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Federal Communications Commission

445 12th Street, SW
Washington, DC 20554

RE: Notice of Ex Parte Regarding WC Docket No. 17-192 and Docket No. 95-155
Comments on Modernizing Toll Free Numbering System

To Whom It May Concern:

The Federal Communications Commission (“Commission”) is presently seeking comments on how to make toll free number distribution more equitable and efficient than the existing 20-year old system. It is the Commission’s goal to provide the public with a better opportunity to acquire the numbers they want, recognize the value of unique numbers, and to create incentives for toll free numbers to be put to use quickly and efficiently once they are assigned.

Currently, toll free numbers are assigned on a first-come, first-served basis, but this system does not consider the need for or the value placed on particular numbers. In addition, questions have been raised about whether organizations with better connectivity to the toll free number database have an unfair advantage in reserving desirable numbers.

The Commission’s current prohibition against the private sale and/or commercialization of even just one toll free number by a user is unnecessarily restrictive and represents an impediment to the more extensive use and commercialization of toll free numbers in general. It is the wholesale hoarding and brokering of toll free numbers that the Commission should continue to prohibit in order to prevent monopolies and the adverse consequences that ensue with monopolies.

The Commission’s current prohibition against even the sale of one toll free number is problematic for many reasons. For example, what may constitute a sale to one, may not constitute a sale to another. This can occur with the sale of an unprofitable or uncommercialized business that includes a valuable toll free number. One could argue the aforementioned transaction was simply the sale of just the toll free number and in

violation of Commission rules. Then there is the Pandora's Box of what constitutes consideration that a bona fide sale transaction requires. That is because consideration can be something other than cash or its equivalent which can be considered to be of value to some while not to others.

A better alternative for the Commission to consider that allows for the private sale and commercialization of toll free numbers would be one that is somewhere between the Commission's current system (very restrictive) and the rules that govern the sale of internet domain names (essentially no restrictions).

Given that the use and commercialization of toll free numbers is regulated by a government agency, consideration should be given to a proposal using a standard similar to the ones used not by a government agency, but by government sponsored enterprises (GSEs) like the Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation (FHLMC). These GSEs were originally formed to provide a liquid secondary market for the sale of loans on 1-4 unit residential properties intended primarily for owner-occupancy. To avoid abuse of these secondary markets, FNMA and FHLMC instituted limits on the number of loans a borrower can have for properties that are not owner-occupied. The limits imposed by FNMA and FHLMC represent a reasonable and balanced approach versus an outright prohibition on loans to non-owner occupied 1-4 unit properties.

The reasonable and balanced approach used and described above by FNMA and FHLMC does not exist for the Commission with regard to the private sale of toll free numbers.

Consideration should therefore be given to a proposal in which the Commission allows for example the unfettered private sale of no more than five toll free numbers in any ten year period from any one person, individually or through any entity regardless of ownership interest. This would accomplish the Commission's goal of allowing the public to recognize the value of unique toll free numbers and create incentives for their use, while also maintaining the prohibition against the wholesale hoarding and brokering of toll free numbers.

Kindest Regards



Carlton Roark