - c. **“Essential Claim”** means claims of all patents and patent applications that are necessarily infringed by implementing a Specification Document. An Essential

Claim is “necessarily infringed” only when there is no other technically reasonable non-infringing alternative for implementing a Specification Document.

- d. **“Member”** means a voting member of the ATSC, or a voting member of a technology group, as defined in the ATSC Bylaws, or any member of a specialist group, as defined in the ATSC Bylaws.
- e. **“Observer”** means an observing member of the ATSC or an observing member of a technology group, as defined in the ATSC Bylaws.
- f. **“Participant”** means a Member, Observer, individual, or organization that participates in the development of a Specification Document within the ATSC, an ATSC technology group, or an ATSC specialist group.
- g. **“Potential Claim”** means a claim in any patent issued or granted under the laws of any country, as well as a claim in, or supported by, any pending patent application filed under the laws of any country, that is, in the good faith judgment of a Participant, likely to be an Essential Claim.
- h. **“Representative”** means a person employed by a Participant who is authorized by such Participant to represent such Participant in connection with the work of the ATSC, a technology group, as defined in the ATSC Bylaws, or a specialist group, as defined in the ATSC Bylaws.
- i. **“Specification Document”** means an ATSC Standard, an ATSC Recommended Practice, a Proposed Standard, a Proposed Recommended Practice, a Candidate Standard, or a Working Draft, as defined in the ATSC Bylaws.

T3 Report to the Board of Directors

1 July 2004

This report summarizes actions taken at the 10 June 2004 meeting of the ATSC Technology Group on Distribution. Where appropriate, updates relating to the work of T3 specialist groups are also provided.

- PS/T3-596.** The membership ballot on PS/T3-596r3, "Revision of A/53C Annex D Relating to an EVSB Transmission Mode," was issued on 15 June 2004 and closes on 13 July 2004. This document incorporates changes agreed to by T3 on 10 June 2004 and detailed in a new Section 5.6.1, which requires that at all times, the quality of video in the Main stream shall be equal to or better than the equivalent program in the Enhanced stream. In addition, during premium programming times, the maximum allowable bit rate of the Enhanced stream shall be constrained to 3 Mbps. PS/T3-596r3 also includes a text change in Section 5.5.2.3 that was agreed to at the June 10 T3 meeting. In a related action, T3 directed T3/S9 to provide a recommendation on how to facilitate extensibility in VSB enhancements.
- T3/S1.** The Candidate Standard period for the PMCP specification has been extended to 30 September 2004. Given the amount of testing and verification that still needs to be done on CS/75, and issues still to be resolved, T3/S1 was not in a position to recommend elevating PMCP to Proposed Standard at the June 10 T3 meeting. A companion Working Draft Recommended Practice is expected before the end of the year.
- T3/S2.** Work continues on corrigenda resolution relating to CS/101A, "Advanced Common Application Platform." T3/S2 is expected to propose at the next T3 meeting the elevation of CS/101 to Proposed Standard.
- T3/S6.** The Candidate Standard period for CS/T3-613 ("Amendment No. 1 to ATSC Digital Audio Compression Standard, Doc. A/52A, Annex E: Enhanced AC-3 Bit Stream Syntax") has been extended to September 23 to coincide with the next meeting of T3. Separately, subjective assessment viewings of AVC/H.264 and Windows Media 9 (VC-9) video sequences were held in May at Dolby Labs (San Francisco), CRC (Ottawa), and Sarnoff Labs (Princeton). Bitstream verification has been requested and the process for this verification is being worked out.
- T3/S8.** The five-year review of A/70, "Conditional Access System for Terrestrial Broadcast," has been completed and T3, at the June 10 meeting, elevated the revision to Proposed Standard. The letter ballot on PS/70A was issued on 24 June 2004 and closes on 22 July 2004. Separately, T3 voted to extend the Candidate Standard period for CS/T3-606, CS/T3-608, and CS/T3-609 to 30 September 2004. Also, T3 asked T3/S8 to consider two Sony proposals ("small screen device service_type" and "MPEG-2 use in the robust mode") as part of its normal comment resolution process for CS/T3-608 and CS/T3-609.
- T3/S9.** T3 approved the issuance of a letter ballot on T3S9-222r11, "Working Draft Recommended Practice: Design of Synchronized Multiple Transmitter Networks," as a Proposed Recommended Practice. The T3 ballot was issued 16 June 2004 and closes on 14 July 2004. T3 also elevated CS/110C, "Synchronization Standard for Distributed Transmission," to Proposed Standard. The membership ballot on PS/110C was issued 16 June 2004 and closes on 14 July 2004. Separately, T3/S9 continues to examine proposals to improve transmission performance from ETRI, Samsung, and Philips.
- T3/S10.** A/74, "Recommended Practice: Receiver Performance Guidelines," has been published on the ATSC Web site. This document was approved by the membership on 18 June 2004. Some possible new work items for T3/S10 were suggested by comments received during the T3 ballot on this document; they will be taken up at a future meeting of the specialist group.
- T3/S13.** CS/97, "Candidate Standard: Software Download Data Service," is now posted on the ATSC Web site. At the June 10 meeting, T3 elevated the specification to CS status for a period of time ending 30 September 2004. Work on revising Data Broadcast Standard A/90 and harmonizing the A/9x series of standards with ACAP is on hold pending completion of CS/97.

