

Testimony of Meredith Attwell Baker
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U.S. Department of Commerce
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Committee on Energy and Commerce
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Hearing on the Digital Television Transition

September 16, 2008

Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to testify before you today on behalf of the National Telecommunications and Information Administration (NTIA) regarding the transition to digital television (DTV) and NTIA's implementation of the TV Converter Box Coupon Program (Coupon Program). Educating Americans about their options when full-power television stations cease analog broadcasting on February 17, 2009, and administering an efficient and consumer friendly Coupon Program have been top priorities for NTIA over the past eight and one-half months. NTIA has already served millions of Americans who have requested, received, and redeemed coupons with the purchase of a coupon-eligible converter box (CECB) from among the Program's participating retailers, and we are well poised to assist millions more. With 154 days to go until the DTV switch occurs, the significant progress NTIA has made in meeting the Coupon Program's objectives is matched only by our determination to ensure that as many consumers as possible are aware and prepared for the DTV transition, and that NTIA is able to maximize opportunities for households to participate in the Coupon Program.

My testimony today will focus chiefly on the status of activities and consumer education efforts of NTIA's Coupon Program; the experience gained by the September 8, 2008, DTV switch in Wilmington, North Carolina; and the actions taken by, and in process, at NTIA to maximize opportunities for over-the-air households to participate in the Coupon Program.

Coupon Program Activity

As you know, Title III of the Deficit Reduction Act of 2005, known as the "Digital Television Transition and Public Safety Act of 2005" (the Act), directs the Federal Communications Commission (FCC) to require full-power television stations to cease analog broadcasting on February 17, 2009. The Act directs NTIA to implement and administer the Digital-to-Analog Converter Box Coupon for the purpose of assisting consumers who opt to keep their existing analog TV's working to view over-the-air broadcasts using a converter box.

As required by the Act, the Assistant Secretary of Commerce for Communications and Information must ensure that requesting households receive a maximum of two \$40 coupons, via U.S. mail, each to be applied toward the purchase of a digital-to-analog converter box. The Act authorizes NTIA to use up to \$990 million to carry out the program, including up to \$100 million for expenses incurred for program administration, of which \$5 million may be used for consumer education. It also authorizes an additional \$510 million in funding to be available upon 60 days advance notice to Congress, \$60 million of which may be used for program administration expenses.

Leading up to the launch of the TV Converter Box Coupon Program on January 1, 2008, NTIA undertook extensive preparations beginning with a comprehensive rulemaking proceeding and Request for Proposal (RFP). Through a competitive procurement process, NTIA selected IBM to develop fully operational systems for the application, processing, distribution, and redemption of coupons; and to certify retailers for participation in the program. Working with the FCC, NTIA established a procedure to test and certify coupon-eligible convert boxes (CECBs). The Contract with IBM has all of the elements necessary for a fully operational and well-functioning program

through its conclusion, including the ability to scale the Program as needed to maximize customer participation. Simply stated, the implementation of this Program is without precedent and has presented unique opportunities and challenges along with way. The effectiveness of our efforts in this planning phase, I submit, can be best measured by the results of the Program's implementation.

Coupons Requests, Issuance, and Redemptions

Since January 1, 2008, the Coupon Program has received requests from 14,215,538 households for 26,686,001 coupons through September 10, 2008. This is equivalent to 105,892 average household requests for each of the 260 days the Coupon Program has been operational. Over the past 30 days, the average daily household request rate was slightly higher, at 111,577 average requests, consistent with a trend of slight increases in request rates experienced by the Program over the course of the past few months.

NTIA began processing requests for coupons from OTA households using contingent funds on August 1, 2008, while continuing to process coupon requests from other eligible households from recycled base funds that become available when unredeemed coupons expire. NTIA received the \$510 million in contingent funds on June 25, 2008, subsequent to our April 25, 2008, notification to the House Energy and Commerce Committee and the Senate Commerce, Science and Transportation Committee. Based on the number of redeemed coupons and coupons that are still active and have not reached the end of their 90-day expiration, 74 percent of the \$890 million in initial funding has been committed, and 21 percent of the \$450 million in contingent funding has been committed as of September 10, 2008.

Applications for coupons have been received primarily through the Coupon Program website at www.DTV2009.gov (56.9 percent), and our toll-free telephone number, 1-888-DTV-2009 (40.6 percent); a much smaller percentage of coupon applications (2.5 percent) has been received by fax and by mail. Consumers can expect that coupons will be issued and mailed within 10 to 15 business days from the date in which a coupon application is received. Consumers are able to check on the status of

their coupon application on the Program's web page – <https://www.dtv2009.gov/CheckStatus.aspx>. NTIA continues to work closely with our contractor, IBM, to ensure that coupon requests are processed in a timely fashion. NTIA is in the process of streamlining its phone system to facilitate consumer coupon requests through its Interactive Voice Response (IVR) and to refer consumer questions to appropriate third parties, such as the FCC and local television stations.

In addition to the high volume of applications, the appeal of the Coupon Program to consumers is demonstrated by the rate of coupon redemptions. Through September 10, 2008, more than 10 million coupons have been redeemed, an overall redemption rate of 49 percent for coupons that have reached the end of the 90-day expiration period. For OTA households, the redemption rate is even higher; 55.4 percent of the coupons that have reached the end of the 90-day expiration period have been redeemed. Since June 2008, NTIA has posted online a Weekly Redemption Report for easy access by retailers, converter box manufacturers, and the public that presents data on overall weekly coupon redemption rates and a breakdown of coupon redemption rates by OTA households. (<https://www.ntiadtv.gov/docs/WeeklyRedemptionsReport.pdf>)

Using the estimate of the Consumer Electronics Association that 60 percent of OTA households are potential purchasers of converter boxes, and of the Nielsen Company that there were 14 million OTA households on January 1, 2008, NTIA has estimated that 79 percent of this target audience – TV households who rely on television with an antenna and expected to purchase a converter box – have already requested coupons as of September 1, 2008. Further, our analysis confirms that Coupon Program participation by OTA households is on track in 187 of the country's 210 Designated Market Areas (DMAs). Based on our analysis, NTIA is developing and will implement specific outreach plans in the 23 DMAs where participation rates seem to be lower than average. Appendix A of this testimony provides a listing of Coupon Program participation rates of OTA households in each of the nation's 210 television markets.

Coupon-Eligible Converter Boxes and Participating Retailers

A critical factor in the Coupon Program's progress has been the voluntary participation of converter box manufacturers and retailers. NTIA is extremely gratified that we have been able to certify 156 CECBs submitted for testing and certification by manufacturers through September 10, 2008. Each of these converter boxes was designed for the statutory purpose of enabling a consumer to view digital signals on analog television sets.

NTIA continues to certify boxes and is expediting those that have the capability to pass-through analog signals that will continue to be transmitted by many low power television and translator stations after February 17, 2009. As of September 10, 2008, NTIA has certified 82 CECBs with an analog pass-through capability. We appreciate the responsiveness of manufacturers – such as RCA, Craig, Philco, Magnavox, Memorex, and Zenith, among others – to serve consumers' needs for this simple solution to view both digital and analog signals on analog television sets.

From the nation's largest consumer electronics retailers – Best Buy, Circuit City, Radio Shack, Sears, Target, and Walmart – to the hundreds of regional chains and smaller firms, we are likewise pleased that retailers have made converter boxes widely available. Through September 10, 2008, 2,340 retailers are participating in the Coupon Program, with over 29,000 retail outlets nationwide, including locations in all 50 states, all DMAs, as well as Guam, Puerto Rico, and the U.S. Virgin Islands. Among these are 35 retailers redeeming coupons online, and 13 retailers that will redeem coupons by phone. We are pleased that Amazon.com and Office Depot are the latest to join the ranks of the Coupon Program's participating retailers.

To achieve the status as a “participating retailer” in the Coupon Program, retailers must certify that their employees are trained, that stores have an inventory of converter boxes, and that their systems are prepared to redeem coupons. Working with IBM, NTIA has made employee training materials available to participating retailers so that they are able to answer consumers' questions about converter boxes and coupon use. To better support the management of CECB inventory, NTIA makes available coupon request data

to retailers on a per state basis, as well as by 3-digit and 5-digit zip code. The cooperation of retailers and box manufacturers alike have greatly contributed to consumers' satisfaction with the Coupon Program, and NTIA is truly grateful for their partnership.

Consumer Education

Educating consumers about the DTV transition and the converter box coupon option has been an integral part of NTIA's Coupon Program. Our efforts have focused on raising awareness among households disproportionately reliant on OTA broadcasting for their television services, namely seniors, minorities, the disabled, low-income, and rural households. NTIA's messaging encourages these and other OTA households to know their options and, if the converter box is their preferred option for making the transition, to request a coupon and purchase a converter box now rather than delay and contend with a possible rush for boxes closer to the transition date. Consumers should plan at least six weeks in advance to "apply, buy and try" – that is, "apply" for their coupons, "buy" their preferred converter box and "try" it to make sure they can receive their favorite channels – to be ready well in advance of February 17, 2009. As a practical matter, consumers should request coupons now to ensure a smooth transition and begin enjoying digital television service.

