

July 29, 2004

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: Ex Parte Meetings in relation to Dockets MB 02-230 (Digital Broadcast Content Protection); CS 97-80 and PP 00-67 ("Plug and Play"); and MB 03-15 (Digital Television Transition)

Dear Ms. Dortch:

On Wednesday, July 28, 2004, the following employees and representatives of Matsushita Electric Corporation of America ("Panasonic") – Paul Liao, Chief Technology Officer; and Paul Schomburg, Senior Manager, Government and Public Affairs – met with Commissioner Michael J. Copps and Jordan Goldstein, Senior Legal Advisor to Commissioner Copps, and with Johanna Mikes Shelton, Advisor for Media Issues to Commissioner Adelstein.

During these meetings, the following items were discussed, and points made by the Panasonic representatives:

First, in relation to "cable plug and play" and "cable compatibility" issues, the Panasonic representatives expressed the view that the requirement for all products to use separable security (i.e. "CableCARDS™") should be maintained and that the July 1, 2006, deadline in 47 CFR §76.1204 also should be maintained. Further, the representatives emphasized the importance of maintaining this deadline to providing the parity crucial to ensuring the benefits of competition flow to consumers—benefits of innovation, choice and price between products for lease or sale provided by cable operators themselves (incorporating CableCARDS™ or any subsequently developed forms of security) and 'retail' products provided by companies and suppliers unaffiliated with cable operators. The representatives also stated that maintaining this deadline would help encourage progress in the negotiations for interactive digital cable-ready products currently in progress, under the encouragement of the FCC, between cable operators and consumer electronics manufacturers and others.

Second, in relation to the digital television transition more generally, the Panasonic representatives outlined recent developments in the marketplace, including announced plans for Panasonic digital TV products, including ATSC- and CableCARD™-equipped digital television receivers, and related promotions currently underway¹. Further, the representatives also expressed concerns about how the "ATSC tuner mandate" fifty percent requirement would be enforced by the FCC and the limitations of manufacturers' ability to influence retailer and consumer buying patterns necessary to ensure that the mandate is met. The representatives indicated Panasonic's commitment to educating consumers on the benefits of DTV and CableCARD™-equipped products.

¹ http://www.panasonic.com/consumer_electronics/tv/hdtv_offer.asp

Third, in relation to "broadcast flag" matters, the Panasonic's representatives urged that the Commission act swiftly and approve as many content protection technologies as possible. With regard to timing, the Panasonic representatives noted that the current effective date for including broadcast flag detection and subsequent content protection technologies is July 1, 2005, and, therefore, given equipment design and manufacturing cycles, the need is urgent for manufacturers to know which content protection technologies are approved for use with regard to broadcast flag content. In response to questions about the intellectual property aspects of this proceeding, the Panasonic representatives indicated their full support for the Digital Transmission Licensing Administrator LLC ("DTLA") and the 4C Entity LLC ("4C") *ex parte* filings that emphasize these licenses meet the Commission's requirement for reasonable and nondiscriminatory terms. The Panasonic representatives also reported that the DVDCCA was making progress towards approval of DTCP over Internet Protocol ("IP"), which would facilitate networking of DVD content within a home network.

In accordance with the Commission's rules, this notice is being filed electronically in each of the above-captioned dockets, and a copy of the notice is being mailed, first class postage prepaid, to each of the Commission members and staff who participated in the meetings described above. Please direct any questions concerning this submission to the undersigned.

Respectfully submitted,

Paul G. Schomburg
Senior Manager,
Government & Public Affairs

cc: The Honorable Michael J. Copps
Jordan Goldstein
Johanna Mikes Shelton