The next meeting of the ATSC Technology Group on Distribution is scheduled for 23 September 2004 in the Washington, D.C. area.

ATSC Specialist and Working Group Activities

1 July 2004

Technology Group on Distribution

The ATSC Technology Group on Distribution, with due regard for existing standards organizations and activities, develops and recommends voluntary, international technical standards for the distribution of television programs to the public using advanced television technology. Technologies considered may be improvements to current systems or entirely new systems that are compatible or incompatible with current systems. All forms of distribution systems may be considered, such as terrestrial broadcasting, cable systems, direct satellite broadcasting, and pre-recorded media. With respect to distribution systems, sound, vision, display, conditional access, and data sub-systems may be considered.

Ralph Justus, CEA, chairs the Technology Group on Distribution. The secretary of T3 is Jerry Whitaker of ATSC. To join T3, please fill out the Subcommittee Signup Form. Policies relating to the ATSC, in general, and T3, in particular, can be found on the ATSC Policies page (<http://www.atsc.org/policies.html>). The T3 reflector address is t-3@atscmembers.org.

T3 Specialists Group	Document Responsibility	Current Work	Active Reflectors
<p>T3/S1: PSIP Metadata Communications, Graham Jones, NAB, chair</p> <p>This specialist group is defining specifications and standards for exchange of PSIP-related metadata between DTV systems and equipment that affect production of the transport stream and PSIP tables. The XML-based Programming Metadata Communication Protocol Standard describes the transactions and appropriate messages to be used by each of the expected participants. This document is currently approved as a Candidate Standard and work is in progress for verification and testing of the standard. This activity includes liaison with other ATSC Specialists Groups, specifically with T3/S8 and T3/S13 and with other standards development organizations working on standards that include metadata, specifically with appropriate SMPTE Technology Committees. Current tasks include:</p> <ul style="list-style-type: none"> ▪ Gather and review comments from industry on PMCP and, if necessary, revise text of the standard. ▪ Promote and coordinate trial implementation and testing of PMCP. ▪ Develop the Guide to the Use of PMCP. ▪ Analyze metadata terms in the SMPTE metadata dictionary and prepare list of PMCP terms for registration. <p>Future tasks include development of extensions to the PMCP schema for data broadcasting PSIP, E-VSB PSIP, and non-PSIP metadata.</p>	<p>CS/75</p>	<p>Verification and implementation testing of the PMCP Candidate Standard.</p> <p>Development of a Guide to the Use of PMCP.</p>	<p>s1-0@atscmembers.org</p>

