**Before the**

**Federal Communications Commission**

**Washington, D.C. 20554**

In the Matter of )

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Toll Free Assignment Modernization ) WC Docket 17-192

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Toll Free Service Access Codes ) CC Docket No. 95-155

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COMMENTS OF INTERISLE CONSULTING GROUP

In this proceeding, the Commission recognizes the value in certain toll-free numbers and suggests an auction methodology for making them available in the new service access code 833. It also proposes legalizing the widespread practice of selling existing numbers on the secondary market. While both of these ideas are reasonable, we suggest certain modest adjustment in the way toll-free numbers are assigned that would solve other problems not as directly addressed by those two changes, by addressing warehousing and hoarding more vigorously.

With PSTN use rather static as more applications move to the Internet and other media, 800 numbers are no longer as central to businesses as they once were, yet the 866 through 844 SACs exhausted rather rapidly. The plain fact of the matter is that the supply of toll-free numbers is subject to continuous exhaust for the simple reason that RespOrgs are hoarding vast numbers of them, while some entities (frequently sex lines) are using very large quantities of numbers in order to “typosquat” on numbers that might be entered as dialing errors when callers attempt to call popular toll-free numbers. Typosquatting is also a problem on the Internet, where it is possible to register domains for a few dollars and in some cases even “taste” them for free. But there is no exhaust of Internet domains because they are variable-length text strings. Telephone numbers in the North American Numbering Plan are a fixed-supply resource, and if typosquatters are allowed to seize them in bulk, they will inevitably run out. 833 and 822 are the last SACs left for toll-free use.

We thus support the Commission’s proposals but only if one additional change is made. All toll-free number assignments should carry a price tag, not just the particularly-valuable ones that the Commission seeks to auction. The price need not be high, but should be sufficient to discourage an entity from seizing thousands of them just to grab the occasional misdial.

In 2008, AT&T and Verizon made an *ex parte* filing in WC Docket 06-122[[1]](#footnote-1) on a proposed Direct USF Contribution Methodology. They suggested that part of Universal Service Fund collections be moved to a numbers-based system in which every PSTN number would be assessed a $1/month fee. We do not consider this to have been a good idea, in general, for a number of reasons that are not relevant here. However, assessing a fixed monthly direct contribution from all *toll-free* number holders would discourage hoarding and warehousing. The current USF contribution pool is shrinking due to lower toll charges and widespread use of flat-rate calling plans. Toll-free numbers are no longer as important to callers for toll-avoidance purposes. Instead they act as a non-geographic number that can be routed intelligently by a carrier, a nationwide front door for callers. Surely such a service would be worth something to even a small business that needs an 800 number.

A charge of $1/month may or may not be sufficient to discourage typosquatters, and a charge of $10/month would probably discourage many legitimate small-business users, but a contribution per number in between those two points would be desirable. It would thus kill two birds with one stone, raising additional money for USF/CAF purposes and preserving the life of the NANP’s bounded 8xx toll free space. We thus suggest that the Commission include this as part of its toll-free modernization.

1. Ex Parte filing of AT&T and Verizon, Sept. 11, 2008 https://ecfsapi.fcc.gov/file/6520067460.pdf [↑](#footnote-ref-1)