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Before the
Federal Communications Commission
Washington, D.C. 20554

NOV 30 1990

Federal Communications Commission
Office of the Secretary

In the Matter of)	
)	
Satellite CD Radio, Inc.)	Nos. 49/50-DSS-P/LA-90
Application for Digital Audio)	58/59-DSS-AMEND-90
Radio Service Satellite System)	
)	

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Domestic Facilities Division
Satellite Radio Branch

COMMENTS OF CBS INC.

CBS Inc. ("CBS") submits these comments in response to the Public Notice, released October 19, 1990, soliciting comment regarding the application tendered for filing by Satellite CD Radio, Inc. ("Satellite CD") for permission to construct, launch and operate a satellite-delivered digital audio broadcasting service.

In these comments, we wish merely to reiterate the focus of our earlier comments in the Commission's digital audio inquiry (Docket No. 90-357): it is imperative that the Commission conduct a thorough review of the technical and policy implications of this promising new technology, and that it establish standards and structures which will ensure that local, over-the-air radio licensees are accorded digital capability and thus a meaningful opportunity to remain competitive in the digital services market.

Grant of the Satellite CD application at this time is clearly inconsistent with these paramount objectives. Indeed, even its acceptance for filing would be premature and inappropriate, given the Commission's pending review of Satellite CD's rulemaking petition (RM-7400) and its broad digital audio inquiry.*/

The Commission initiated that inquiry to enable it "to act in an expeditious and reasoned manner to facilitate the emergence of digital radio as appropriate." Notice of Inquiry, Gen. Docket No. 90-357, released August 21, 1990 at ¶ 7 ("DAB Inquiry")(emphasis added). The inquiry poses far-reaching questions regarding the impact of digital audio services on existing radio service, the amount and location of spectrum to be allocated, the appropriate operational and technical configuration of the service, and the appropriate regulatory structure to be employed. See generally id. The notice and the scores of comments received by the Commission in response attest to the importance and complexity of these issues and the profound consequences their resolution will have on the future of audio broadcasting.

*/ Also pending is the Commission's proceeding in preparation for the 1992 World Administrative Radio Conference, see Gen. Docket No. 89-554, in which allocation of frequencies for possible digital audio services is being considered.

Grant of Satellite CD's application at this early stage would greatly compromise the Commission's laudable effort to approach this new frontier in a careful and reasoned manner. Choices concerning spectrum allocation, technical standards, and a host of other questions should be thoroughly explored and resolved in the context of the inquiry or a broad rulemaking, rather than on an ad hoc basis in response to individual applications.

In addition, any act by the Commission authorizing satellite delivery of digital audio services before terrestrial broadcasters have been accorded digital transmission capability threatens irreparable harm to the system of free, locally based over-the-air radio broadcasting. As we said in our comments in the DAB inquiry:

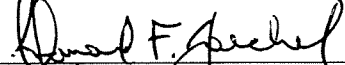
"[L]ike broadcast television, terrestrial radio would have its very survival threatened if unable to provide digital audio services offered by nonbroadcast competitors. The Commission should therefore make clear that its paramount objective and concern is the implementation of digital audio within the existing structure of free broadcast radio. This need not foreclose other non-broadcast digital audio services, but authorization of such services should be secondary and subsequent to development of standards and structures for the provision of digital audio by existing radio licensees."

CBS Comments, DAB Inquiry, filed November 13, 1990, at 5.

It is vitally important that the Commission ensure that the introduction of digital audio is conducted in an orderly fashion, without substantial disruption of service to current listeners, undue waste of scarce spectrum resources, or damage to the continued vitality of over-the-air local radio. Consideration of the Satellite CD applicaton should be dismissed without prejudice or, if accepted for filing, held in abeyance pending further Commission study of digital audio options and implications.

Respectfully submitted,

CBS INC.

By 
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By 
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November 30, 1990

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