<p>Goals:</p> <ul style="list-style-type: none"> ▪ Complete verification and revisions to the PMCP candidate standard by September 2004, leading to a T3 vote for elevation to Proposed Standard. ▪ Produce a draft Guide to the Use of PMCP by the end of 2004. ▪ Register PMCP metadata with the SMPTE Metadata Dictionary by the end of 2004. ▪ In conjunction with T3 and other specialist groups, establish priorities for extensions to PMCP. 			
<p>T3/S2: Advanced Common Application Platform, Craig Smithpeters, Cox Communications, chair</p> <p>The Specialist Group on the Advanced Common Application Platform (T3/S2) under the supervision and direction of the Technology Group on Distribution, shall be responsible for the ongoing development of the ACAP standard. T3/S2 will be seeded with the members of T3/S13, T3/S16, T3/S17, and other interested participants. As necessary, T3/S2 will coordinate ACAP related activities of these Specialist Groups. T3/S2 will establish a working liaison with CableLabs, DVB, SCTE, and other organizations as necessary.</p>	CS/101	ACAP document development	S2-0@atscmembers.org S2-1@atscmembers.org
<p>T3/S6: Video and Audio Coding, William Miller, ABC, chair</p> <p>The Specialists' Group on Audio and Video Coding, under the supervision and direction of the Technology Group on Distribution, develops recommendations for audio and video coding for use in the ATSC television system. T3/S6, as directed by T3 and the ATSC Board of Directors, has the following work items:</p> <ul style="list-style-type: none"> ▪ Audio and video coding for advanced transmission mode (investigate more efficient coding methods) ▪ Maintain A/54A Sections 5 and 6 ▪ Maintain other ATSC audio and video coding documents <p>Goals: Complete audio/video coding work relating to robust mode by Q3 2004. Also, conduct 5-year review of A/63 (Coding for 25/50 Hz Video) by the end of 2004.</p>	A/52, A/53, A/54, A/63, CS/T3-614, CS/T3-615	<p>Studying and documenting video/audio coding for proposed enhanced transmission mode.</p> <p>Conducting subjective evaluation of two candidate video codecs for above.</p> <p>Selected Dolby's Enhanced AC-3 audio codec, now a Candidate Standard.</p> <p>A/63 review on hold pending completion of advanced coding work.</p>	s6@atscmembers.org

<p>T3/S8: Data Multiplex/Transport, Mark Eyer, Sony, chair</p> <p>The ATSC T3/S8 Specialist Group on Service Multiplex and Transport Systems Characteristics supports the T3 Technology Group on Distribution to describe, specify, and document all aspects of the transport subsystem of the ATSC DTV system except data broadcasting. This work includes:</p> <ul style="list-style-type: none"> ▪ Documenting constraints against and extensions to the MPEG-2 Transport Stream specification ▪ Developing standards for delivery of system and service information, including caption service signaling ▪ Developing standard methods for conditional access ▪ Considering standard methods for transport of program metadata such as television parental guidelines, digital rights management data and copy protection data, including support for program metadata applicable to future as well as current programming ▪ Developing methods for unambiguous identification of content ▪ Preparing guidelines for effective use of transport-related standards ▪ Maintaining resulting documents <p>Goals:</p> <p>Complete transport specification for robust mode(s) through Candidate Standard period, which ends on 30 September 2004.</p>	<p>A/53, A/54, A/57, A/65, A/68, A/69, A/70, CS/T3-606, CS/T3-608, CS/T3-609</p>	<p>Considering transport stream issues relating to proposed robust transmission mode CS documents.</p> <p>Developing potential updates and other changes to A/53C and A/56B.</p> <p>Reactivating Advanced EPG AHG.</p>	<p>s8-0@atscmembers.org</p> <p>Robust Mode Transport Issues s8-1@atscmembers.org</p> <p>Generalized Transport of Metadata s8-2@atscmembers.org</p> <p>Advanced EPG Functionality s8-3@atscmembers.org</p> <p>Transport Standards Updates s8-4@atscmembers.org</p> <p>Conditional Access s8-5@atscmembers.org</p> <p>Content Identification s8-6@atscmembers.org</p>
<p>T3/S9: RF Transmission, Charles Einolf, Consultant, chair</p> <p>T3/S9 analyzes issues and develops technical documents related to terrestrial RF transmission and reception. Current activities include consideration and development of both compatible and non-compatible enhancements to VSB modulation (as standardized in ATSC A/53) that address existing and emerging requirements for DTV. As a basis for this work, T3/S9 considers broadcaster requirements as defined by the Task Force on RF System Performance, and market and technical input from the CEA and other industry sources. The goal of this effort is to develop specifications for consideration as a new standard or as a revision of existing ATSC standards. T3/S9 coordinates with other ATSC specialist groups as required.</p> <p>Goals:</p> <p>T3/S9 is developing a draft Recommended Practice on Enhanced 8-VSB. The specialist group is also monitoring developments in the area of VSB improvement from several organizations.</p>	<p>A/49, A/53, A/54, A/64, A/75</p>	<p>Developing a draft Recommended Practice on Enhanced 8-VSB.</p> <p>Considering additional enhancements to VSB modulation.</p>	<p>s9-0@atscmembers.org</p> <p>s9-1@atscmembers.org</p> <p>s9-2@atscmembers.org</p>

<p>T3/S10: Receivers, John Henderson, Hitachi, chair</p> <p>T3/S10 (Receivers) will examine elements of DTV receiver designs, assessing the degree to which performance tradeoffs and complexity are impacted and their relation to FCC DTV planning factors.</p> <p>Goals:</p> <p>T3/S10's voluntary Recommended Practice entitled "Recommended Receiver Performance Guidelines" (doc. A/74) has been approved by the ATSC membership. T3/S10 will continue to consider how to approve and include additional information about received signal conditions within the document.</p>	A/74	<p>T3/S10 will consider possible new work items recommended by T3:</p> <p>Documentation of sites with "interesting" signal conditions.</p> <p>Collection and vetting of more multipath captured data.</p> <p>Revision and update of A/53, Annex E.</p>	s10@atscmembers.org
<p>T3/S13: Data Broadcasting, Michael Dolan, TBT, chair</p> <p>This specialist group will define the mechanisms for serving the needs of data broadcast applications utilizing the ATSC digital broadcast as a delivery medium. This will include television program related applications and non-television applications. Specifically, T3/S13 will define a method or methods for using ATV broadcast to transport data streams, data files, and executable code, the fundamental ingredients of both classes of applications. The group will also address other generic requirements imposed by these applications, for example low latency needs of some interactive applications, synchronization with video/audio programming.</p> <p>Goals:</p> <p>S13 has the following open tasks:</p> <ul style="list-style-type: none"> ▪ Revise A/90 (A/90-A) to address the collected errata documented in S13-105R9, roll-up the existing amendments and corrigenda, and harmonize it and A/95 as needed with ACAP transport. (Status: on hold pending completion of OCAP Transport standardization and elevation of firmware download specification to Proposed Standard.) ▪ Work with T3/S8 on robust mode signaling. (Status: on hold pending receipt of business models and requirements for E-VSB-specific data services.) 	A/90, A/91, A/92, A/93, A/94, A/95, CS/97	<p>Update A/90 Data Broadcast Standard.</p> <p>Data-related signaling for robust mode.</p>	s13@atscmembers.org
<p>A-Team:T3 Architectural Team, Mike Dolan, TBT, chair</p> <p>The Architecture Team is a permanent group that reports to T3. Membership is composed of the T3 chair and vice chairs, specialist group chairs, and the chair of the Implementation Subcommittee. The team is advisory in nature, writing reports if necessary but not developing standards. The purpose and scope of the Architecture Team is:</p> <ul style="list-style-type: none"> ▪ Oversee ATSC technical document structure and architecture ▪ Facilitate communication between specialist groups 		Code Point Registry support activities.	a-team@atscmembers.org

<ul style="list-style-type: none">▪ Provide a forum for addressing inter-specialist group issues▪ Provide a forum to which ATSC staff and T3 can pose technical questions of a general nature and get a formal response▪ Work with ATSC Code Points Registrar in an advisory capacity			
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Implementation Subcommittee

