

United States House of Representatives
Committee on Energy and Commerce
Subcommittee on Telecommunications and the Internet

Testimony of Jonathan Abbott, President and CEO
WGBH Boston, on behalf of the Association of Public Television Stations
Status of the DTV Transition - Part 3
Washington, DC, October 31, 2007

Overview

As the leading producer of programming for PBS, WGBH Boston recognizes the extraordinary opportunity of the digital transition to enhance our ability to fulfill our public service mission. From our award-winning science series *NOVA* to our history documentaries on *American Experience*; from literary drama on *Masterpiece Theatre* to our educational children's series *Curious George* and *Arthur*; we create content that makes a difference in the lives of our audiences. The digital transition will allow WGBH to provide greater access to this rich content, reaching viewers through new services that maximize the investment this country makes in public broadcasting.

Along with the Association of Public Television Stations (APTS) and our fellow public television and radio stations across the country, WGBH has been a proponent of the digital transition from early on. We've been part of the education process at both the local and national level, outlining the substantial benefits of digital broadcasting with legislators, donors and general audiences, and seeking their support. Through that process WGBH secured \$2 million from the Commonwealth of Massachusetts for our digital build-out. And we undertook a capital campaign for digital innovation that raised \$4.9 million to support WGBH's digital programming and services. Our efforts were part of the \$1.3 billion public broadcasters raised nationally to roll out a new generation of consumer friendly channels and services.

It's clear that public broadcasting is committed to a vibrant transition, and WGBH and our fellow stations are doing all we can to ensure its success. A consumer education campaign is now in the works for dedicating airtime, online resources and direct outreach to hard-to-reach audiences. We will employ our many communication resources in this effort, with a campaign that includes DTV action messages across daytime, prime time and weekend time periods. This national campaign will represent a \$50 million commitment by public TV stations and will result in 3 billion impressions on the American public. In addition, our system will produce long-form programming and disseminate information through member guides that reach millions. Given our very limited number of non-programming minutes, this commitment represents a significant percentage of available air time.

Given adequate resources, public TV stations and our not-for-profit partners are uniquely positioned to go beyond this on-air commitment to provide direct, local educational outreach to the American public to guide them through this transition. But we cannot do this alone. A federal investment of \$20 million, at a minimum, is essential to complement our efforts.

I also pleased to tell you, Mr. Chairman, what WGBH is doing in Massachusetts to ensure that no viewer is left behind. We will carry on-air messages for adult audiences during prime-time and weekend broadcasts on WGBH and WGBX, and WGBY in western Massachusetts, with a special emphasis on seniors, a viewing population that is in large measure reached primarily by public television. We also are committed to reaching the ethnically and economically diverse households that we know tune in to PBS children's programs. Our extensive network of educational outreach, established through many years of service with the federally supported Ready to Learn program, will allow us to share messages directly with at-risk families.

WGBH also is uniquely suited to communicate the DTV transition to another at-risk population, people with disabilities. As you know from your leadership in this area Mr. Chairman, television is a lifeline service for the millions of Americans with hearing and

vision impairments, and WGBH has been a pioneer in providing captioning and description services for them. Innovative and accessible methods of outreach to people with disabilities is essential for a successful transition, and WGBH has stepped forward to help advise all public and private parties as to how to do this effectively. Other beyond-broadcast measures will include direct-mail print materials, use of our monthly program guide, email information, and online resources. And we are planning for public forums about DTV in our new studio-auditorium facilities in Boston.

We believe that developing and promoting the consumer benefits of DTV is the best way to drive the transition and preserve free, over-the-air television. The message needs to be clear that digital television provides a future of expanded programming and services to benefit all consumers. Simply highlighting the potential loss of service if consumers do nothing will not drive the kind of enthusiasm and momentum needed to ensure a smooth transition that the American public fully supports. As a producing station, we know that it's all about good programming. No sector of the communications industry has embraced the promise of DTV more robustly than public television. The way we view it at WGBH is that the technology has finally caught up with our mission. An investment in the new generation of digital content and services from public television is a very effective way to increase value for the consumer and move the transition forward, as we have seen in other countries, notably the United Kingdom.

