FIRST ORION

December 20, 2017

Via Electronic Delivery   *EX PARTE NOTICE*

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

> Re: *In the Matter of Advanced Methods to Target and Eliminate Unlawful Robocalls* CG
> Docket No. 17-59

Ms. Dortch:

On December 18, 2017, Jennifer Glasgow and the undersigned of First Orion Corp. ("First Orion"), doing business as PrivacyStar, met separately with Commissioner O'Rielly and his Legal Advisor Amy Bender, David Grossman, Chief of Staff and Media Policy Advisor for Commissioner Clyburn, Nirali Patel, Acting Legal Adviser for Commissioner Carr, and Travis Litman, Chief of Staff and Legal Adviser for Commissioner Rosenworcel, to discuss issues related to the Further Notice of Proposed Rulemaking currently open for comment in the above-referenced docket.

While most industry focus and discussion in this proceeding has been around call blocking, we discussed how empowering consumers with additional information about individual calls is also an effective tool in protecting consumers from illegal and unwanted calls. Whether displaying "Scam Likely" in the case of suspected fraudulent calls or "Nuisance Likely," "Telemarketer," "Political," or other category in instances of potentially unwanted calls, such identification (also referred to as "tagging" or "labeling") arms consumers with additional information in deciding how to handle inbound calls. Particularly as it relates to unwanted calls (as opposed to illegal/Scam Likely calls), we suggested that it is this additional information that is arguably resulting in consumers answering unwanted calls less frequently, causing some concern among the call originator industry.

We also discussed avoiding regulatory requirements that would unnecessarily impede the use of call identification and call blocking technologies, in the name of decreasing "false positives." First Orion's advanced analytics mitigates any "false positives," and we work rigorously with the call originator industry to further prevent and remediate any such issues. The Commission should encourage such cross-industry coordination and education, which can meet many of the concerns that call originators have raised. The Commission should not require the industry to attempt to enable indicator tones for call originators to know when calls are being blocked. This would be technically challenging and potentially expensive, but more importantly would alert scammers to move on to other numbers that are not in fact being blocked.

The FCC should encourage any company engaged in call tagging or blocking to provide effective remediation process for call originators. We noted that our Web site, www.calltransparency.com, is one of the industry's first such efforts to help with the collection and proliferation of data, to the benefit of consumers, voice providers and call originators alike.

We also encouraged the Commission to allow the industry to address reporting that measures both the effectiveness of tagging and blocking services but also customer satisfaction.

The attached presentation was provided to the Federal Communications Commission participants in the meeting. Pursuant to Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, a copy of this letter is being filed via ECFS. If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ John Ayers
John Ayers
VP, Corporate Development

cc: Amy Bender
        David Grossman
        Nirali Patel
        Travis Litman

FIRST ORION

DATA-DRIVEN CALL TRANSPARENCY

Phone scams are here to stay – unfortunately.

We need to continue the coordinated approach between government and industry.

Consumers need effective tools to manage unwanted calls.

Current State of the Industry

- Phone scams are evolving as analytical tools get better at identifying and blocking bad actors.

  - Scammers mirroring legitimate call originators. (e.g. neighborhood spoofing)

  - Currently solutions are blocking/tagging <u>numbers</u>.

  - Solutions must evolve to blocking/tagging individual <u>calls</u>.

- STIR/SHAKEN will be a big help, but isn't a silver bullet.

- Sophisticated analytics are catching the scammers, but is not a perfect solution.

  - True number of false positives very small.

  - Reported false positives are very small, but not everyone is reporting and not all reports are accurate.

  - Reported false positives must be addressed by the blocking/tagging provider.

- Consumers are blocking or not answering scam calls—but that doesn't impact answer rates for legitimate calls.