<p>The ATSC ATV Implementation Subcommittee, with due regard for existing standards organizations and activities, investigates and reports on the requirements for implementation of advanced television. The Subcommittee evaluates technical requirements, operational impacts, preferred operating methods, time frames, and cost impacts of implementation issues. Based upon this analysis, the Subcommittee identifies potential requirements for standards, recommended practices, or rules and refer such to the ATSC Board of Directors. Art Allison of NAB chairs the IS. The IS reflector address is i-s@atscmembers.org.</p>		
IS Working Groups	Current Work	Active Reflectors
<p>Closed Captioning Working Group, Gerry Field, NCAM/WGBH, Chair</p> <p>The ATSC Implementation Subcommittee Closed Captioning Working Group (CCWG) was formed to identify and address issues and questions concerning implementation of closed captioning systems within digital television environments, including:</p> <ul style="list-style-type: none"> ▪ Clarification of EIA/CEA-608-B and EIA/CEA-708-B implementation ▪ Generation points for caption data (including related data for PSIP) ▪ Modification points for caption data (including related data for PSIP) ▪ Monitoring points for caption data (including related data for PSIP) ▪ Generic interfaces to related equipment ▪ Standardization of file formats for authoring and encoding ▪ Methods for local insertion (bridging, real-time) ▪ Timing issues ▪ Coordination of related end-to-end system support <p>The CCWG will engage in the following activities:</p> <ul style="list-style-type: none"> ▪ Creation and dissemination of informational material and tutorials for a wide engineering and management audience, with specific focus on ATSC A/53C (Digital Television), ATSC A/65B (PSIP), and EIA/CEA-708-B (DTV Closed Captioning) ▪ Identify the need for additional engineering guidelines or standards, and provide draft language where appropriate ▪ Coordination with related efforts within the ATSC including (but not limited to) the System Evaluation Working Group (SEWG), and the Field Evaluation Working Group (FEWG) ▪ Coordination with other standards organizations including SMPTE, CEA, and SCTE ▪ Coordination with other related efforts such as those of NCAM 	<p>Produce a Finding for the industry that outlines the steps that must be taken with respect to the DTV captioning services requirement.</p>	<p>ccwg@atscmembers.org</p>
<p>Data Implementation Working Group, Rich Chernock, Triveni Digital/LG, chair</p> <p>The aim of this Working Group is to create a list of requirements and recommended practices that will allow for data sources to be connected to ATSC broadcast systems in a known and implementable way. The intended participants include: multiplexor manufacturers, data server manufacturers, data service suppliers, members of T3/S13, and the appropriate IS groups (note these are not mutually exclusive).</p> <p>These issues were assessed, and a report was produced and adopted by IS as IS/151, resulting in SMPTE 325M, RP203, and RP206.</p>	<p>Initial work completed; final report issued: IS/151 "DIWG-1 Final Report"</p> <p>There are currently no tasks assigned to the DIWG.</p>	<p>diwg@atscmembers.org</p>
<p>Systems Evaluation Working Group, Paul Berger, CBS, chair</p> <p>The Svstems Evaluation Workind Group will assess the technical and operational issues of svstems</p>	<p>Development of an audio/video synchronization reference,</p>	<p>sewg@atscmembers.org</p>

<p>for Digital Television, with regard to end-to-end functionality. The Group will address integration and design requirements of these systems and evaluate the need for additional design and/or development of equipment and standards to enable the proper functionality of digital television services. The group will report on its findings of needs to the Implementation Subcommittee of the ATSC and to appropriate working groups and Standards-writing bodies for development of technical solutions. Separate sub-working groups may be formed upon approval of the IS to focus on specific issues determined by the group to be particularly complex or time-sensitive.</p>	<p>established at the capture of audio/video signals to facilitate system-wide synchronization functions.</p>	
<p>RF Issues Working Group The Working Group on RF Issues shall address transmission and reception issues relating to the Implementation of the ATSC standard. As a starting point, this Working Group (WG) should continue the work started by the Task Force on RF System Performance as well as address other RF issues which must be resolved to ensure a successful transition to DTV.</p>	<p>IS/261 is an interim analysis tool for internal ATSC expert use.</p>	<p>rfwg@atscmembers.org</p>
<p>Field Evaluation Working Group, Ralph Justus, CEA chair The scope of the Field Evaluation Working Group (FEWG) shall encompass the distribution chain from the formation of a broadcaster's transport stream to consumer receivers, including cable and satellite delivery. In addressing interface and interoperability issues that arise earlier in the chain, the FEWG shall coordinate with the Systems Evaluation, Closed Captioning, and PSIP Implementation Working Groups, and other groups as appropriate.</p>	<p>Planning upcoming plug-fest.</p>	<p>fewg@atscmembers.org</p>
<p>PSIP Implementation Working Group, Graham Jones, NAB, chair This group is currently inactive, since the work begun by the PSIP Implementation Working Group has been taken on by T3/S1. If and when new PSIP implementation issues are identified, they may be considered by the PSIPWG.</p>	<p>Findings have been adopted by IS as Doc IS/277 "ATSC Implementation Subcommittee Finding: Assessment of Data Content and Delivery for Control of the Digital Broadcast Transport Stream and PSIP Generation."</p>	<p>psipwg@atscmembers.org</p>
<p>IS Findings</p>	<p>IS/095, IS/161, IS/190r5, IS/191, IS/225, IS/232, IS/266, IS/277</p>	
<p>IS Reports</p>	<p>IS/065r4, IS/151, IS/161, IS/214r2, IS/233</p>	