However, we believe the success of this transition faces unnecessary risk. Time still remains to address and mitigate the factors that are contributing to this risk, but with less than 16 months remaining before analog television broadcasting is mandated to end, the window for action is closing. The latest survey research by APTS indicates that more than 50 percent of Americans have no idea that the transition is occurring. Additionally, the majority of recent survey participants said the federal government is on the "wrong track" when it comes to the transition. That distrust is even greater among people who have the least awareness of the transition.

When Congress enacted the recent Medicare prescription drug benefit, the Department of Health and Human Services obligated approximately \$109 million to advertise, educate and inform beneficiaries about the Medicare Part D program. This equates to approximately \$3.11 per senior. In comparison, Congress has set aside only \$5 million for DTV transition consumer education, and that is narrowly limited to education about the NTIA set-top box coupon program. This equates to approximately \$0.08 per over-the-air individual. This funding is woefully inadequate, especially when one factors in the \$12.5 billion the federal government is expected to receive in revenue from the spectrum auction.

We join with the public broadcast industry in requesting that the federal government invest meaningfully with us in a comprehensive consumer education campaign. The analog switch off is not market driven. Despite the enormous sums spent by industry stakeholders on the development and rollout of digital television, there is no dispute that for the past 20 years, the DTV transition has been a matter of industrial policy. Now, the federal government, as a primary beneficiary of the transition, must ensure that the transition is completed successfully. This requires that additional, substantial federal resources are invested in consumer education. We agree with APTS in its assessment that at a minimum, an additional \$20 million in federal funding is needed for community outreach, particularly where seniors, non-English speakers and other vulnerable populations reside.

We also believe that it makes enormous sense for the high-technology companies that have pushed for a national “hard date,” and who will have large investments in the spectrum at stake, to share in the responsibility of educating Americans about the conversion deadline. They need to help us ensure that February 17, 2009 is nothing more than “just another Tuesday.” If the transition is not successful, and multitudes of Americans experience a Tuesday they will never forget, those companies’ investments will be put at great risk.

Finally, WGBH strongly believes it is essential that the transition preserves and protects high-quality local media, programming and services. Localism is the bedrock of public broadcasting. Our system already has a landmark agreement with the cable industry to carry our new digital signals, and in Boston we have a strong partnership with Comcast New England. We need the same with direct broadcast satellite companies. And it is very important that consumers are protected from harmful interference to their DTV reception by the premature introduction of unlicensed devices into the broadcast band.

Public Television's Consistent Support of the Transition

All the recommendations I am making on behalf of public television are intended to increase the odds that the transition, as scheduled, will be successful. We completely support the hard date to terminate analog broadcasting in February 2009. Stringing it out would be highly detrimental to public broadcast stations. WGBH, for example, spends more than a half-million dollars annually for electricity and maintenance of our analog transmitters. For all of public broadcasting, those costs add up to \$52 million. This is money that should be going to programming and services, not to the power bill and the production of more greenhouse gases.

All of us in public broadcasting support a successful transition because of the tremendous service opportunities digital has created. DTV is enabling us to rollout a new generation of programming and services for the American public and, in effect, reinvent public service media for the digital age. We already are beginning to realize this tremendous potential as we provide not only high-definition programming, but multiple new standard definition channels and new datacasting services, all simultaneously.

WGBH has been at the forefront of embracing the opportunities presented by digital. In partnership with our colleagues at Thirteen/WNET New York we developed two new digital channels, drawing on our substantial program libraries: *World*, which offers public affairs, history, science, and documentary programs; and *Create*, featuring how-to, travel,

and life-long learning programs. WGBH also now offers a full-time channel of favorite WGBH and PBS programs in high-definition format. These services offer viewers new and more flexible viewing options, tapping the possibilities the digital transition provides to meet audience needs in new ways. Public television also now offers *V-Me*, the first Spanish language public TV channel. In addition, WGBH provides several local digital services including a partnership with the City of Boston for a children's and families service. Many other public stations around the country are offering their own digital services, with localized content to meet the interests and needs of their communities.

Public broadcasting also is using DTV to enhance public alerts and warnings. In April 2007, APTS and the Department of Homeland Security/FEMA began the national deployment of the Digital Emergency Alert System (DEAS). Once fully implemented, public TV's digital television infrastructure will facilitate the delivery of Presidential emergency alert messages to digital televisions, radios, cell phones, PDAs and computers.

This DEAS deployment is a testament to the wide-range of expanded opportunities digital transmission presents, and as a system we look forward to working with Congress to find other opportunities to expand the successful DEAS model in addressing disaster and homeland security needs throughout the country.

Recent breakthroughs also allow for the delivery of video programming on mobile devices using local stations' DTV signals. Public television has been a full partner in developing this new platform, allowing WGBH and others stations in APTS' membership into the newly-formed Open Mobile Video Coalition.

These new digital services are the future of noncommercial, public service media in America, and stations are eager to phase out our legacy analog services and focus on this digital future.

Polling Data: 21.5 Million Households at Risk

Public broadcasting is fully committed to the digital future. However, we are seriously concerned that many of the 21.5 million American TV households who depend upon over-the-air broadcasting to receive our programming will be stranded if we proceed with an under-funded consumer education campaign and an unmanaged transition process.

Beginning in November 2006, APTS commissioned the polling firm CENTRIS—which specializes in tracking consumer use of electronics products and services—to conduct scientific surveys of American television consumers to guide our system in our transition efforts. Here are the latest findings from the third quarter of 2007:

- More than half of all surveyed Americans (51 percent) say they have “no idea” the transition is taking place. This is a 10 percentage point improvement from the last quarter of 2006, but it is still unacceptable.
- Only 7 percent of survey respondents, when asked when the transition would end, could accurately answer “between one and two years.”
- There is great confusion about what consumers will do to deal with the transition. More than half of all respondents (54 percent) say they either “don’t know” what they will do or will “do nothing” to receive television after the transition.
- Every federal office holder has a stake in the success of the DTV transition. Of consumers surveyed, 55 percent said the government was on the “wrong track” with the transition.
- The more consumers reported knowing about the transition, the more likely they were to say the government was on the “right track.” Of those who were “aware” 22 percent said the government was on the “right track.” Only 7 percent of “unaware” said the government was on the “right track.
- The CENTRIS data confirms that older Americans are at a disproportionately greater risk of being left behind when the conversion occurs. Older Americans (24 percent) are more likely to receive their signals via an over-the-air antenna than are Americans under 65.

- Over the past three years, older Americans (41 percent) have bought newer TV sets at a much slower pace than Americans under 65 (55 percent), which puts them at a disadvantage of having little exposure to newer digital technology and point-of-sale information.
- The number of over-the-air households has changed little since 2004. It currently stands at approximately 21.5 million households, which represent approximately 61 million individuals.

Recommendations for Action in Time Remaining

Based upon this survey data and other findings, WGBH joins with APTS to recommend the following actions by Congress and other key players in the DTV transition.

1. Congress must provide a real financial investment in consumer education. It seems clear that the Administration will not allocate, nor even request, funding for this basic necessity of a national DTV consumer education campaign. As such, we call on Congress, as we have for infrastructure conversion funds, to allocate resources for consumer education. We are not requesting a new, permanent federal program, but a one-time, substantial outlay in basic public education activities.

I have outlined how public television, along with our commercial colleagues, will invest significant resources in DTV consumer education. However, our efforts alone will not be enough. In addition to TV spots, direct mail, town meetings, events at senior centers, phone banks and similar efforts all are necessary components of a successful campaign. The government itself is a major stakeholder and must provide additional funds for a comprehensive grassroots campaign.