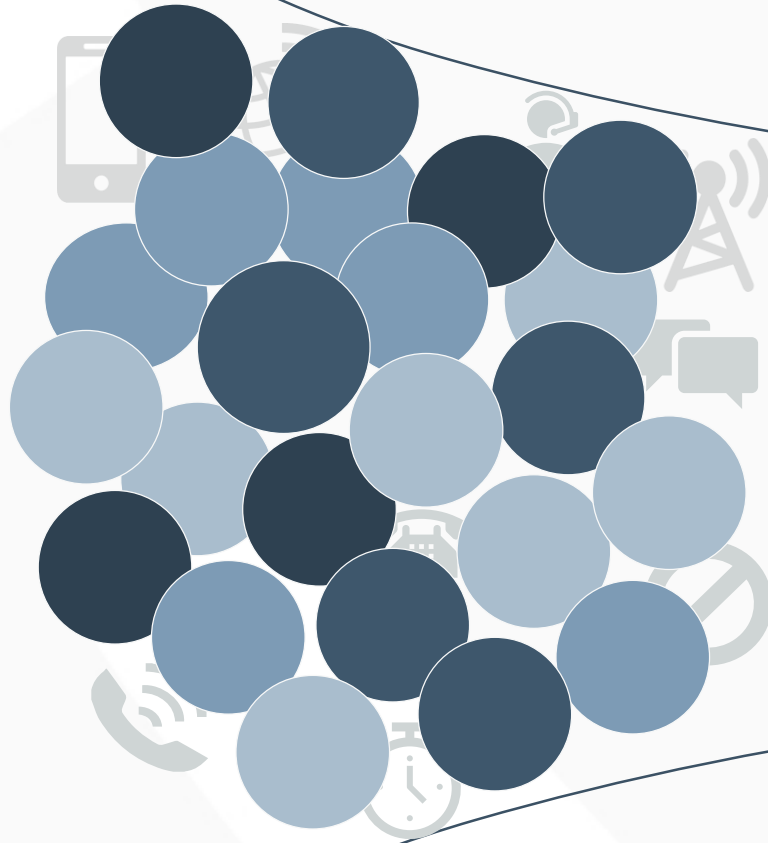- Consumers are blocking or not answering unwanted calls—that <u>does</u> impact answer rates for legitimate calls.
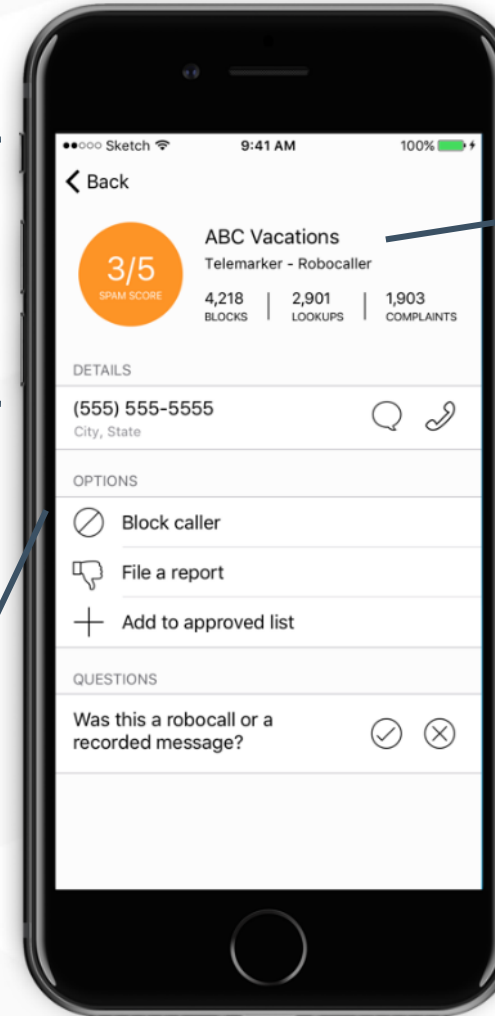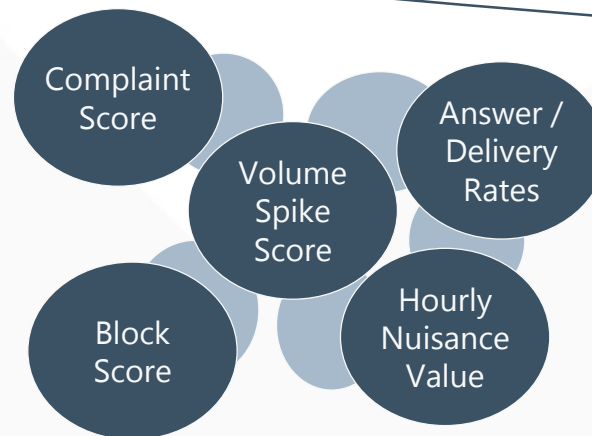
Comprehensive In Network Big Data Solution

FONES collects and analyzes billions of disparate data points, distilling that data down into comprehensive and insightful consumable output units.

Selected Raw Data

Selected Refined Data

Real-time Scores
Every 6 Minutes

Complaint Score

Volume Spike Score

Answer / Delivery Rates

Block Score

Hourly Nuisance Value

Call Scores

5 Malicious (ScamLikely)

4 Offensive (NuisanceLikely)

3 Intrusive

2 Bothersome

1 Inoffensive

0 Unobtrusive or Unknown

Data Sources

Patented Algorithm

Real-Time Scoring

Data Scientists

Spoofing Protection

Legitimate Caller Registry

Call Categories

Research & Verification Team

The Registry

Call originators have ways to know their calls are being blocked and/or tagged.

Call originators should be able to fix blocking and tagging errors (false positives) in a timely manner.

First Orion will not tag a call from a known legitimate entity as 'ScamLikely'.

Understanding Blocks and Tags

- Automatic notification of call blocking notifies the scammers they have been caught and is technically problematic across different networks.

