

# United States Senate

WASHINGTON, DC 20510

November 9, 2015

The Honorable Tom Wheeler  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street SW  
Washington, DC 20554

Dear Chairman Wheeler:

We are writing to urge the Federal Communications Commission (FCC) to address the future of competition in the marketplace for video set top boxes, which millions of Americans use to access television programming. According to information received from the top 10 multichannel video programming distributors (MVPDs), these providers annually charge consumers nearly \$20 billion in rental fees for set top boxes. Almost all MVPD customers rent these video boxes from their provider, and each American household spends on average \$232 per year on video box rental fees alone. We believe the time has arrived for the FCC to enable millions of Americans to access an enormous amount of content in innovative, new, and less costly ways.

Congress intended to provide Americans with choices when it passed the Telecommunications Act of 1996. The law instructed the FCC to ensure the commercial availability of equipment capable of accessing video programming. Section 629 of the Act succeeded in spurring an entirely new way to record video with DVR becoming as ubiquitous today as VCR was in the 1990s. However, at a time when smartphones, personal computers and tablets have revolutionized the way Americans go about their daily lives and conduct business, set top boxes have lagged behind, leaving this potential partially unfulfilled. Besides promoting innovation, Congress also intended to unleash a future in which consumers had many video box choices, irrespective of their pay-TV provider. Unfortunately, consumers today enjoy little choice but to lease a box from their MVPD.

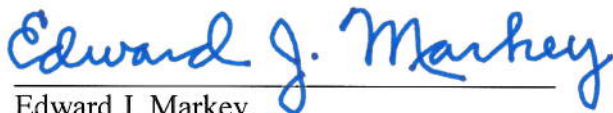
Last year, Congress passed the Satellite Television Extension and Localism Act Reauthorization (STELAR), which repealed the integration ban that requires MVPDs to honor consumers' ability to use their own set top boxes. At the same time, STELAR also recognized the need to develop a new standard to promote a competitive set top box retail market. The law established a working group to recommend technical capabilities and standards for a software-based downloadable security system that could replace CableCARD, the current way for consumers to use a set top box other than one leased from their MVPD. We applaud the swiftness with which the Commission formed the working group, which has now submitted its final report.

We call on the Commission to move as quickly as possible to initiate a rulemaking that ensures that Americans can use set top boxes of their choice to access MVPD programming. We strongly encourage the Commission to ensure that this replacement technology is cheap, efficient, widely available and easy to use. The goal of this technology should be to usher in a new wave of innovation in the set top box marketplace, giving consumers a greater number of cheaper options to buy their own set top boxes. Without strong FCC action, consumers may be

left with no choice but to rent set top boxes from their MVPD providers in perpetuity, which is akin to the days when consumers had no choice but to rent their rotary dial telephone from the telephone company.

Please provide us with a written response by December 4, 2015, about your plans to boost the competitive set top box marketplace and improve consumer choice. Thank you for your consideration of this important issue, and we look forward to your response.

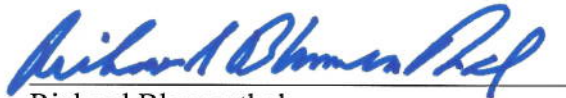
Sincerely,



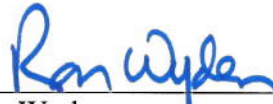
Edward J. Markey  
United States Senator



Bernard Sanders  
United States Senator



Richard Blumenthal  
United States Senator



Ron Wyden  
United States Senator



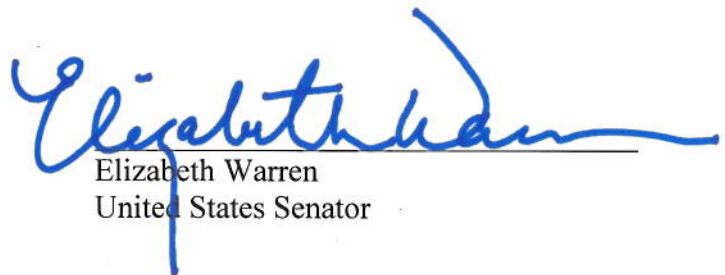
Al Franken  
United States Senator



Maria Cantwell  
United States Senator



Cory A. Booker  
United States Senator



Elizabeth Warren  
United States Senator