To fund the appropriate level of activities needed to undertake the campaign, we ask Congress to invest a minimum of \$20 million for grassroots consumer

education and outreach. These funds would be distributed through our local public stations and our not-for-profit partners in the community.

We recognize and appreciate the leadership of Congressman Eliot Engel in his introduction of H.R. 2566, the National Digital Television Consumer Education Act. That bill sets up a grant program to carry out just such a purpose. Mr. Chairman, and Mr. Ranking Member, we ask that you expedite consideration of this important legislation. Additionally, we ask that you communicate directly with the Appropriators to ensure that at least \$20 million for consumer education is appropriated in the FY08 Appropriations cycle.

Public broadcasting is perfectly suited to undertake a grassroots consumer education campaign, as we have been at the frontline of educating elected officials, corporations and our viewers about the transition for the past decade. Additionally, by virtue of our educational mission to address underserved populations through broadcast media and person-to-person outreach, local public stations like WGBH have deep and effective ties to the many local institutions, organizations, advocacy groups and service providers that directly connect with these constituents.

Public television stations also possess an unparalleled universal broadcast coverage (99 percent of American households in analog and currently 96 percent in digital), a local presence in each community, a nonprofit educational mission and a history of effective outreach projects that bring information and guidance to Americans beyond the television screen. And public TV has America's trust, as reflected by four consecutive years of Roper polls, which ranked PBS as the most trusted public institution in our country.

Given our resources, our experience and our mission, public broadcasting has the expertise and tools necessary for managing a national grassroots consumer education campaign. We are prepared and eager to undertake this effort, but it

will take a commitment by Congress to make adequate investments in this campaign to ensure that no viewer is left behind.

2. We call on Congress to ensure digital carriage of local public TV stations by direct broadcast satellite (DBS) companies. Localism is at the heart of public broadcasting, but the multitude and diversity of local voices are threatened by a transition to digital that does not guarantee carriage by DIRECTV and EchoStar, which together serve nearly 31 million customers.

In FCC filings, both DIRECTV and EchoStar have questioned the Commission's authority to require satellite carriage of digital stations, and have made clear their preference to carry, at the most, a single SD stream instead of HD and multicast programming. We find this unacceptable.

In 2005, public television negotiated a historic agreement with the National Cable and Telecommunications Association to ensure HD and multicast carriage on major cable systems. In August 2007, we finalized a similar agreement with the American Cable Association, which is pending ratification by ACA members. An agreement also has been reached with Verizon.

To better compete with the growing array of digital programming offered by cable systems throughout the country, DBS providers have introduced both national and local digital programming in numerous markets. DIRECTV and EchoStar have aggressive plans to expand the carriage of local digital stations to new markets in the near future.

However, in those markets where local digital signals are being carried, including Boston, neither DIRECTV nor EchoStar is carrying the HD signals of a single public television station. In these markets, like ours, both companies *are* carrying the local HD signals of ABC, CBS, FOX and NBC.

Mr. Chairman and Mr. Ranking Member, there is a serious omission in guaranteed digital carriage of local stations when it comes to satellite. Yet, we know that many communities rely on satellite as their only available source of subscription television services and, in some cases, it's the only way they can get any local TV service. Without guaranteed carriage of public television stations in the communities served by DBS providers, consumers in those communities are at risk of losing local television service, being denied their right as citizens to public TV, and missing out on the expanded digital services public broadcasting offers.

We would prefer a privately negotiated carriage agreement, but time is short. APTS has made some progress with DIRECTV, but there is no agreement, and negotiations with EchoStar have not been productive.

In an era when media ownership is concentrated in fewer and fewer hands, public television stations like WGBH are among the last locally owned and operated media outlets in communities across America. We ask Congress to help us ensure that our stations are carried on satellite services, so that all Americans, no matter how they receive their television signals, are able to watch the high-quality, educational programs we provide, and that they helped fund.

