FCC allows blocking of set-top box outputs (Update)

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(AP) -- Federal regulators are endorsing Hollywood's efforts to let cable and satellite TV companies turn off output connections on the back of set-top boxes to prevent illegal copying of movies.

The decision by the Federal Communications Commission, announced late Friday, is intended to encourage studios to make movies available for home viewing on demand soon after they hit theaters or even at the same time.

Bob Pisano, head of the Motion Picture Association of America, said the FCC's action will give consumers "far greater access to see recent high-definition movies in their homes."

But critics warned that the FCC order could prevent 20 million Americans with older, analog TVs from seeing these new-release movies at all. That's because the order allows the studios to limit delivery of new movies to only those households with newer digital sets.

In addition, critics say the blocking technology could prohibit legal recordings on some video recorders and other devices with analog connections.

"We are unsure when the FCC has ever before given private entities the right to disable consumers' products in their homes," the Consumer Electronics Association said in a statement. "The fact that the motion picture studios want to create a new business model does not mean that
Public Knowledge, a public interest group, said the FCC "has succumbed to the special-interest pleadings of the big media companies."

The FCC prohibits the use of so-called "selectable output control" technology, which encodes video programming with a signal to remotely disable set-top box output connections. The FCC granted a waiver from those rules on Friday at the request of the MPAA.

Allowing movie studios to temporarily prevent recording from TVs could pave the way for movies to be released to homes sooner than they are today. The FCC said the waiver is therefore in the public interest, because the studios are unlikely to offer new movies so soon after their theatrical release without such controls.

Companies such as The Walt Disney Co. have been trying to shorten the time between theatrical and home video releases, partly to benefit from one round of marketing buzz and partly to head off piracy. With DVD sales declining, studios are looking for new ways to deliver their content securely while still making money.

In its decision Friday, the agency stressed that its waiver includes several important conditions, including limits on how long studios can use the blocking technology. The FCC said the technology cannot be used on a particular movie once it is out on DVD or Blu-Ray, or after 90 days from the time it is first used on that movie, whichever comes first.

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