A recent national survey sponsored by the National Association of Broadcasters (NAB) shows that knowledge about the DTV transition is nearly universal. In a telephone survey of 21,436 households, conducted between the end of March and mid-May, 2008, 90 percent of respondents said they were aware of the February 17, 2009, DTV transition, up from 83 percent in a January 2008 NAB survey. These results reflect the success of the nationwide public education campaigns undertaken by the broadcasting and cable industries, as well as our own public education efforts and those of the 300 Federal, national, regional, and local organizations that have partnered with NTIA to arm consumers with the information they need to be prepared on February 17, 2009.

NTIA's Outreach and Partnerships

For its part, NTIA participates in meetings, conferences, and other fora on an ongoing basis, often with one or more of our partners to educate audiences about the DTV transition and the Coupon Program. For example, in recent months, NTIA attended events held by the American Council on the Blind, the Community Action Partnership of Chicago, Self-Help for the Elderly of San Francisco, and the General Federation of Women's Clubs. We have jointly hosted and participated in coupon application completion events with organizations such as SeniorSource in Dallas/Ft. Worth, Texas; the Maryland Department of General Services in Baltimore, Maryland; JobStarts in Englewood, California; and KNME-PBS in Albuquerque, New Mexico.

NTIA's consumer education efforts do not begin and end with Coupon Program staff. Rather, members of my staff and I, along with others in the Department of Commerce have participated in numerous events, including town hall meetings convened in the districts of members of Congress, such as Chairman Dingell, Rep. John Shimkus of Illinois, Rep. Mike McIntyre of Wilmington, North Carolina, and Rep. Ciro Rodriguez of Texas. As you know, Commerce Secretary Carlos Gutierrez has likewise been extremely active in helping educate Americans about the DTV transition and the Coupon Program. He continues to conduct media interviews in both Spanish and English, and speaks to audiences throughout the country to help raise public awareness. Most recently, Secretary Gutierrez participated in a public education event held at a Circuit City retail store in Atlanta, accompanied by Georgia Governor Sonny Perdue.

As I noted earlier, NTIA analyzed Coupon Program participation by DMA, enabling us to better target consumer education efforts and reach out to media in markets with high rates of OTA households and/or key demographic populations. For example, in July and August 2008, NTIA staff conducted 117 media interviews, including outlets such as The Maui News (Honolulu, HI), Eureka Reporter (Eureka, CA), KBBI-AM/KDLL-FM (Anchorage, AK), Star News (Wilmington, NC), AARP Bulletin (seniors), Sister 2 Sister (African American magazine), KOVR-TV (Sacramento, CA), KBOW-AM (Butte-Bozeman, MT), and Alaska Public Radio.

Working with the communications firm, Ketchum, NTIA continues to track media impressions regarding the DTV transition and the Coupon Program. The following chart shows the cumulative number of print circulation, online unique visits, and broadcast impressions from September 10, 2007, through August 31, 2008.

Period	Print Circulation	Online Unique Visits	Broadcast Impressions
As of January 31, 2008	55,287,903	790,968,896	61,930,084
As of February 29, 2008	86,704,470	1,461,800,861	77,976,320
As of March 31, 2008	101,948,865	1,831,462,304	97,279,716
As of April 30, 2008	133,133,069	2,475,646,251	133,325,921
As of May 31, 2008	149,212,817	2,738,704,788	176,597,506
As of June 30, 2008	162,552,550	2,951,814,191	242,916,367
As of July 31, 2008	183,117,820	3,097,501,422	292,567,681
As of August 31, 2008	197,260,220	3,285,822,971	332,884,358

NTIA is now working with over 24 Federal departments and agencies with direct communications to vulnerable populations, such as the U.S. Department of Agriculture, the Department of Health and Human Services' Administration on Aging, and the Department of Veterans Affairs. More recently, the Office of Management and Budget, the Office of Science and Technology Policy, NTIA, and the FCC, spearheaded an inter-agency Federal DTV Awareness meeting, convened on September 12, 2009, to expand the number of Federal partners that can utilize direct communications with the public to raise awareness of the DTV transition and the Coupon Program.

Statutory Flexibility to Expand Consumer Education

NTIA appreciates the flexibility provided by the "DTV Transition Assistance Act" (Pub. L. 110-295) (Assistance Act), signed into law by President Bush on July 30, 2008, which will provide an additional mechanism to expand our public education efforts. As you know, there are two key provisions of the Assistance Act: 1) enabling NTIA to more immediately begin providing grant support for the digital upgrade of low power television and translator stations; and 2) authorizing NTIA to utilize surplus funds in the Low Power Television and Translator Station Conversion Program (providing grant support to low power

television and translator stations for the purchase a digital-to-analog conversion device) for purposes of consumer education and technical assistance related to the DTV transition and the Coupon Program.

