

TollFreeNumbers.com

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Federal Communications Commission
Ajit Pai, Chairman
445 12th Street, SW
Washington, DC 20554

September 8, 2017

Re: 95-155 - Requesting Public Comment Period regarding the process for deciding 833 numbers set aside during the 833 Opening

Dear Chairman Pai,

First, I want to applaud the FCC. It's rare to see any government agency willing or even trying to take such bold action to modernize an industry. The timing for this is also great given the whole reinventing process that Somos is going through. (I was going to call it a makeover process, but that doesn't do it justice.) I've been reading and enjoying all the recent comments and talking to a lot of customers and people about this almost nonstop since we received the proposal, since it's literally been the core of our business for over 20 years.

I've spent years researching and developing and even patenting a rating system for vanity numbers, and am probably the only one that had a pseudo auction process for toll free numbers in the last two toll free code openings. (It was to determine the priority in the rationed submission process, not "selling" the numbers but it gives us some unique experience in this.)



What would I do?



In one of the conversations I had recently with Joel Bernstein at Somos, he asked me a simple but powerful question, "What would I do if I wanted to modernize the system and introduce more free market forces?" I really thought about that a lot and want to throw out some points. I know it's not up to an election, but I think getting this out there might spark some more discussion.

There are clearly some issues that must be addressed in the current proposal. I like the goal but believe we should take a breath and take some smaller steps to clean up the system first before we make huge changes. I think it's also important to coordinate a lot of this with the rollout of Somos' new platform too.

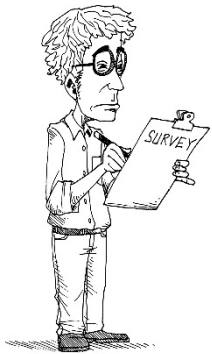
Smaller steps toward a clean, free market system

1. Require every phone company to provide the email, name and address of each requester for the set-aside numbers. They're already required to have this, so this is a no brainer and shouldn't take very long.

2. Do an auction for the top 1000ish numbers which basically have 20 or more requesters for vanities and 10 or more for numeric numbers. (The requests for vanity numbers are more number specific and easier to judge but the requests for numeric numbers are harder to judge and more flexible.) You also need to know what they spell and how valuable they are. You can't just assume everyone knows because your goal is to get as many people interested as possible and phone companies aren't going to be able to look at a list of numbers and know which customer would be interested in them.



3. No rules have to be changed to do an auction. Whether you pick from requests at random, base the decision on customer details, or have an auction, you don't have to change the whole system, in order to do any of those, and you shouldn't. You have an immediate need to do the auction, but no urgent need to change the rules of the whole system right now.
4. Use the proceeds from the auction to pay for a private contractor to survey the requesters for the remaining 16K numbers. Anything beyond that can go to Somos to offset admin fees.



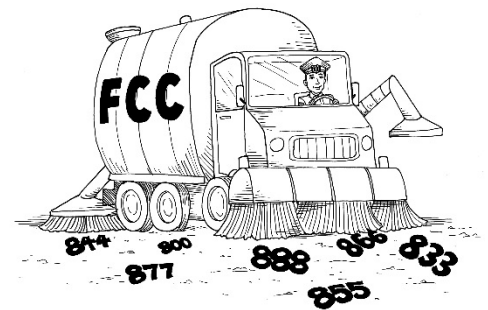
5. Decide all of the numbers with less than 20 requests for vanities and 10 requests for numeric #s by having a survey company send out a questionnaire to each requester. You're not losing anything by not auctioning those because the lower value numbers wouldn't have raised much money. In these it's important to get the number to the BEST customer, not a broker where 85% don't get used.

6. Each customer will be asked 10-20 questions. Points will be awarded for each positive answer and the survey contractor can calculate a score for each request. Then the FCC would then simply select the respondent with the highest score. (15 question sample attached)

7. If the two highest scoring requesters have the same score or no requester answers the survey, then the FCC would pick one at random.

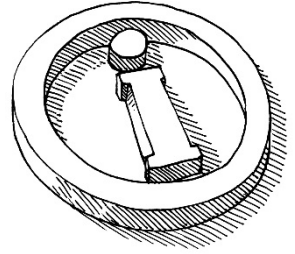
8. Don't change the rules about hoarding or brokering, actually start to *enforce them*.