- *After the call* notification of call blocking and tagging is only available to legitimate call originators.

- First Orion launched www.calltransparency.com to identify legitimate call originators and their numbers.
  - Call originators sign up and provide their phone numbers with an industry code, reason for the call and a preferred CallerID name.
  - First Orion authenticates the originator and their numbers.
  - Identified errors are fixed within 24 hours of authentication (usually within a few hours).
  - Legitimate calls from the registered numbers will not be tagged as a 'ScamLikely'.
  - Call originator is notified the erroneous tagging is fixed.

- First Orion offers a number monitoring service to alert originators about future problems with their numbers.
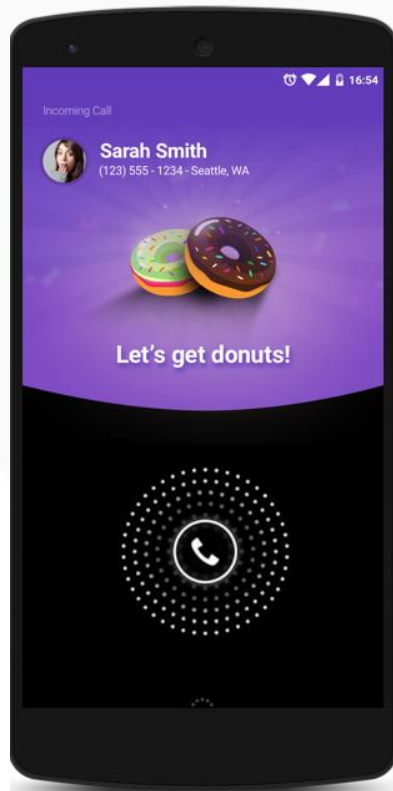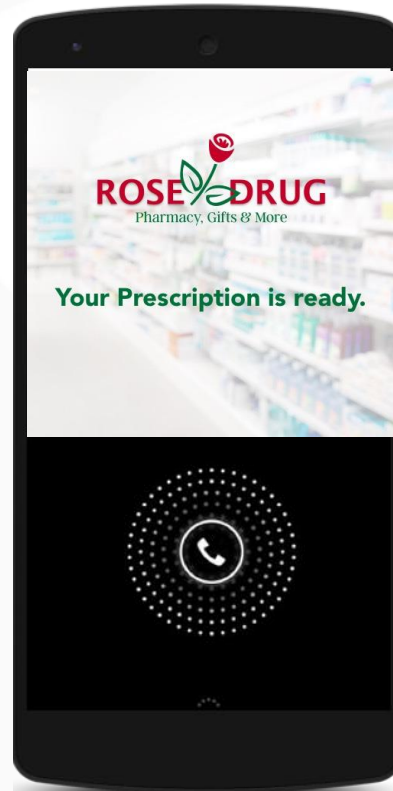
First Orion's Commitment
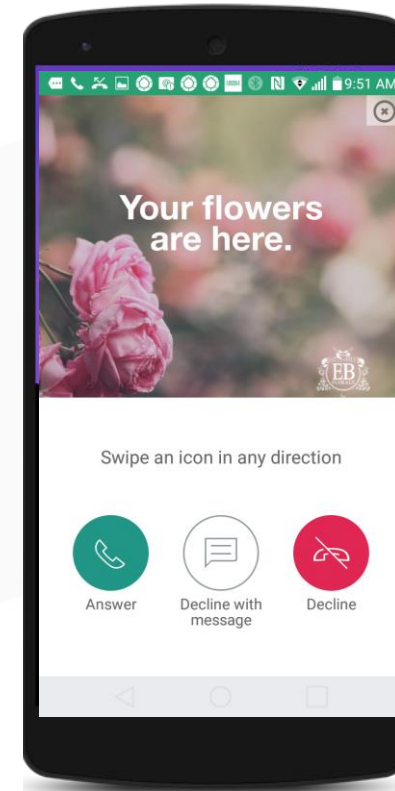
Work toward Industry Solutions

Cooperate with Call Originators

Continually Innovate our Analytics

We want the consumer to love their phone again.

Scam Likely
(555) 123-4321

Incoming Call

REJECT CALL WITH MESSAGE

How the FCC can help

Encourage adoption of industry best practices.

Avoid regulations that encourage too much reliance on white/black lists.

Recognize similarities and differences between call blocking and tagging.

Government and Industry Collaboration

- Encourage development and adoption of industry best practices for call providers and their analytics partners.
  - Feedback mechanisms from carriers and analytics partners.
  - Correct errors as quickly as possible.
- Encourage investment in more sophisticated analytics to adapt as scammers adapt.
- Encourage call tagging to better inform consumer choices about call handling and requests to block.
- Continue to help with consumer education about both legal and illegal spoofing and scams.
- Encourage industry to develop call originator education.