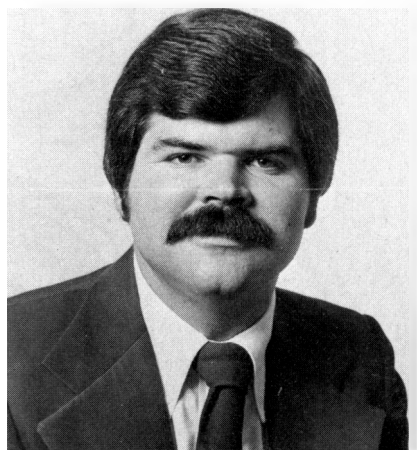


Texas Instruments Move Stirs FCC Debate

Don't look to Summer CES for a break in the cloud of confusion surrounding the personal computer market. It promises to be even more confused in the wake of the Texas Instrument petition filed with the Federal Communications Commission requesting a change in the rules by which computers are approved and sold. A snarling band of personal computer manufacturers—stirred by the TI petition—is forecast-



Bally's Nieman: A move before the FCC decision "could cost millions."

ing possible product delays or design changes due to the TI action.

In effect, TI has requested a change in FCC rules so that personal computer manufacturers may obtain FCC approval on RF modulators only, rather than on the whole system—computer plus modulator.

TI also filed a waiver petition asking that it be allowed to sell its computer before the FCC decides on the modulator-only rule. It is this last request that has particularly angered many manufacturers.

Changing the Rules

Some manufacturers oppose TI's request, charging that it will result in increased RF interference from personal computers. Obviously, the FCC is also concerned with possible interference. In a related move, the Commission requested samples of

personal computers produced by Apple, Atari, Radio Shack, Commodore, Heath and Southwest Technical Products to test for interference.

Interact—which has FCC approval—has charged that interference levels proposed by TI will affect tv and radio signals. "This seems to be a move by TI to change the rules simply to facilitate their entry into the home computer business," the company says.

A Texas Instrument spokesman declined to comment, saying that the company's policy was clearly defined in the petitions.

Making Life Easy

Not all companies oppose TI's request for revised rules. "What TI is really doing is asking for the creation of a new class of tv devices, which is fine. It will really make life easier for everybody," says the president of a computer company. But the president considers TI's waiver to sell computers before FCC approval is granted as unfair.

He cites the time and engineering required for FCC approval, which adds \$20 a unit at the manufacturer's level. Most of that figure represents shielding needed to meet FCC standards. Many companies, including his own, would not be able or afford redesigning and retooling costs if standards are changed, he says.

Doubt about future standards for personal computers will delay product introductions as well as halt production of units introduced, but not yet in production. Bally, for one, will hold off manufacturing its upgraded game/computer introduced at Winter CES until a decision is reached.

"We have two units to go with," says national sales manager, Jack Nieman, "the one we showed at CES for around \$650 and a lower-priced unit for around \$350. But it could cost us millions of dollars if we make a decision on which unit to go with before the FCC makes a decision." □