Applications Subcommittee

The ATSC Applications Subcommittee, with due regard for existing standards organizations and activities, considers business opportunities that may be enabled by digital television standards. Based upon this analysis, the Applications Subcommittee makes recommendations to the Board of Directors regarding development of voluntary standards for digital television. These recommendations are supported by a list of user requirements. The AS also responds to inquiries about market requirements from Technology Groups, from other ATSC subcommittees, and from other standards organizations. Sterling Davis of Cox Broadcasting chairs the AS. Jerry Whitaker (ATSC) serves as Secretary. The AS currently has one active reflector, as@atscmembers.org.

Work currently underway includes:

- “Digital Broadcasting Business Opportunities Summit”
- Streaming text data requirements
- Very low bitrate requirements
- Advanced codecs in the main stream

Other potential work areas include:

- In-home repeaters
- Small screen services
- Data broadcasting (carriage of IP & Web services)
- Gold Rack
- Opportunistic data
- B to B: narrowcasting
- Brainstorming sessions to identify additional applications
- E-VSB still images

Communication of applications (White Papers) (listed in prioritized order)

- Antenna technology and steering
- DCC
- CA
- Data Broadcasting

IS Report to the Board

At the last meeting of the Implementation Subcommittee (June 9, 2004), the IS agreed that the NAB presentation on PSIP authored by Graham Jones should be published on the ATSC website. Mr. Jones gave permission and Mr. Whitaker will post the paper in the IS informational documents section.

The SEWG has not met since the last IS meeting. Substantive work items include management of changes in the number of virtual channels that are active, audio level control, monitoring systems, and lip sync management approaches. The IS in the whole will address the audio level issues document as it appears to be in near final form.

The IS also considered a document (IS/312) addressing the issues that are involved to enable proper display of the broadcast format on all TV sets that have either 4:3 or 16:9 display ratios. IS/312 was approved by the IS. It documents the IS Finding that additional standards and recommended practice work is needed to facilitate the use of the current feature in A/53C to describe the portion of the video that contains active video. The IS has a recommendation to the board to act upon this document which follows.

Recommendation

The IS recommends that the Board request the following organizations to analyze the issues listed in the Findings section in IS/312 and undertake such standard and/or recommended practices to facilitate the maximum amount of each DTV screen with active content.

- a. ATSC; CEA
- b. ATSC; CEA
- c. CEA
- d. CEA
- e. CEA
- f. CEA
- g. SMPTE
- h. SMPTE
- i. SMPTE

It was clear to the IS that all these aspects are to a degree interdependent, and IS therefore urges that the entire document be provided to each; but it was felt that the above focus best matches each organizations area of work and would result in the most progress. All elements are felt to be needed to avoid postage stamp presentations (and other display area underutilization.)

Applications Subcommittee Report to the Board of Directors July 1, 2004

The committee last met, June 8th and will be meeting next on September 21st.