Pursuant to the Assistance Act, NTIA issued a notice on August 28, 2008, confirming a determination that only \$3.5 million of the full funding amount for the Conversion Program (\$8 million) would be necessary. This allows for \$4.5 million of these funds to become available for consumer education and technical assistance related to the DTV transition and the Coupon Program. This determination was based on the number of potential eligible Conversion Program applicants, the number of grant applications received through July 31, 2008, and the number of facilities receiving authorization from the FCC to upgrade to digital transmission via flash-cut.

We have already received expressions of interest, and encourage the submission of other proposals, to provide consumer education and technical assistance as provided for in the Assistance Act. NTIA will act as expeditiously as possible to formalize agreements for these purposes.

Wilmington DTV Transition Test Pilot

Leveraging the awareness-building activities of the variety of partners that participated in the Wilmington DTV transition test pilot on September 8, 2008, not only contributed to Wilmington's success, but it also demonstrates early preparation and mobilizing of existing assets by communities can help ensure that their citizens experience a smooth transition to digital television. I commend the people of Wilmington and the many Wilmington area volunteers and community leaders, television broadcasters, and participating retailers, as well as the FCC, and all other involved stakeholders for their efforts to ensure that Wilmington households were prepared and that the test pilot was a success.

Among the steps taken in Wilmington contributing to this success, broadcasters were nimble in modifying their messaging to increase awareness of the early transition date and reduce confusion among Wilmington consumers about their need to act early.

The minute-long test run by Wilmington broadcasters in advance of the September 8 switch also proved to be a useful way to help consumers pinpoint whether they really needed a converter box. The consumer electronics industry and box manufacturers also stepped up to support this effort to make converter boxes widely available in stores to meet high demand. I especially appreciate their willingness to donate boxes to nursing homes and troubleshooting advice for consumers. Local firefighters and community groups provided helpful technical assistance to households, including converter box installation for the more vulnerable among Wilmington's citizens.

The Wilmington test pilot was an important opportunity for NTIA to gauge consumer awareness and participation in the Coupon Program. Through September 7, NTIA received requests for more than 69,000 coupons from 37,500 households in the Wilmington DMA, 47 percent of which were from OTA households. Of the coupons issued and mailed, over 28,000 were redeemed as of September 7. We were pleased with the strong response for coupons from Wilmington households; requests for coupons increased 300 percent since the May 8, 2008, FCC announcement of the test pilot. Strong and steady demand for coupons and boxes over the past four months stemmed a rush in the final days leading up to the September 8 switch.

The primary lesson NTIA gained from Wilmington is that we must emphasize to an even greater extent the need for consumers that rely on OTA broadcasts for viewing on analog television sets to apply for a coupon and purchase a converter box well in advance of the transition date. It is essential that consumers are aware that it will take several weeks to make adequate preparations – to apply for and receive a coupon, and to purchase and install a converter box – to ensure that all of the analog televisions in their household are prepared when the transition occurs.

Responding to Coupon Program Challenges

Rulemaking on Nursing Home and Post Office Box Program Eligibility

In a Notice of Proposed Rulemaking (NPRM) released on April 24, 2008, NTIA proposed to waive the “eligible household” and application requirements in Section 301.3(a)

and Section 301.3(e) of its Final Rule for individuals residing in nursing homes or other senior-care facilities, subject to alternative application requirements specified therein. NTIA also proposed to permit an otherwise eligible household that utilizes a post office box for mail receipt to apply for and receive coupons subject to providing satisfactory proof of physical residence as specified in the proposed rule. The period for public comment on the NPRM closed on June 9, 2008. NTIA was pleased to receive a total of 44 comments in response to the NPRM, many with thoughtful commentary and suggestions on our proposals to expand the eligibility of the Coupon Program and make it as inclusive as possible. NTIA has been working as quickly as possible to complete this rulemaking. We anticipate that a final rule will be released later this month.

Coupon Reissuance

NTIA has been extremely sensitive to concerns, questions, and requests made for the reissuance of coupons to households that did not, or were unable to, redeem previously requested coupons prior to their expiration date. However, we do not believe the Act provides clear authority for NTIA to issue any additional coupons to households that have already requested and received coupons, even if the coupons were not redeemed in advance of their expiration.

We also do not believe that making such a change to the Program at this time is advisable. The reissuance of coupons would necessitate, we believe, the undertaking and completion of numerous additional actions. The added – and potentially substantial – costs and delays that would accompany each of these actions could jeopardize the Program’s ability to achieve its core mission of facilitating a smooth DTV transition.

For example, such a change would require a rulemaking proceeding, similar to NTIA’s pending proposed rule amending the eligibility of individuals residing in nursing homes as discussed above. Such a rulemaking, even if conducted on an expedited basis, would not likely be completed before early 2009. A change would also impact NTIA’s current contract with IBM to administer the Coupon Program, requiring revision in the operational systems and procedures of the Program. Likewise changes would be needed to

materials currently utilized in Program administration (e.g., online, phone and paper application forms and processes) and consumer education.

Moreover, such a change could seriously compromise NTIA's emphasis on the need for prompt action by consumers to apply for and redeem their coupons, and could cause a last-minute rush on – and potential product shortages of – converter boxes in the latest stages of the DTV transition. Finally, it would be unfair to consumers who redeemed coupons in a timely manner, consistent with the statutory 90-day expiration deadline requirement and existing Coupon Program regulations.

Maximizing Coupon Distribution

As you know, the Act authorizes a total of \$1.34 billion for the Coupon Program from both the base (\$890 million) and contingent (\$450 million) funding levels, an amount sufficient to cover the value of up to 33.5 million redeemed coupons. The remaining \$160 million from both base and contingent funding is authorized for administrative expenses which includes, but is not limited to, those costs associated with the distribution and processing (*i.e.*, not the underlying value) of each coupon.

As noted earlier, the Coupon Program is receiving over 105,000 average daily requests from households for coupons, and the overall coupon redemption rate currently stands at just under 50 percent. Assuming that consumer requests for coupons will increase as the February 17, 2009, transition dates nears, and that the redemption rate remains constant, NTIA could distribute more than 50 million coupons in total over the life of the Program. Without legislation providing NTIA with greater flexibility to cover its administrative expenses, NTIA will be unable to fully meet this consumer demand and costs associated with expected changes to the Program.

On September 11, 2008, the Department of Commerce submitted to Congress draft legislation that would provide NTIA with the statutory flexibility, if needed, to use available balances in certain Digital Television Transition and Public Safety programs to cover administrative expenses of the Coupon Program above the authorized \$160 million. The proposal would enable NTIA to continue coupon distribution to requesting eligible American

households in the event that coupon demand exceeds the level of administrative resources presently authorized for the Coupon Program while still ensuring that overall program costs do not exceed \$1.5 billion as established in the Act. Under the draft legislation, \$7 million would be available upon enactment and additional funds as needed would be available upon approval of the Office of Management and Budget (OMB) Director and upon 15-day notice to the House Committee on Energy and Commerce and the Senate Committee on Commerce, Science and Transportation.

Waste, Fraud, and Abuse

NTIA remains vigilant in monitoring operations for waste, fraud, and abuse across all components of the Coupon Program. The agency meets regularly with the Department of Commerce Inspector General, the Government Accountability Office, and Department of Commerce auditors to monitor all aspects of the Coupon Program from household requests for coupons to retailer payment for coupon redemptions.

Working with IBM, NTIA has developed a comprehensive and rigorous approach to deterring and detecting waste, fraud and abuse in the Program. In terms of retailer certification, participation and payment, NTIA has protections in place to minimize opportunities for inappropriate retailer behavior.

To date, no egregious instances of waste, fraud, and abuse have been discovered in the Coupon Program. However, several retailers have been decertified for a variety of violations of program rules. In these cases, NTIA has also taken swift action to the extent possible to ensure that retailers remedy any adverse effects suffered by consumers. While the number of decertified retailers is a very small percentage of the total number of certified retailers, NTIA remains committed to taking swift action to avoid any and all waste, fraud, and abuse in the Program.

We are also ensuring that no more than two coupons are sent to each U.S. household, as specified in the Act, and that consumers are unable to use the \$40 coupon to purchase ineligible products. To protect consumers we have just issued a “consumer checklist,” helping them navigate the Coupon Program. We have also worked with the Federal Trade

Commission and the FCC on a tip-sheet to arm consumers with the information they need to make decisions right for their household.

Preparedness for a Surge

NTIA is aware of the potential for a surge in coupon applications as the February 17, 2009, transition date draws closer. Although the coupon application rate has spiked only rarely over the past eight and one-half months, we recognize that consumer education will intensify in the coming months and that coupon applications could reach more consistently high levels than has been our experience to date. NTIA has designed and administered the Coupon Program in a manner that strives to assure that no Americans lose their television service as a result of the DTV transition. This commitment underlies the Program regulations, as well as NTIA's proposal to expand coupon eligibility to residents of nursing homes and citizens that utilize a post office box for receipt of mail included in our Notice of Proposed Rulemaking.

