

Supplemental Statement
Application for Renewal of Experimental License
Immersion Entertainment
File No. 0164-EX-RR-2000; Call Sign WB2XDN;
Original File No. 0205-EX-PL-1999

In response to an inquiry from the Commission's staff (Confirmation No. EL10409 from Mr. Serafin) the following additional information is submitted relative to the pending renewal application, and the request for deletion of the market test restriction on the pending license. The staff inquiry asked for additional details regarding the scope, nature, length of time needed and number of units requested for the market test, necessary to satisfy the licensee's objectives.

The staff inquiry also noted that unless other alternatives are specified, the application for renewal will be denied if the market test authority cannot be granted. IT IS NECESSARY FOR THIS EXPERIMENTAL LICENSE TO BE GRANTED IN ORDER TO FURTHER DEVELOP THE TECHNICAL CHARACTERISTICS AND TO DEMONSTRATE PROOF OF CONCEPT TO POTENTIAL INVESTORS AND USERS OF THE SYSTEM. THEREFORE, THE LICENSEE REQUESTS THAT THE EXPERIMENTAL LICENSE BE RENEWED WITH THE CURRENTLY SPECIFIED SPECIAL CONDITIONS EVEN IF THE MARKET TEST AUTHORIZATION CANNOT BE GRANTED. While the market test information is critical to the licensee's decision whether or not to proceed with licensing and/or rulemaking necessary to permit permanent licensing of the system, continuation of the experimental authorization is necessary to develop technical characteristics of the system.

In response to the specific inquiries of the staff, the following is submitted:

1. As noted in the application for renewal, Immersion Entertainment, L.L.C. is a telecommunications research and development firm which developed a proprietary system for gathering and distribution of video and audio signals for viewing by subscribers at a motorsporting or other live sporting event using Head Mounted Displays (HMDs). The system involves the combining of multiple audio signals with selected television camera video mounted at various locations during the event. The experimental authorization addresses the wireless distribution of the video and audio feeds to the subscribers in the stands at the race course or other sporting event. The initial configuration of the headsets for receiving video and audio feeds by subscribers, who are the attendees at the sporting event was, frankly, not successful. It is only in the last few months that a new type of viewing device has been developed by the licensee, and testing of that system is dependent on the renewal of the present experimental authorization.
2. The scope of the experiment includes operation of a single video transmitter located

within, for example, a motor racing course, or other sporting venue. The licensee would transmit video and audio feeds of the subject event to those equipped with a specific type of receiving device. The device would be used only during the period of the event. The receiving devices would be returned immediately following the event to the licensee. Licensee would, during the experimental period, like to utilize up to 500 headsets for the purpose of testing reception video quality, and marketability of the concept. If market testing is allowed, those equipped with the device would pay a fee and receive the event video and audio feeds.

3. The necessary term of the experimental authorization is anticipated to be two years. The initial term was not utilized to full advantage because of the failure of the first headset concept and the development of a second generation system. It will take two years to refine the headset concept and determine the marketability of the system for motorsport racing and other live-spectator events; and to commence rulemaking or other licensing procedures. During the entirety of the tests, fewer than 500 of the headsets would be developed, produced, or used.

Should any further information be required, please notify the undersigned counsel.

Respectfully submitted,

Christopher D. Imlay