Roadmap to DTV forum/summit/meeting

An AHG was formed to plan a meeting of non-technical industry business leaders to address the future use of ATSC standards in the marketplace. The meeting will be open to all related industries and that we strongly encourage the participation of broadcasters and consumer receiver manufacturers' representatives involved in planning new services and products. The key goals are:

- Educate the attendees about the potential use of existing ATSC standards and those under development.
- Solicit input about the likely market roll-out of related products and services.
- Recruit new non-technical participants in the ongoing work of the Applications Subcommittee.

The AHG has developed a draft program and is beginning to develop a list of potential presenters and attendees, specifically broadcast management and CE product planners, among others. The next step includes getting CEA, MSTV, and NAB to co-sponsor the program, with October 27 as the working date.

Data Exchange Requirements Document

The need for standardization work in the area of data exchange among traffic, automation and content delivery systems has been identified. There is a certain urgency to get standards work started, as there are several vendors preparing to offer proprietary solutions in the absence of a standard. The Applications Subcommittee questioned whether this work should be in the hands of SMPTE, as this suggests a studio standard is needed. Subsequent to the AS meeting, SMPTE indicated that they would proceed on a fast track for standardization and therefore will expedite this work in SMPTE S22.

Streaming text data

Another issue is being considered is focusing on the need for, and the possible uses of streaming text data. An Ad Hoc Group has been formed to consider the options and bring back a draft Requirements Document for consideration at the next meeting.

Very Low bitrate channels

The consensus of the committee is to move forward with the low bit rate audio/video Requirements Document and it should be finalized at our next meeting.

Advanced codecs in the main stream

An Ad Hoc Group has been formed to develop a Requirements Document and formally propose using advanced codecs in the main stream to AS. The committee accepted this approach. The volunteers included Brian Smith, Mark Eyer, a representative to be named from Zenith, Steve Smith, Art Allison, C.B. Patel, Gary Paxinos (USDTV), James Fang (Mitsubishi Electric) and Merrill Weiss from Tribune.

Enhanced VSB White Paper

On May 17th, I forwarded the "Enhanced VSB System" White Paper to the Board for your consideration and distribution outside ATSC. The purpose of this document is to present a non-technical overview and explanation of the system in order for business and other interested parties to be informed of the business uses of the parts of the ATSC toolbox.

Pending Items

Our proposed EAS Requirements Document is pending board action.

Sterling Davis

June 30, 2004

Mr. Mark Richer
President
ATSC
1750 K Street NW
Suite 1200
Washington, DC 20006

Dear Mark,

As I understand the ATSC is undertaking a timely reexamination of its purpose, strategy and operations I would like to share my thoughts.

I think the ATSC is in grave danger on several fronts:

First, it's leadership is not representative of major constituencies. The Board of Directors includes only one CE hardware company, and that company has interests totally different from most other TV set makers.

Second, ATSC rules allow standards to proceed without consensus. The votes on the EVSB standard reflect how slightly more than a third of committee members can approve a standard despite serious opposition and significant abstentions. This is inconsistent with the process requirements of most standard setting organizations and violates ANSI rules.

Third, the ATSC does not marketplace test ideas before undertaking standards work. Many proposals are "interesting," occupy engineers, take up time, and even become standards, but they are not related to consumer demand and will never be implemented.

Finally and most importantly, the ATSC continues to seek change standards in a way that would obsolete millions of DTV sets in American homes. This is as dangerous as the Sinclair COFDM proposal in delaying and confusing the marketplace.

Because of these and other reasons, several companies have questioned their continued involvement in and support of the ATSC. Indeed, some CE companies have suggested CEA no longer participate in the ATSC.

If ATSC is to succeed then I suggest the By-laws be rewritten to address the issues of industry representation, process, consensus, focus and standards criteria. I would be pleased to provide specific suggestions.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Shapiro". The signature is fluid and cursive, with the first name "Gary" and last name "Shapiro" clearly distinguishable.

Gary Shapiro
President and CEO

cc: ATSC Board of Directors

June 28, 2004

To the ATSC Board of Directors,

We, the undersigned ATSC members, are very concerned about the ATSC processes which permit the advancement of a proposed technical standard to full membership ballot when the ATSC's members remain deeply divided over its technical value and industry impact. This letter requests that the ATSC Board consider a number of actions to improve ATSC's management of standards efforts so that such difficulties can be avoided in the near future.

The recent ballot of a proposed revision to A/53's Annex D, containing the eVSB RF transmission specification, is a recent example of where the ATSC process has not properly served the ATSC membership. This ballot, currently underway, is likely to be approved or defeated by a very narrow margin. In either outcome, it will be accompanied by serious controversy and much dissatisfaction. If approved and presented to the FCC for incorporation in its rules, it will result in the filing of many sets of fundamentally conflicting public comments to the Commission. If it is defeated, it is sure to leave some ATSC members believing they have been ill-served by the ATSC process, and others exhausted by the energy required to counter a process that permits final ATSC ballots over proposed standards in which there is so little shared interest. The ATSC does not serve its reputation or its members by balloting proposed standards over which there is no reasonable or fundamental agreement. We hope you will agree that this is a valid subject that should be addressed by the ATSC Board.

How can this situation be avoided? First, it's important that every major ATSC constituency be equally represented on the Board. As you know, the consumer electronics industry is under-represented on the ATSC Board. This needs to be remedied as soon as possible. We assume that this will be a major topic of conversation at the Board's upcoming strategy retreat.

Second, the By-Laws may need to be changed to address the tendency of simple investigations of new technologies to hurtle toward standardization in a nearly unstoppable process, even when, in the late stages of development, the proposed standard has the ATSC's member industries deeply divided. This likely means a more serious role for the ATSC Board in determining the work items that the ATSC undertakes.

As you may know, in recent years the ATSC has produced a number of standards that remain unimplemented. It is thus clear that "good ideas" that seem sensible to an assembled group of engineers in an ATSC specialist group or technology group do not necessarily correlate to real-world marketplace needs when a draft standard is completed a few years later. Assuring from the start that ATSC standards under development meet known needs should be a primary function of the ATSC Board. In addition, standards work should undergo periodic, critical reviews by the Board to make sure that original goals remain relevant and agreed-upon. The By-Laws may need to be revised to make such a role possible for the Board.

A more rigorous Board examination and approval process (including perhaps a higher voting threshold for approval of new work items in Board meetings) may be required to make sure that concepts for new standards are investigated thoroughly for their need and potential

impact, both positive and negative. The Board may also need the authority to decide to discontinue or modify a standard that is in development, or at least to place such a decision before the membership via letter ballot. This is particularly true in the current situation, where any new ATSC standard is, to some degree, a change to the existing DTV standard, and must meet a very high standard of net positive value if it is to be agreed upon by the industries already involved in the nation's transition to digital television.

The remainder of the eVSB sub-system (including transport and audio/video codecs) will be the subject of much controversy in the coming months, as will be an effort already underway by a few in the Application Subcommittee to draft requirements for use of new A/V codecs in main mode ATSC DTV transmission. The new Board management capabilities and/or By-Law changes should be put in place in time so that the foreseeable controversies in these matters can be better managed.

We are not opposed to technological evolution. Our industry is built on innovation. We do, however, insist that any standards organization that wants our support must have in place a management process that will not permit issuance of final membership ballots that deeply conflict with many member companies' views. In sum, this is the Board's primary responsibility.

In the current instance of the eVSB sub-system, we ask the Board's help to direct the T3 committee not to move forward on the development of eVSB transmission, transport, and codec standards except in a manner that reflects multi-industry cooperation, including a mutual understanding of the value proposition for eVSB that will be presented to consumers in a non-disruptive, non-confusing manner. Approval and/or promotion of a complete eVSB television sub-system should be held in abeyance until true consensus is achieved and until it is clear that this new standard will not seriously damage the ongoing digital television transition. If revised By-Laws aren't immediately available to permit this, the Board should exercise moral suasion to achieve these desirable ends. If this is not done, the controversy will grow, with very negative effects for the ATSC organization.

Sincerely,

Sony Electronics Inc.
Sharp Laboratories of America, Inc.
Samsung Electronics Corp.
Philips Consumer Electronics
JVC Americas Corp.