To the extent that a surge in coupon applications occurs in the days and weeks leading up to the transition date, NTIA will continue to work closely with IBM to ensure that such an increase in applications does not result in an onerous backlog that could compromise the timely distribution of coupons.

Again, this underscores the emphasis of the Coupon Program's key consumer education messaging that consumers should act now to apply for coupons and to redeem them at a participating retailer as soon as possible after their receipt. As noted above, our experience in Wilmington confirms that encouraging people to act now will help avoid lengthy periods of extremely high volumes of coupon requests as the Program draws to an end.

In conclusion, I want to thank the Committee for the opportunity to testify before you today. I will be happy to answer your questions.

Over-the-Air Household Participation Rates in Coupon Program by Designated Market Area (DMA) as of Sept. 1, 2008

	Number of Over-the-Air Households with Approved Requests	Over-the-Air Household Participation Rate*
JUNEAU, AK	218	13%
GLENDIVE, MT	61	30%
ANCHORAGE, AK	6,441	38%
EUREKA, CA	2,023	38%
HONOLULU, HI	5,381	39%
FAIRBANKS, AK	2,903	40%
SEATTLE TACOMA, WA	53,923	43%
BUTTE BOZEMAN, MT	3,123	44%
HELENA, MT	1,466	45%
MISSOULA, MT	5,631	46%
BILLINGS, MT	4,913	48%
GRAND JUNCTION MONTROSE, CO	3,183	51%
GREAT FALLS, MT	2,888	51%
ODESSA MIDLAND, TX	3,783	52%
SAN DIEGO, CA	28,207	52%
BURLINGTON PLATTSBURGH, VT - NY	13,102	53%
MANKATO, MN	2,108	54%
MONROE ELDORADO, LA - AR	7,625	54%
SPOKANE, WA	21,362	55%
SANTA BARBARA SANTA MARIA SAN LUIS OBISPO, CA	5,424	56%
SALT LAKE CITY, UT	68,522	56%
LAS VEGAS, NV	25,382	56%
IDAHO FALLS POCATELLO, ID	7,931	57%
LAFAYETTE, IN	2,455	58%
SACRAMENTO STOCKTON MODESTO, CA	64,735	58%
CASPER RIVERTON, WY	2,064	58%
MONTEREY SALINAS, CA	9,541	58%
CHARLOTTESVILLE, VA	4,085	58%
YAKIMA PASCO RICHLAND KENNEWICK, WA	13,657	59%
TWIN FALLS, ID	3,642	59%
HARTFORD NEW HAVEN, CT	21,384	60%
COLORADO SPRINGS PUEBLO, CO	21,197	60%
SAN ANGELO, TX	1,144	60%
AMARILLO, TX	8,551	61%
BATON ROUGE, LA	9,145	61%
SPRINGFIELD HOLYOKE, MA	8,085	61%
CHICO REDDING, CA	12,646	62%
TOPEKA, KS	8,164	62%
YUMA EL CENTRO, CA	9,668	62%
DENVER, CO	75,299	63%
BOISE, ID	27,165	63%
JOPLIN PITTSBURGH, MO - KS	13,192	63%
MEDFORD KLAMATH FALLS, OR	7,018	63%
ALBUQUERQUE SANTA FE, NM	45,363	63%
TUCSON SIERRA VISTA, AZ	27,342	64%
MINOT BISMARCK DICKINSON, ND	6,465	64%
ELMIRA, NY	2,779	65%
BALTIMORE, MD	58,822	65%

* According to the Consumer Electronics Association, about 60% of over-the-air (OTA) consumers are potential purchasers of converter boxes. The participation rate is the number of OTA requests divided by CEA's estimated market.

Over-the-Air Household Participation Rates in Coupon Program by Designated Market Area (DMA) as of Sept. 1, 2008

