

Remarks by FCC Commissioner James H. Quello

MST HDTV UPDATE: SEEKING A CONSENSUS

Westin Hotel - Washington, DC

September 6, 1989

583

Hello, and welcome to this afternoon's session entitled, "The Choices: Seeking a Broadcaster Consensus." I am pleased to again address MST's HDTV UPDATE. This meeting has become an important annual forum for bringing together all the major players in the advanced television arena. I look forward to reviewing the high points of the discussion this morning and I anticipate further self education from the expert panels this afternoon. Obviously, the task before you and all of us interested in the continuation of free over-the-air terrestrial broadcasting is to reach a consensus on the delivery system for HDTV or advanced TV.

By reading the daily press I realize that the number of players in the advanced television arena is growing. HDTV has become a politically popular panacea for building economic and military strength and, if it could be bottled, no doubt it would be sold as physical and mental cure all as well. With all the press emphasis on HDTV's industrial, trade and military implications, let us not forget that HDTV is first and foremost a communications policy issue.

I was an early HDTV believer -- some of you may remember that three years ago, on a panel at the National Association of Broadcasters' Convention, I said that HDTV represented an advancement in the state of broadcasting art and that the FCC should exert every effort and its full facilities to develop a practical HDTV system. At that time, there were several issues critical to HDTV that required Commission action -- the primary issue was the proposal to reallocate spectrum from broadcasting to land mobile services. This was subsequently resolved in part. Now, all of us can concentrate on the important issue of developing an advanced television system that is compatible with terrestrial broadcasting.

When I appeared before you last year, the Commission had reached the tentative decision that non-licensed broadcast spectrum should be allocated to existing broadcast licensees for the purpose of providing advanced television signals. I was pleased to play a role in the tentative decision; however, as I stated then and still believe today, it is premature to exclude options other than the VHF and UHF bands.

A recent article in Multichannel News pertinently summarizes the problems:

"Broadcasters may find it easier to nail jelly to a tree than to get an ideal over-the-air HDTV standard.

Unfortunately, the spectrum constraints broadcasters face are more stringent than those faced by any alternative delivery system."

"HDTV is a natural for satellite delivery, while expected VCR and videodisc HDTV systems use no spectrum at all. Cable-TV companies would prefer a 6-MHz standard but can more gracefully migrate to higher bandwidths. Interexchange carriers (long-distance telcos) already can run NTSC-quality signals on their networks. Regional Bell operating companies increasingly can do the same, at least between central offices (which serve areas with as few as 10,000 homes or as many as 100,000 homes).

Switching that video is more difficult, but analog switches now available can handle as many as 36 inputs and virtually unlimited outputs.

The broadcast industry's need for a minimal-bandwidth HDTV standard may conflict with the desire to carry higher-quality signals. As a general rule, engineers agree -- all other things being equal -- that systems with higher bandwidth should provide better picture quality.

The necessity for maintaining compatibility with the existing NTSC system, at least for an interim period, also will pose constraints. NTSC has well-known defects and any NTSC-compatible system must make compromises that tend to limit the quality improvements possible."

Quality is the all-important issue. Consumers of over-the-air television broadcasting in the United States are entitled to the same technical quality video signal as consumers in Japan, Europe and elsewhere whose HDTV signals are now or will be delivered by satellite. In this country, however, we have to address the issue of quality advanced television signals in the context of terrestrial broadcasting. Because broadcasting now competes with cable and will in the future compete with DBS and perhaps other modes of delivering video signals to the home, not to mention video cassettes and discs; it is imperative that our over-the-air broadcast signal be of comparable quality to that offered by these other delivery means.

I have listened with great interest to those who believe that the U.S. would best be served by moving directly to a digital high definition television system. While I agree that efforts should continue to be made to develop a digital system, I disagree with the notion that we should abandon efforts to develop an NTSC compatible advanced television system. Over-the-air broadcasting should not be relegated to a "have not" status waiting the development of a future ideal multi-service system while other delivery systems offer higher technical quality service. Such an effort to abandon terrestrial broadcasting in search of a digital system could strike at the very heart of broadcasting's economic viability.

Advertising dollars will follow the viewing audience and viewers will be attracted to the clearer picture available on non broadcast delivery systems. Terrestrial broadcasting still remains the primary source for news, sports, information and entertainment programming for the majority of Americans. Today 1400 local TV stations provide 80% of all programming received by 160 million television sets in American homes. To the extent that the availability of advanced television systems will attract advertising dollars away from broadcasting to non-broadcast services, usually requiring a fee, broadcasting as we know it will suffer, depriving the majority of Americans of free access to news, informational and entertainment programming.

I do not mean to imply that alternative delivery systems must comply with a broadcast-standard advanced television system; however, broadcasting should not be excluded in the quest for an advanced television system, nor should broadcasters stand still and maintain the status quo in hopes that a broadcast digital system will develop. Broadcasting must remain a competitive, viable force. Incidentally, I must admit that I am impressed with my former FCC colleague or, more appropriately, Margita White's masterful treatise in response to Mr. Gilder's fascinating, provocative text.

In attempting to move industry toward an advanced television system standard, the Commission established the Advisory Committee on Advanced Television Service chaired by my good friend, Dick Wiley. Broadcast, cable, and DBS representatives and some of the best academic and industry technical experts on this advisory committee have been working diligently for the past two years in attempting to formulate the appropriate questions and answers. I'm glad that the advisory committee has been extended and I encourage its members to continue their efforts and select a single transmission standard for advanced television broadcasting. Last year while tentatively deciding to limit advanced television systems to spectrum available in the UHF and VHF bands, the Commission failed to reach a tentative decision on technical standards. I would have preferred that the Commission expressed the goal of establishing a standard for an advanced television system for terrestrial broadcasting. I hope the Commission and the broadcast industry learn from past mistakes, like the AM stereo proceeding where our failure to set a standard created confusion and uncertainty resulting in the delay of service to the public.

I am also pleased to read that the testing center will be testing advanced television systems either later this year or early next year. I know this represents tremendous progress; but as you know, we still have a long way to go before an advanced television system is available to the public.

I hope the efforts of those seeking to develop a terrestrial advanced television system will provide a new breath of life for U.S. electronic industries. I recognize that the greater the investment in specific advanced television systems, the more difficult it will be to reach a consensus on a single advanced television system. I believe all industries will be better served by agreeing to a single standard for an advanced television broadcast system.

I look forward to this afternoon's discussions on seeking a consensus. Thank you.