

October 21, 2001

Applicant: Zaxcom, Inc.
140 Greenwood Ave.
Midland Park NJ 07432

Glenn Sanders
President

Re: Confidentiality for schematics
Equipment: FCC ID:PR6MB1
FCC Rules: Part2 and 74

Gentlemen:

Zaxcom Inc. requests that the material in the schematic diagrams, functional description and circuit board photographs be withheld from public disclosure in accordance with Section 0.459 of the Commissions Rules, 47 CFR 0.459, following the grant of certification. In support of this request, Zaxcom Inc. submits the following:

1. Identification of the specific information for which confidential treatment is sought:

The materials set forth in the schematic diagrams, functional description and circuit board photographs which are segregated from the non-confidential exhibits of the application, are those for which confidentiality is sought.

2. Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission:

The proceeding is that involving the application *for* equipment authorization (certification) under FCC ID number PR6MB1.

3. An explanation of the degree to which the information is commercial or financial, or contains trade secrets or is privileged:

This material includes a detailed schematic of the device functional description and circuit board photographs. As such this material is treated as highly confidential business information.

4. Explanation of the degree to which the information concerns a service that is subject to competition:

The material for which confidentiality is sought is employed in the design and manufacture of wireless microphone systems transmitting equipment that is offered on a highly competitive basis. Customers for this equipment have a variety of competing sources.

5. Explanation of how disclosure of this information could result in substantial competitive harm:

Disclosure would, in effect, give away the fruits of the labors of Zaxcom Inc. ' s engineering department and personnel, who have designed the equipment and manufacturing process. Disclosure would also offer competitors additional unwarranted insight into the state of the product development, thereby allowing competitors an advantage, not available to Zaxcom Inc. Substantial development effort and cost was applied to the physical placement of components in this product to prevent unintended radiation and internal interference. Knowledge of this component placement information would greatly reduce the burden of a competitor attempting to create a competing product.

6. Identification of any measures taken by the submitting party to prevent unauthorized disclosure:

The information for which confidential treatment is sought is kept confidential by Zaxcom Inc. and not made available to third parties except pursuant to non-disclosure agreements. The product is sealed closed during the final manufacturing process. In order to gain access to the internal PC boards the unit would likely be permanently damaged.

7. Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties:

To the knowledge of those preparing this application, the information has not been disclosed publicly heretofore. While the general theory of operation of this equipment has been the subject of numerous disclosures in industry and standards groups as well as in the rule making proceedings of the FCC, the protection sought is narrowly drawn and pertains to certain specific implementations of the digital modulation technology.

8. Justification of the period during which the submitting party asserts that the material should not be available for public disclosure:

This material should not be disclosed for at least 25 years. While improvements in the design are made relatively frequently, disclosure of the design information would lead to insights into both design and manufacturing techniques that could have an adverse competitive effect for many years to come. This equipment is designed for commercial, industrial and governmental applications. As such, unlike most consumer equipment, this equipment will be used for more than a decade in most cases. As such, it is important that the design not be made available to unauthorized persons who might attempt to use knowledge of the design to compromise the applications for which the equipment will be employed.

9. Any other information that the party seeking confidential treatment believes may be useful in assessing whether its request for confidentiality should be granted:

See item 8 above. Note that the equipment for which approval is being sought will be employed in applications that inherently place a premium on security.

Zaxcom is a small company compared to its competitors in this market. It has invested a large sum of money and 3 years of development in this product. As this is a new market for Zaxcom products, it will be difficult to establish this product in the marketplace unless it has unique advantages. There are unique electrical as well as mechanical aspects of this design. Any information that can be easily obtained by our competitors will cause extreme harm to Zaxcom's ability to penetrate this new market with a unique product. The design of this product is unique as the data transmission rate is up to three times as fast as the competition and the physical size is half that of the competition. Both factors are of extreme importance to the customer base. The electrical and internal physical characteristics of the printed circuit boards are critical in achieving this competitive advantage.

The special fee for request of confidentiality will be submitted with the application.

Should you require any further information, please contact the undersigned.

Thank you for your consideration in this matter.

Sincerely,

GLENN SANDERS
Zaxcom Inc.