	Number of Over-the-Air Households with Approved Requests	Over-the-Air Household Participation Rate*
SHREVEPORT, LA	17,782	65%
PHOENIX, AZ	96,688	65%
ABILENE SWEETWATER, TX	5,081	65%
CHAMPAIGN SPRINGFIELD DECATUR, IL	16,681	65%
INDIANAPOLIS, IN	68,555	66%
FARGO VALLEY CITY, ND	12,488	66%
TALLAHASSEE THOMASVILLE, FL	9,747	67%
ST. JOSEPH, MO	2,619	68%
DALLAS FT. WORTH, TX	210,358	68%
BAKERSFIELD, CA	14,345	68%
WICHITA FALLS LAWTON, TX - OK	7,278	68%
SYRACUSE, NY	18,063	68%
NASHVILLE, TN	46,413	68%
MINNEAPOLIS ST. PAUL, MN	159,383	69%
PORTLAND AUBURN, ME	21,994	69%
WICHITA HUTCHINSON, KS	24,347	69%
WASHINGTON, DC	82,489	70%
ROCHESTER, NY	27,466	70%
PROVIDENCE NEW BEDFORD, RI - MA	25,012	70%
LOS ANGELES, CA	412,401	70%
RAPID CITY, SD	4,222	70%
MEMPHIS, TN	39,403	71%
HARRISONBURG, VA	3,667	71%
ROCKFORD, IL	10,524	71%
CHEYENNE SCOTTSBLUFF, WY - NE	2,211	72%
CLEVELAND AKRON CANTON, OH	87,590	72%
PEORIA BLOOMINGTON, IL	13,955	72%
BEND, OR	4,275	73%
TYLER LONGVIEW LUFKIN NACOGDOCHES, TX	13,631	73%
JOHNSTOWN ALTOONA, PA	7,971	73%
CORPUS CHRISTI, TX	9,594	73%
BLUEFIELD BECKLEY OAK HILL, WV	3,997	74%
HOUSTON, TX	200,611	74%
LUBBOCK, TX	14,143	74%
LITTLE ROCK PINE BLUFF, AR	29,502	74%
CINCINNATI, OH	73,066	74%
PADUCAH CAPE GIRARDEAU MARION CARBONDALE MCLEANSBORO POPULAR BLUFF MT. VERNON, KY - MO - IL	24,139	75%
ALPENA, MI	939	75%
HARLINGEN MCALLEN BROWNSVILLE, TX	55,083	76%
SIOUX FALLS MITCHELL, SD	13,406	77%
TOLEDO, OH	34,668	77%
PORTLAND, OR	97,950	77%
SAVANNAH, GA	10,489	77%
YOUNGSTOWN, OH	17,297	78%
LINCOLN HASTINGS KEARNY, NE	16,233	78%
EUGENE, OR	17,439	78%

* According to the Consumer Electronics Association, about 60% of over-the-air (OTA) consumers are potential purchasers of converter boxes. The participation rate is the number of OTA requests divided by CEA's estimated market.

Over-the-Air Household Participation Rates in Coupon Program by Designated Market Area (DMA) as of Sept. 1, 2008

	Number of Over-the-Air Households with Approved Requests	Over-the-Air Household Participation Rate*
MARQUETTE, MI	3,659	78%
NORTH PLATTE, NE	780	79%
ATLANTA, GA	80,154	79%
WACO TEMPLE BRYAN, TX	18,389	79%
MADISON, WI	34,371	79%
AUSTIN, TX	38,632	79%
RENO, NV	13,292	79%
ALBANY SCHENECTADY TROY, NY	24,020	79%
LA CROSSE EAU CLAIRE, WI	17,091	79%
SAN FRANCISCO OAKLAND SAN JOSE, CA	121,651	79%
BIRMINGHAM ANNISTON TUSCALOOSA, AL	30,040	80%
COLUMBUS, OH	54,278	80%
GREENVILLE NEW BERN WASHINGTON, NC	17,718	80%
FRESNO VISALIA, CA	60,300	80%
JACKSONVILLE BRUNSWICK, FL - GA	30,881	81%
EVANSVILLE, IN	16,695	81%
COLUMBIA JEFFERSON CITY, MO	14,196	81%
KANSAS CITY, KS - MO	61,754	81%
ROANOKE LYNCHBURG, VA	26,907	81%
NORFOLK PORTSMOUTH NEWPORT NEWS, VA	31,324	81%
JACKSON, MS	17,325	82%
LEXINGTON, KY	21,316	82%
ALBANY, GA	5,630	82%
ST. LOUIS, MO	114,595	82%
SIOUX CITY, IA	11,985	82%
BEAUMONT PORT ARTHUR, TX	8,861	82%
HUNTSVILLE DECATUR FLORENCE, AL	17,338	82%
TULSA, OK	42,588	82%
GRAND RAPIDS KALAMAZOO BATTLE CREEK, MI	63,294	83%
OTTUMWA KIRKSVILLE, IA - MO	3,615	83%
TAMPA ST. PETERSBURG SARASOTA, FL	76,147	83%
MILWAUKEE, WI	93,592	83%
COLUMBUS TUPELO WEST POINT, MS	11,222	84%
DAYTON, OH	43,697	84%
CHARLESTON, SC	17,521	85%
ERIE, PA	13,140	85%
DAVENPORT ROCK ISLAND MOLINE, IA - IL	23,055	85%
KNOXVILLE, TN	29,600	85%
LANSING, MI	22,141	85%
DES MOINES AMES, IA	45,064	86%
BANGOR, ME	13,739	87%
LOUISVILLE, KY	45,425	87%
CLARKSBURG WESTON, WV	3,365	87%
MIAMI FT. LAUDERDALE, FL	66,009	87%
COLUMBUS, GA	8,574	87%
WEST PALM BEACH FT. PIERCE, FL	16,230	88%
TERRE HAUTE, IN	10,605	88%
BOSTON MANCHESTER, MA - NH	65,215	88%

