



December 10, 2018

Via Electronic Filing

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Room TW-A325
Washington D.C., 20554

Re: Notice of *Ex-Parte* Communication, CG Docket Nos. 02-278, 18-152 & 17-59

Dear Ms. Dortch:

On December 6, 2018, Michele Shuster, General Counsel for the Professional Association for Customer Engagement (PACE) and Karl Koster, Chief IP & Regulatory Counsel for Noble Systems Corporation, met with Zenji Nakazawa, Public Safety and Consumer Protection Advisor to Chairman Pai. During the meeting, Ms. Shuster and Mr. Koster updated Mr. Nakazawa on efforts of the PACE-led Communication Protection Coalition (CPC) to identify and document best practices across the telecommunications ecosystem that will reduce illegal communications while protecting legal communications. CPC intends to issue a report of its recommendations in the first half of 2019.

The attendees also briefly discussed the potential costs associated with a reassigned number database.¹ PACE offers additional information on this topic below:²

¹ This Notice of *Ex-Parte* Communication is also intended as a supplement to the Comments of Professional Association for Customer Engagement, *In the Matter of Advanced Methods to Target and Eliminate Unlawful Robocalls*, CG Docket No. 17-59 (June 7, 2018).

² PACE would like to thank members Rebekah Johnson, Founder & CEO of Numeracle, and Karl Koster, Chief IP & Regulatory Counsel for Noble Systems Corporation, for their research and contributions to this information.

Currently, there are a number of reassignment databases available and in use where applicable for use by legal callers. The underlying justifications that support a single comprehensive database are already satisfied by the existing reassignment databases. Requiring all carriers to provide data on disconnected numbers would improve and benefit these existing databases. However, the FCC's proposal to move all the existing database solutions under one central repository carries potential for high prices by eliminating competition among database providers.

Even with competition, the current solutions are cost prohibitive for some legal callers. The follow pricing data demonstrates existing marketplace price structures across various solutions providers:

- Providers often charge \$0.0011 - \$0.009 per call request made into the database.
- The higher the volume of database call requests, the lower the price. High volume typically requests 50,000,001-100,000,000 checks per month resulting in a cost of \$55,000 to \$110,000 per month.
- The lower the volume of database call requests, the higher the price. A low volume user typically requests 1-500,000 checks per month resulting in a cost of \$500 (minimum monthly rate) to \$4,500 per month.

As indicated by the above figures, the cost of a functioning reassignment database can still be prohibitive because the cost for a database check is just one of many other costs associated with delivering outbound calls. Legal callers have often implemented consumer data management techniques as a way to reduce the risk of calling a disconnected/reassigned number at a fraction of the cost of using a number reassignment database.

The Commission should also consider the upfront costs of establishing the database and how such costs may be recovered through users who query the database. PACE encourages the Commission to obtain more detailed estimates of the cost factors identified in order to develop an anticipated cost per query. This would include, for example, obtaining estimates of costs associated with establishing and maintaining the database and costs to carriers for complying with new reporting requirements to populate the database. The Commission should then evaluate how such costs will be recovered against users who query the database and how query volume may affect per query charges (like in the scenarios above where lower volumes result in higher per query charges).

PACE also encourages the Commission to draw upon the experience and historical costs associated with the creation and maintenance of the Do Not Call (DNC) database. The historical experience of creating the DNC database likely would demonstrate that setup costs associated with creating an industry-wide database are fairly substantial. A reassigned number database

likely would cost more than the DNC database to establish and maintain because a reassigned number database must process transactions for not only reporting a disconnected number, which may occur several times in a multi-year period, but also all the subsequent user queries verifying whether their records are current (resulting in higher operation volume). The Commission should take all of these factors into account when estimating the costs associated with a reassigned number database.³

Pursuant to 47 C.F.R. § 1.1206(b), the undersigned files this notice electronically in the above referenced docket.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michele A. Shuster". The signature is fluid and cursive, with the first name "Michele" and last name "Shuster" clearly distinguishable.

Michele A. Shuster
Mac Murray & Shuster LLP
6530 West Campus Oval, Suite 210
New Albany, OH 43054
Telephone: (614) 939-9955
Facsimile: (614) 939-9954

Counsel for PACE

³ PACE recognizes that ultimate costs may vary significantly depending on other elements of teleservices regulation affecting the need to reassigned number scrubbing such as the “called party” definition, automated telephone dialing system interpretation, and safe harbors the Commission may associate with reassigned number database use.