



December 6, 2006

The Honorable J. Dennis Hastert Speaker of the House U.S. House of Representatives H-232, U.S. Capitol Building Washington, DC 20515 The Honorable Nancy Pelosi Minority Leader U.S. House of Representatives H-204, U.S. Capitol Building Washington, DC 20515

Dear Speaker Hastert and Minority Leader Pelosi:

We are writing with regard to year-end attempts to move legislation mandating content protection for digital radio - the "audio flag." Preserving the rollout of HD Radio is of critical importance to broadcasters, manufacturers, and consumers, and **we remain opposed to any mandated, legislative approach on the audio flag**.

Radio stations in many markets across the country are delivering over-the-air signals in HD - to date, close to 1,100 stations are broadcasting HD Radio channels. HD Radio offers listeners better audio through digital delivery, clearer CD quality sound for music, as well as a greater diversity of programming and formats. Best of all, HD Radio is free.

Legislation being promoted at the end of the 109<sup>th</sup> Congress would jeopardize the rollout of HD Radio at a time when the number of stations delivering digital broadcasts is increasing and as consumer demand is on the rise. Today, more and more product options are becoming available to consumers. This holiday season, consumers will find a growing number of HD Radio tabletop receivers in retail stores and a continued variety of automobile HD Radio receivers, at prices far lower than at this time last year.

During the course of the year, broadcasters have worked with the recording industry toward a private, voluntary agreement on content protection and combating piracy. While those discussions have been very productive, these meetings must ultimately involve other interested stakeholders. Broadcasters and manufacturers remain committed to finding a voluntary solution that balances the rights of consumers, protects copyright holders, and preserves the continued rollout of HD Radio channels and products. In the meantime, the NAB and CEA will continue to oppose any attempt to push through audio flag legislation in the waning days of the 109<sup>th</sup> Congress. Neither the full House nor the Senate has approved such legislation and potential passage would seriously harm the rollout of HD Radio.

Sincerely,

Damid K. Rehn

David K. Rehr President & CEO National Association of Broadcasters

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Gary Shapiro President & CEO Consumer Electronics Association

Cc: House Leadership House Energy & Commerce Committee House Judiciary Committee