



## FAQ: Why We Should #DitchTheBox

**Q: What is the “Ditch The Box” solution being proposed?**

**A:** Supporters of the FCC’s proposed technology mandate have argued that open standards backed by a formal FCC rule are needed to create more competition in the video device marketplace. Opponents argue that the apps-based solutions already emerging in the marketplace are a better approach. This new “Ditch the Box” proposal pulls from both approaches – a binding obligation for major TV providers to offer apps, built on the open HTML5 standard, that allow customers to access their pay-TV service on a wide range of compatible, consumer-owned devices.

**Q: If this proposal is enacted, will pay-TV customers still need to rent set-top boxes every month from their TV provider?**

**A:** No. Subscribers of major cable, satellite, and telco TV services will be able to download apps offered by their providers onto devices they own – including smart TVs, tablets, streaming players, and other connected devices – and use these apps to access their pay-TV service without needing to lease any box from their TV provider. (Satellite TV providers will also offer apps, but customers will still need one in-home gateway device to receive signals from the satellite and offer features competitive with two-way services.)

**Q: Does this proposal achieve the goals the FCC has laid out?**

**A:** Yes. Advocates for the FCC’s “Unlock the Box” proposal have argued that monthly box rental fees are too high, that open standards are needed to create more competition in the market for video devices, and that these new devices should be allowed to integrate both pay-TV and streaming content in the same search interface. This alternative proposal allows customers to ditch their box altogether, utilizes the open HTML5 standard, and will let devices search for content from both pay-TV apps and other licensed video apps through the device’s search menu.

**Q: Which approach will expand consumers’ choices – including boxless options – most quickly?**

**A:** This “Ditch the Box” proposal requires major TV providers to fully implement the proposal within two years, leveraging open HTML5 standards that already exist. By contrast, the FCC’s approach calls for new standards that have not yet been invented, a process which the independent Digital Living Network Alliance (DLNA) says is likely to take several years – far longer than advocates have claimed.

**Q: Why is this a better deal for consumers?**

**A:** The FCC’s approach would take years to develop and implement, require massive and costly re-engineering of delivery networks, and result in an additional MVPD-provided device in customers’ homes. By contrast, the “Ditch the Box” proposal eliminates the need for costly network changes, uses existing open standards that have been broadly embraced by retail manufacturers and others in the

marketplace, and lets customers ditch rented boxes for good by installing apps on hardware – such as smart TVs or plug-in streaming players – they can purchase and own themselves.

**Q: Why is this a better framework for content creators and programmers?**

**A:** The FCC’s proposal would infringe content creators’ intellectual property rights by allowing third-party devices to ignore negotiated terms of program licensing agreements, re-arrange channel lineups to bury niche programming, and insert or overlay advertising. But this alternative proposal protects the diversity and vitality of the programming ecosystem. TV providers’ apps offer the technical means to ensure that copyrights are protected, while providers’ licensing agreements with device manufacturers would include requirements to fully respect copyright, honor program licensing terms, and ensure that the new apps do not bring the problem of online piracy to consumers’ home TVs.

**Q: Which approach offers stronger consumer privacy protections?**

**A:** Independent experts, such as the Electronic Privacy Information Center, have said the toothless self-certification scheme in the FCC’s proposal “fails to meaningfully protect consumers.” By contrast, this “Ditch the Box” proposal doesn’t rely on self-certification – it builds privacy and other consumer protections into the app itself, and further requires manufacturers to honor those protections. This means customers watching TV on an app under this plan will have the same enforceable protections they currently enjoy.

**Q: Which approach is better for diverse programmers and content creators?**

**A:** Advocates for the FCC’s plan have argued that devices blending pay-TV and streaming content through the same interface will help diverse and independent web-based programmers reach an audience without needing carriage on cable or satellite systems. The apps proposal will offer this same outcome, but without undermining networks like Revolt, TV One, and Vme TV, which have all sharply criticized the Commission’s proposal as a threat to their businesses.

**Q: What will ensure that the market for video devices is truly open and that cable and satellite companies don’t unfairly limit what devices work with their apps?**

**A:** This “Ditch the Box” solution would impose binding obligations on major TV providers to build and deploy HTML5 apps capable of delivering their service on customer-owned devices. An industry-wide commitment to open HTML5 standards ensures that innovators and new entrants into the video device market will have equal access to TV providers’ apps without the need for scale, which will encourage innovation and drive greater competition and consumer choice.

**Q: How is this proposal any different than the boxless solutions that providers like Time Warner Cable, Charter, and Comcast are already offering?**

**A:** This proposal would legally obligate all major TV providers to deploy apps using a common open standard, enabling retail devices to work with virtually any pay-TV and online provider. It would also empower the FCC to enforce concrete deadlines.