

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of

Consumer and Governmental Affairs Bureau Seeks  
Comment on Robocalls and Call-Blocking Issues Raised by  
the National Association of Attorneys General on Behalf of  
Thirty-Nine Attorneys General

CG Docket No. 02-278  
WC Docket No. 07-135

**COMMENTS OF PINDROP SECURITY**

Pindrop Security respectfully submits these comments in response to the Public Notice issued by the Consumer and Governmental Affairs Bureau (“Bureau”) titled “Consumer and Governmental Affairs Bureau Seeks Comment on Robocalls and Call-Blocking Issues Raised by the National Association of Attorneys General on Behalf of Thirty-Nine Attorneys General” (“Public Notice”) in which the Bureau seeks comment on the legality of telephone carriers<sup>1</sup> blocking unwanted phone calls on behalf of their customers and the technology that is currently available to achieve such blocking. As detailed below, the Federal Communications Commission (“Commission”) should support telephone carriers in their initiatives to block unwanted calls. Blocking of unwanted calls is important for three main reasons:

- Call blocking is already occurring by several over the top (OTT) providers<sup>2</sup>, and even by telephony service providers to a limited extent.
- The technology exists to make this sort of blocking reliable, and beneficial to telephony customers who desire such a service.
- Consumers are being actively targeted with fraudulent intent via the telephone resulting in substantial financial loss.

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<sup>1</sup> While the Attorneys General use the term “telephone carrier,” the comments of Pindrop Security extend this to include all telephony service providers including VoIP providers.

<sup>2</sup> For example Google Voice allows for global spam filtering. See “Global Spam Filtering” at <https://support.google.com/voice/answer/115089?hl=en> (last visited January 8, 2015)

## I. CARRIER-BASED BLOCKING ALREADY EXISTS IN SEVERAL FORMS

The Public Notice cites four instances where the Commission either explicitly or implicitly allowed forms of call blocking. In summary<sup>3</sup>:

- While in a 2011 Report and Order,<sup>4</sup> the Commission stated that “except in rare circumstances,” it “does not allow carriers to engage in call blocking,” it has not directly held that blocking calls upon customer request is unlawful.
- In a Declaratory Ruling in 2007,<sup>5</sup> the Commission recognized “the right of individual end users to choose to block incoming calls from unwanted callers.”
- In a Report and Order in 2004,<sup>6</sup> the Commission stated that telecommunications relay services (TRS) providers “are capable of providing anonymous call rejection ... as long as the TRS consumer seeking to use these features, whether the calling party or called party, subscribes to the service.”
- In 1996, addressing a type of toll fraud faced by aggregator telephones,<sup>7</sup> the Commission required local exchange carriers to “provide international blocking services to business customers, where technically feasible and economically reasonable.”<sup>8</sup>

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<sup>3</sup> Excerpts taken from *Consumer and Governmental Affairs Bureau Seeks Comment on Robocalls and Call-Blocking Issues Raised by the National Association of Attorneys General on Behalf of Thirty-Nine Attorneys General*, CG Docket No. 02-278, WC Docket No. 07-135

<sup>4</sup> *2011 Report and Order*, 26 FCC Rcd at 18029, para. 973 n.2038 (2011) (quoting *2007 Declaratory Ruling*, 22 FCC Rcd at 11632, para. 7 & n.21).

<sup>5</sup> *2007 Declaratory Ruling*, 22 FCC Rcd at 11632, para. 7 n.21.

<sup>6</sup> *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, CG Docket Nos. 90-571, 98-67, 03-123, Report and Order, Order on Reconsideration, and Further Notice of Proposed Rulemaking, 19 FCC Rcd 12475, 12508, para. 74 (2004).

<sup>7</sup> For a detailed description of the problem, see *Policies and Rules Concerning Operator Service Access and Pay Telephone Compensation*, CD Docket No. 91-35, Third Report and Order, 11 FCC Rcd 17021, 17023-24, para. 3 (1996) (*1996 Report and Order*).