3. Similarly, protecting the consumer's ability to receive high-quality local television transmissions is essential to ensuring a vibrant transition to digital. As the FCC continues to conduct testing of unlicensed devices intended for operation in the broadcast "white spaces," we ask for Congress's vigilant oversight. No unlicensed devices should be deployed until there is certainty that they will avoid harmful interference to our DTV broadcast services. The endgame of this digital transition is not the right time to introduce thousands of devices that have the potential to destroy the pictures that consumers see on their DTV-enabled sets. The planned distribution of video to mobile devices through DTV transmission raises the requirements for non-interference even higher.

4. I join with APTS in asking Congress to ensure that the FCC expedites rules for digital translators. Without channel assignments and final rules for the conversion of these translators, which relay television signals to rural and mountainous areas, many stations are in limbo with regard to serving all of their viewers. Some stations are planning on down-converting their signals while others plan on a “flash-cut” to digital, but stations lack clear guidance on how to deliver broadcast signals to viewers dependent on translators. This is another area where consumer education is critical.

5. Finally, I ask that Congress continue to support stations like WGBH in creating the new content and services that will drive consumer demand for DTV. We believe that stressing the consumer benefits of DTV – more programming, delivered in more flexible and convenient ways -- is the best way to move the transition forward and preserve free, over-the-air television. An investment in the new generation of digital content and services from public television is an extremely effective way to increase consumer benefits, as we have seen in other countries.

We applaud Congress for preserving advance funding for the Corporation for Public Broadcasting (CPB) in the House and Senate Budget Resolutions, as well as the Labor-HHS-Education bill as passed by the House and Senate. This is critical for producing stations like WGBH. We are grateful for the first increase in the regular CPB appropriation in four years. But our funding since 2001 has not kept pace with inflation, let alone provided for the new digital content that will help drive the transition for television viewers nationwide. We hope that Congress can continue to grow CPB funding in future years.

We appreciate the efforts of Congress, and the members of this Committee in particular, for your foresight in recognizing the value of new digital programming and services for your constituents. As such, you made a significant investment in

public TV's infrastructure that will help to ensure those services are delivered into every home in America. We now need that same kind of commitment for public broadcasting's digital programming. We ask that you transition your investment from infrastructure to content, so that stations like WGBH can deliver the next generation of high quality, educational programming to audiences in Boston and nationwide.

Thank you, Mr. Chairman, for helping us take the first step in this direction through your leadership as the first Member of Congress to endorse the American Archive. As you know, this is an initiative to preserve, digitize and make widely available public broadcasting content from the past half century, much of it created by WGBH, as well as new digital content created today. We are gratified that both the House and Senate Appropriations Committees also have endorsed the project. The American Archive will ensure that the wealth of public broadcasting programming that Americans have paid for does not sit locked away, deteriorating, on aging tape and film. This rich programming represents the most comprehensive chronicle of our nation's history, our people, our culture and our democracy. It has enormous continuing value to current and future generations and must not be left to fade away.

Preservation of Free, Over-the-Air Television

WGBH, and our fellow public television stations nationwide, are often the last locally owned and operated media outlets in our communities. We believe that preservation of this free, over-the-air television should be a cornerstone public policy goal of Congress and the FCC. Both public and commercial over-the-air broadcasting is essential to the health of this nation's media marketplace and our democracy. It provides a powerful tool for consumers in the face of the rising cost of cable and satellite services. It offers an outlet for local voices in diverse communities throughout the nation. Over-the-air television service is freely available to every American no matter their income level and is not limited by the carriage decisions of cable or satellite. From our perspective, the

fundamental policy goal of the digital television transition is preservation of free, over-the-air television, available now in an exciting, new digital format.

Mr. Chairman, I appreciate your enduring support of WGBH, and of public television and radio in our country. I share your desire for a successful digital television transition. My recommendations today are delivered in the spirit of making this transition successful. I very much appreciate this opportunity to testify, and I look forward to your questions.