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Over-the-Air Household Participation Rates in Coupon Program by Designated Market Area (DMA) as of Sept. 1, 2008

	Number of Over-the-Air Households with Approved Requests	Over-the-Air Household Participation Rate*
ROCHSTER MASON CITY AUSTIN, IA	11,255	89%
SPRINGFIELD, MO	47,016	89%
RALEIGH DURHAM FAYETTEVILLE, NC	67,682	89%
CHARLOTTE, NC	58,139	89%
DULUTH SUPERIOR, MN	20,784	89%
CHICAGO, IL	282,376	90%
PALM SPRINGS, CA	4,275	90%
JACKSON, TN	4,881	90%
BUFFALO, NY	33,625	90%
LAKE CHARLES, LA	4,791	91%
GREENSBORO HIGH POINT WINSTON SALEM, NC	40,230	91%
MACON, GA	11,698	91%
WILKES BARRE SCRANTON, PA	23,047	92%
TRAVERSE CITY CADILLAC, MI	22,321	92%
DETROIT, MI	121,971	93%
CEDAR RAPIDS WATERLOO DUBUQUE, IA	28,865	94%
MERIDIAN, MS	5,035	94%
EL PASO, TX	49,724	94%
BOWLING GREEN, KY	5,078	94%
PANAMA CITY, FL	8,203	94%
GREENVILLE SPARTANBURG ASHVILLE ANDERSON, NC - SC	55,624	94%
HARRISBURG LANCASTER LEBANON YORK, PA	35,543	94%
FT. SMITH FAYETTEVILLE SPRINGDALE, AR+A197	16,074	95%
PITTSBURGH, PA	54,574	95%
FT. WAYNE, IN	36,578	96%
AUGUSTA, GA	15,859	96%
DOTHAN, AL	4,327	97%
CHATTANOOGA, TN	20,182	97%
SAN ANTONIO, TX	67,784	99%
FLINT SAGINAW BAY CITY, MI	40,319	99%
OKLAHOMA CITY, OK	62,116	100%
GREENWOOD GREENVILLE, MS	2,986	100%
RICHMOND PETERSBURG, VA	31,768	100%
GREEN BAY APPLETON, WI	58,686	100%
PARKERSBURG, WV	2,618	100%
LAFAYETTE, LA	11,598	101%
SHERMAN ADA, TX - OK	10,460	101%
PHILADELPHIA, PA	134,008	101%
NEW YORK, NY	228,786	101%
ALEXANDRIA, LA	3,829	102%
LAREDO, TX	9,358	103%
WHEELING STEUBENVILLE, WV	6,701	103%
MOBILE PENSACOLA, AL - FL	30,484	103%
JONESBORO, AR	5,266	103%
FT. MYERS NAPLES, FL	18,194	107%
UTICA, NY	5,207	108%
ORLANDO DAYTONA BEACH MELBOURNE, FL	63,115	108%
NEW ORLEANS, LA	26,098	108%

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Over-the-Air Household Participation Rates in Coupon Program by Designated Market Area (DMA) as of Sept. 1, 2008

	Number of Over-the-Air Households with Approved Requests	Over-the-Air Household Participation Rate*
BINGHAMTON, NY	6,929	109%
TRI CITIES, VA - TN	15,642	109%
GAINESVILLE, FL	6,828	109%
LIMA, OH	3,600	110%
WATERTOWN, NY	5,506	110%
HATTIESBURG LAUREL, MS	8,169	110%
ZANESVILLE, OH	1,619	110%
OMAHA, NE	30,484	110%
VICTORIA, TX	2,073	111%
SOUTH BEND ELKHART BENTON HARBOR, IN	50,712	112%
MONTGOMERY SELMA, AL	13,770	119%
WAUSAU RHINELANDER, WI	25,094	121%
COLUMBIA, SC	36,979	123%
BILOXI GULFPORT, MS	7,026	123%
MYRTLE BEACH FLORENCE, SC	23,155	132%
CHARLESTON HUNTINGTON, WV	24,384	133%
PRESQUE ISLE, ME	2,860	138%
QUINCY HANNIBAL KEOKUK - MO - IA	13,360	148%
SALISBURY, MD	8,276	158%
WILMINGTON, NC	16,726	203%

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