

on device packaging, the use of Internet web sites, or any other appropriate format designed to reach consumers before they make purchasing decisions.

3. Another area in which we seek additional comment relates to the down-resolution of non-broadcast MVPD programming. As discussed above, content providers assert that down-resolution is a necessary tool to incite the retirement of component analog outputs. Despite this assertion, the cable and consumer electronics industries have been unable to reach agreement on whether down-resolution was an appropriate content protection tool. We seek comment on whether the Commission should prohibit the activation by MVPDs of down-resolution for non-broadcast MVPD programming content. If so, we seek comment on the potential impact of such a ban on the availability of high value digital content to consumers. In the alternative, if the Commission were to permit the use of down-resolution in this manner, we seek comment on the potential impact on consumers with DTV equipment that only has component analog outputs. In particular, we seek comment on the number of consumers that might be affected and on the number of sets to be produced in the future with only analog outputs. Finally, we seek comment on the potential impact of down-resolution upon consumers who own DTV equipment with both digital and analog outputs.

4. As discussed above, we are concerned that because CableLabs is not a standards-setting body, its proposed role as the sole initial arbiter of outputs and associated content protection technologies to be used in unidirectional digital cable products could affect innovation and interoperability. This Second Further Notice seeks comment on whether standards and procedures should be adopted for the approval of new connectors or content protection technologies to be used with unidirectional digital cable televisions and products. If so, we seek comment on whether these standards and procedures should encompass other related consumer electronics equipment, including non-cable compatible DTV receivers. We also seek comment on the various types of content protection technologies that should be considered as a part of this process, including but not limited to digital rights management, wireless and encryption-based technologies.

5. With respect to the particular standards and procedures to be employed, we seek comment on

whether objective criteria should be used to evaluate new connectors and content protection technologies and, if so, what specific criteria should be used. For example, Microsoft Corporation and Hewlett Packard Corporation have submitted a detailed proposal suggesting functional requirements that could be used to evaluate digital rights management technologies for use with digital cable ready products. We seek comment on this proposal, as well as other proposals relying on objective criteria, and any new proposals that commenters may submit to the Commission.

6. We also seek comment on whether CableLabs is the appropriate entity to make initial approval determinations, or whether another entity should have decision-making authority. In particular, we seek comment on whether the Commission, a qualified third party, or an independent entity representing various industry and consumer interests should make approval determinations.

7. As to the issue of how approved connectors or content protection technologies may be revoked should their security be compromised, we seek comment on the appropriate standard for revocation. Specifically, we seek comment on whether revocation is appropriate where a connector or content protection technology is perceived to be insecure, or whether the appropriate standard is where security has been compromised in a significant, widespread manner. Once a connector or content protection technology has been revoked, we seek comment on the appropriate mechanism by which revocation should be effectuated. For example, should revoked connectors or content protection technologies be eliminated on a going-forward basis, while preserving their functionality for existing devices? We also seek comment on whether there are technological or other means of revoking connectors or content protection technologies while preserving the functionality of consumer electronics devices.

8. *Authority.* This Second FNPRM is issued pursuant to authority contained in sections 1, 4(i) and (j), 303, 403, 601, 624A and 629 of the Communications Act of 1934, as amended.

9. *Ex Parte Rules—Non-Restricted Proceeding.* This is a non-restricted notice and comment rulemaking proceeding. Ex parte presentations are permitted, except during the Sunshine Agenda period, provided that they are disclosed as provided in the Commission's Rules. See generally 47 CFR 1.1202, 1.1203, and 1.1206(a).

10. *Accessibility Information.* Accessible formats of this Second

Further Notice (computer diskettes, large print, audio recording and Braille) are available to persons with disabilities by contacting Brian Millin, of the Consumer & Governmental Affairs Bureau, at (202) 418-7426, TTY (202) 418-7365, or at Brian.Millin@fcc.gov.

11. *Comment Information.* Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments on or before January 14, 2004, and reply comments on or before February 13, 2004. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

12. Comments filed through the ECFS can be sent as an electronic file via the Internet to <http://www.fcc.gov/e-file/ecfs.html>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and should include the following words in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply. Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appear in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, DC 20002. The filing hours at this location are 8 a.m. to 7 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail)