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The Honorable Herb Kohl
Chairman
Special Committee on Aging
United States Senate
Washington, DC 20410-6400

Dear Chairman Kohl:

Thank you for your letter dated June 15, 2007, regarding our nation's transition to digital television (DTV) and CEA's role in educating consumers, particularly our nation's seniors. CEA has long been committed to ensuring that consumers are informed about the DTV transition. As the transition date of February 17, 2009 approaches, CEA's tireless efforts to educate consumers are even more paramount to ensuring a seamless transition.

First, however, I would like to clarify the numbers that have been at the center of many discussions. CEA estimates that 11 percent of households rely solely on over-the-air broadcasting, which translates into 13.5 million households. On average, these households own a total of 27 million television sets. CEA further estimates that there are roughly 5.5 million households subscribing to cable and satellite that have at least one set receiving over-the-air television signals. In total, there are 9.5 million over-the-air television sets in these households.

Combined, these households represent 13 percent of all televisions receiving some type of over-the-air reception. In real numbers, these households represent 36.7 million over-the-air televisions in the U.S. Of the universe of 285 million television sets in consumers' homes, this number is relatively small.

CEA's research also shows that not all televisions are used for over-the-air broadcasting. Just because a television is not hooked to cable or satellite, does not by default make it an over-the-air only set. Today, there are 30 million televisions used exclusively for video games, DVD players, or VCRs. This figure includes over 9 million over-the-air televisions, which explains some of the differences between CEA's over-the-air reception estimates and other estimates from organizations.

The FCC's tuner mandate rules require that all television receiving devices containing an analog tuner also must include a digital tuner. That means that all televisions shipped today are equipped to handle digital television signals. As a result, CEA estimates that the number of analog-only TVs will continue to drop. CEA's estimates show that approximately 25 million sets (in a range of 22 million to 28 million) will need a digital-to-analog (DTA)

converter box on February 17, 2009. According to a recent CEA study, 33 percent of consumers stated that they would use a government coupon to buy a DTA converter in order to continue using their TV with an antenna. The remainder of consumers stated that they would: buy a new TV; subscribe to cable or satellite; or do nothing since they do not use the TV to watch over-the-air television.

Second, CEA has worked tirelessly to educate consumers about the DTV transition. Even as we are less than two years away from the transition date, we continue to lead the way with our efforts. CEA's educational tools for retailers and consumers to use include:

- (1) Five websites that promote the DTV transition through consumer and dealer education:
 - *myCEknowhow*: www.myCEknowhow.com. To help consumers navigate the new features and options made available by digital television, the CEA and CNET have joined forces to produce interactive CEknowhow Buying Guides. The Guides, which can be found on CNET.com and the CEA's consumer information site, www.MyCEknowhow.com, are designed to introduce consumers to digital television and to ease confusion about the technology before shoppers even enter the store. Information regarding NTIA's DTV converter box program also is included in this program.
 - *Antenna Web*: www.antennaweb.org. This website specifically permits consumers and salespeople to determine the free, over-the-air DTV signals that can be received at their location and what type of antenna is needed to do so. The site receives approximately 100,000 hits per month.
 - *The Connections Guide* website is an interactive resource designed to help consumers better understand how to connect their audio and video (including DTV) products. This site is located at: www.ce.org/connections_application/.
 - *CE Know How*: www.ceknowhow.com. This is an online retailer education program that is designed to equip retailers with up-to-date product category training for sales associates. CEknowhow.com is customizable, allowing retailers to license and tailor the program to suit their particular needs. In 2004, more than 24,000 sales persons completed training via CEknowhow.com.
 - In addition to these web sites, CEA includes a wealth of information about HDTV on its own web site: www.ce.org/hdtv.
- (2) CEA recently issued a DTV Toolkit for legislators. The Toolkit contains materials for answering constituent questions about the transition. A packet is enclosed with this letter. All of the materials included in the packet also are available on CEA's web site: www.ce.org/hdtv.

(3) CEA's DTV education plans for 2007 include:

- HDTV Handbook for Retailers and Consumers
 - Produced in partnership with *Dealerscope and e-Gear*
 - Production expected late 2007
- Development and production of short videos for use on various websites and for use at retail locations
 - Topics to include transition overview, setting up a converter box and how to receive HDTV
- Cknowhow.com update:
 - Update to include coupon program
 - Update to include labeling information
- myCEknowhow.com update:
 - Translation to Spanish
 - Update to include coupon program details
- CEA Connection Guide:
 - Update to include digital-to-analog converter box connections
- Development of public services announcements about the transition and coupon program
- Ongoing media outreach including press kits mailing, satellite media tours and matte service articles – in English and Spanish
- Outreach to local government officials and libraries to educate about the transition and where to send their constituents for more information.
- Exhibiting at conferences, including the National Association of Consumer Advocacy Agencies (NACAA), National Conference of State Legislatures (NCSL), and Digital Life – explaining all aspects of the DTV coupon program

We appreciate your interest and support regarding DTV education. We welcome the Committee's use of our materials to educate our nation's seniors and welcome the opportunity to speak to your constituents.

Finally, it is critical that all stakeholders play a part in educating consumers. CEA is working closely with industry and government partners and we are proud of our leadership role in the DTV Transition Coalition (www.dtvtransition.org). It would be extremely helpful for the Committee to ensure that all stakeholders are involved in reaching out to our nation's seniors. CEA remains steadfast in its commitment to educate consumers about all aspects of the DTV transition.

Sincerely,



Gary Shapiro
President and CEO