

# **EIGHT WAYS TO MAKE THE DTV TRANSITION SUCCEED**

**David Honig  
Executive Director  
Minority Media and Telecommunications Council**

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**(As prepared for delivery. These remarks are the views of the presenter and are not intended to represent the institutional views of MMTC.)**

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It's been 10 years since former NTIA Director Henry Geller came up with the idea of DTV vouchers. In 2003, MMTC filed with the FCC the first proposal for a voucher program. Jump ahead five years, and Congress has authorized a coupon program, but it's structured and funded the program with all of the urgency and resource commitment that the government exhibited after Hurricane Katrina.

In 2005, the Government Accountability Office (GAO) found that 21 million homes — nearly one in five of all television-equipped households — rely on free, over-the-air broadcasts. Of these households, almost half have annual incomes of less than \$30,000, over one-third are Spanish speaking, 23% are African Americans, nearly 40% are over 50 years of age and over one-third have disabilities.

With just over a year to go before February 17, 2009, are these viewers even aware of the DTV transition and the coupon program? According to a December 2007 study by the Cable & Telecommunications Association for Marketing (CTAM), 47% of all television viewers don't know when the digital TV transition will occur and one-half of them don't know where to go to find out. Over the air viewers were the least familiar, at 31%. And 50% of those households said they don't know where to turn for information about the transition.

These statistics aren't likely to change anytime soon because Congress has programmed the DTV transition for failure. The \$5,000,000 Congress yielded up to publicize the coupon program is less than the cost of two Super Bowl ads. \$5,000,000 wouldn't have been enough to pay for an unsuccessful presidential primary campaign in Nevada. And we burn through \$5,000,000 in Iraq every fifteen minutes.

NTIA has assembled a first rate DTV transition staff, and they've done a good job with the resources they have, but even the best people can't do everything with nothing.

What specific steps would help ensure the DTV transition's success? Here are eight recommendations, directed primarily to Congress because most of the recommendations are resource-intensive. Industry trade associations and the FCC, which are trying hard to make the transition work, might also take note.

### **First: Observe basic civil rights principles**

The coupon program relies heavily on large retailers, but these retailers' stores are seldom accessible to the low income and minority consumers who need the program the most. We looked at the eight national NTIA-certified retailers that each have more than 500 stores, and found that throughout the country, in the 20 zip codes with the highest percentages of African Americans, these eight retailers together operate only six stores – two Radio Shacks, two Sears, a Target and a K-Mart. Wal-Mart, Sam's Club, Aaron Rents, Best Buy and Circuit City have no stores in any of these zip codes. Among the 20 zip codes with the highest percentages of low-income households, not a single one of these eight NTIA-certified chains operates a single store.

While NTIA can't require national retailers to stop practicing commercial redlining when they choose sites for new stores, NTIA should encourage certified retailers in close proximity to African American and Latino populations to advertise heavily in Black and Spanish media.

### **Second: Widen the net of institutional DTV transition partners**

NTIA and some of the industry trade associations – particularly the NAB – have done a commendable job in partnering with a wide variety of agencies and private organizations with subject matter expertise on media issues or on the provision of social services. Industry trade associations should partner with powerful brands that don't have subject matter expertise but carry considerable weight with the public at large. For example:

- Sporting events – especially basketball and NASCAR
- Entertainers. What a great campaign for a rising or falling star.
- The presidential race. Imagine the two major party nominees doing a TV spot together, at the height of the campaign season, asking viewers to apply for DTV coupons.

### **Third: Unleash the entrepreneurial initiative of young people**

A national retailer ought to set up a young entrepreneurs program. Such a program, structured carefully to ensure commercial integrity, could enable teenagers to start their own businesses going door-to-door providing coupon applications, helping customers fill them out, and selling or delivering DTV-related products such as set-top boxes, universal remotes, batteries, DVDs and DVD players. A really enthusiastic young person could buy back old TV sets. How could a teenager publicize her DTV transition business? You-Tube, BlackPlanet and My Space.

### **Fourth: Perform outreach and promotion the way every other national product rollout is done**

DTV coupons ought to be promoted with the same creative verve advertisers use when they roll out a new brand of soap, soup or soft drink. Imagine how many set-top boxes would fly off the shelves if the trade associations used A-list stars and prime time television roadblocks, or such proven methods as:

- A theme song – everyone hates it, but no one can forget it
- Story lines and product placement in situation comedies
- Local TV spot discounts in exchange for promotion at food, furniture stores or car dealers
- Commissions for person-to-person retailers who already get into the customer's home, like Tupperware and Mary Kay.

### **Fifth: Connect with underserved viewers where they live, work, pray and make decisions**

The DTV Transition Coalition has created an African American Church Initiative, in which MMTC participates. With an army of young people, let's take that approach a step further: every barber shop and every beauty shop should get a poster, fliers, and coupon applications. Barbers and beauticians should earn a fee for helping customers fill out and submit the applications. Where else can young people help promote coupons? The post office. Nightclubs. Masonic and VFW halls. Laundromats. Innumerable other places almost everyone goes once in a while.

And don't forget immigrants, whether legal or out of status. No one should lose television service because she's afraid to put her name on a coupon application. Enlist employers of immigrants – meat packers, farmers, hotels - to help get coupons in the hands of their workers.

Almost all of the large national civil rights organizations hold summer conventions. MMTC held a DTV Summit at our July 2007 annual conference; all of the civil rights organizations should do that this year.

### **Sixth: Teach the transition in middle school and high school**

When middle school and high school students show up for class next September, they ought to get a module on analog TV, digital TV and the transition. Where could it be taught? Science class. Civics. School assemblies. What a great opportunity for TV stations to get their anchors and reporters out into the high schools to talk about the transition and promote television careers at the same time. Trade associations should engage teachers to develop a lesson plan that teachers can download from the DTV Transition Coalition Web site, and the availability of this lesson plan should be promoted in PSAs dealing with the transition.

### **Seventh: Undertake real time research and monitoring**

The Leadership Conference for Civil Rights wisely points out that "we will need sufficient independent research to make sure that messages about the coupon program are effective....We will need to know who is taking advantage of the coupon program during the first phase of the process, so that NTIA knows how to respond or whether and where to deploy additional funds. In addition to an aggressive ongoing monitoring effort, there must be plans in place to respond rapidly to those most vulnerable populations who end up losing service, so that they get the education and assistance they need." Congress needs to appropriate funds to assure that the level of research and monitoring that it appropriates is equivalent to that for any other undertaking it regards as a high national priority.

### **Eighth: Prepare now for a last minute crunch in 2009**

If you're poor, you're not likely to spend scarce dollars now for an electronic device you won't need for a year. Thus we can expect a flood of last minute coupon applications. Are there still going to be enough coupons to go around for those who may need them the most?

No matter how effective the coupon program turns out to be, on February 17, 2009 tens or hundreds of thousands of Americans will see snow on their analog sets. These Americans never learned about the coupon program, or couldn't get out of the house to buy a set-top box. To help them, Congress needs to appropriate money now for more coupons, and for door-to-door set-top box deliveries and installation for invalids and the elderly.

A successful DTV transition is vital because television viewership defines America's collective and cohesive identity. Every American deserves to know which plant is hiring, which hospital is opening, which schools are closing early, and how to survive the next Katrina. We take for granted that Americans enjoy this universal baseline of knowledge today with analog TV. We'd better not take for granted that we'll still have it next year with digital TV.

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