9. Declare mass misdial marketing an invalid use of toll free numbers. Declare shared use to be an invalid use of toll free numbers if an entity has more than two numbers per customer. Toll free numbers are a public resource and abusing them hurts everyone. Just doing this will improve the system and force companies to return a lot of numbers. Enforcing the existing laws and taking a stronger posture can make a big difference, as we've seen in other areas of government recently.



10. Require the customer information from phone companies that have all their 833 requests for set aside numbers, from one or a couple customers, or who have an extremely low rate of survey completion for the customers they said requested the 833 #s set aside. In other words if all their

requests came from one or a couple potential “brokers” investigate all the numbers of that phone company for hoarding or brokering.



11. Make a straight forward way for customers to file complaints and start inquiries about numbers that are not in use which they have a legitimate need for. And if the current user has a large volume of numbers and can't prove a significant need or use, the complainant gets the number. The losing party pays a fee to cover the cost of the typical dispute. Domain names have had processes like this from the beginning.
12. Make end user information part of the new registry in 2018 and say that you will begin enforcing hoarding and brokering even more stringently after that.
13. Incorporate more vanity number information or capabilities into the new registry in 2018 as well, translating from digits to the primary vanity, not just vanity to digits, showing the most valuable term for each number as well as being able to sort number lists by value.
14. If you're going to change the regulations to allow hoarding and brokering, do it in 2020, after you've got customer information in the system, and reduced hoarding.
15. By the time 822 comes out you will have cleaned up the system enough to change the opening process, and can move much more smoothly to a more open free market system as you're suggesting. But put the big changes to the system off long enough to clean things up and for Somos' new system to come out. Somos stated that they couldn't effectively do a new area code opening until after they completed the new registry implementation and it would probably be equally problematic to make big changes to the system before then too.



16. Before you try to do an auction on the dropping numbers, add a two-tier release process where for the first month or first few months after a number completes the disconnect aging process it goes into Transit where resorgs can't nasc but can pay a fee to obtain it. Somos could charge an extra fee maybe \$30 for non “800” numbers and \$60 for “800” numbers in Transit. They could also charge five times that \$150/\$300 for the top ¼ of 1 percent (just 20,000) of vanity or numeric numbers. The phone company would also be required to fill out the customer information in the CAD with the actual customer name and address and to submit that information to Somos. This would get the numbers for actual customers not “speculators” though it might or might not be possible before the new registry is in place.
17. This could be done with the current status, Transit or might require waiting for the new registry in 2018. It could be searchable in the new registry in 2018. This would allow regular phone companies to sell/obtain better vanity numbers, and “800”s again for their customers without changing the current first come, first served process. It would be optional for phone companies to offer or take advantage of the new transit numbers but would allow them to make a profit since they could markup the fee and get \$49 for a non-800 and \$99 for an “800” and most importantly offer better numbers to their customers. This would get companies and customers used to being able to get better numbers and could then be changed at some point to an auction.

But start by just charging a more appropriate fee to get phone companies used to offering better numbers.

I see five different groups here and I think all five need time to adjust, before a whole new paradigm is possible.

- Somos needs time to implement their new platform.
- Customers need time to file disputes for numbers.
- Speculators need time adjust and clean up their act.
- FCC needs time to clean up some abusers and end inappropriate practices.
- Phone companies need time to get used to offering “8-0-0” numbers and valuable vanity #s.

I think it takes a combination of cleaning up the system, and delaying the big changes a little, and incorporating system improvements possible with the new registry platform, in order to truly modernize and update the system in steps.

Somos didn't just flip a switch and turn on the new registry. It added features in stages so as not to hurt the current system and allow everyone to transition over to it. I think the FCC ultimately has to do the same thing.



Again I applaud the FCC for it's vision and want the same thing, to modernize the system and get to a more free market, value based, cleaned up and transparent system for everyone. I just think everyone has to have time to adjust and take some smaller steps. I think the FCC's goal of modernizing everything before 822 (probably in 2022) is very doable and all of these things will make a big difference for the whole industry. I look forward to being a part of it and hope this helps to open up a discussion as we work toward all of this.

Very sincerely,

Bill Quimby
Bill Quimby
President of TollFreeNumbers.com