<sup>8</sup> *Id.* At 17045, para. 44: see also *Application by Verizon New Jersey Inc., Bell Atlantic Communications, Inc. (D/B/A Verizon Long Distance), NYNEX Long Distance Company (D/B/A Verizon Enterprise Solutions), Verizon Global Networks Inc., and Verizon Select Services Inc., for Authorization to Provide In-Region, Interlata Services in New*

Each of the examples above provides precedent indicating that call-blocking services are lawful. Additionally, the subsequent actions taken based on these rulings show that technology is available to support such call blocking. Based on these points, Pindrop Security asks the Commission to provide a clear ruling allowing telephony service providers to provide call blocking services to their customers on an “opt-in” basis.

By providing call-blocking services on an opt-in basis, telephony service providers can make the impact of the service clear to their end users.

## **II. TECHNOLOGY FOR BLOCKING IS RELIABLE**

The Public Notice requests comment on what call-blocking technologies are available, how they work, and their reliability. Many technologies currently exist for the purposes of blocking calls. However, these services are mostly limited to corporations with their own internal telephony infrastructure wishing to block incoming calls for a number of reasons. For example, Pindrop Security provides two products designed to allow enterprises to block incoming calls. Pindrop’s Fraud Detection System (“FDS”) uses PhonePrinting™<sup>9</sup> technology to identify previously encountered instances of fraud and preventing repeat calls from that individual. Pindrop’s Phone Reputation Service (“PRS”) is a SaaS-based offering that allows enterprises to gather information about a phone number. Oftentimes, the information gleaned from PRS is used to make a determination about whether the call should be connected.

Accuracy is important for products intended to block unwanted calls. Pindrop’s products have been proven to detect over 80% of fraud perpetrated by telephone across a wide customer base. Detection at this rate is possible with a false positive rate of less than 2%. It is quite possible for telephony service providers to implement a vertical service code<sup>10</sup>, web interface, or other mechanisms that allow consumers to provide feedback into false negatives and false positives.

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*Jersey*, WC Docket No. 02-67, Memorandum Opinion and Order, 17 FCC Rcd 12275, 12355-56, paras. 161-163 (2002); *Policies and Rules Concerning Operator Service Access and Pay Telephone Compensation*, CD Docket No. 91-35, Report and Order and Further Notice of Proposed Rule Making, 6 FCC Rcd 4736, 4741, para. 15 (1991).

<sup>9</sup> See “About Phoneprinting,” available at <http://www.pindropsecurity.com/about-phone-printing/> (last visited January 8, 2015)

<sup>10</sup> North American Numbering Plan Administration, Vertical Service Codes: Code Definitions, available at [http://www.nanpa.com/number\\_resource\\_info/vsc\\_definitions.html](http://www.nanpa.com/number_resource_info/vsc_definitions.html) (last visited January 8, 2015)

With these proven technologies, telephony service providers could easily extend call blocking capability outside the bounds of a corporate enterprise into the public realm.

### **III. UNWANTED CALLS LEAD TO CONSUMER FINANCIAL LOSS**

According to the Federal Trade Commission<sup>11</sup>, consumers lost over \$1.4 billion dollars to fraud in 2012 with a median loss of \$535 per incident. In 34% of the cases reported, the initial method of contact by the perpetrator was the telephone. Additionally, the FTC reported<sup>12</sup> that in 2012, the number of registrants on its “Do Not Call” list had risen to over 217 million – up from 209 million in the previous year. Even with the “Do Not Call” registry, the number of unwanted calls that were reported<sup>13</sup> by consumers in 2012 was over 3.8 million – up from 2.3 million the previous year.

While one might consider the issue of call blocking to be a matter of preventing a nuisance, the data above shows that call blocking is an important step toward crime prevention. Consumers are being actively targeted with scams, and many are falling victim. Telephony service providers are in an advantageous position to mitigate much of the telephony fraud that is being perpetrated. While potentially valuable at stopping nuisance calls, the methods currently in place (e.g., Do Not Call Registry) are ineffective at stopping actual crime.

For telephony service providers to implement such call blocking services, they must be certain of their legal right to do so<sup>14</sup>.

### **IV. CONCLUSION**

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<sup>11</sup> U.S. Federal Trade Commission. *Consumer Sentinal Network Data Book for January – December 2012*. Washington, D.C., February 2013. (page 3).

<sup>12</sup> U.S. Federal Trade Commission. *National Do Not Call Registry Data Book FY 2012*. Washington, D.C., October 2012. (pp. 4-5).

<sup>13</sup> U.S. Federal Trade Commission. *National Do Not Call Registry Data Book FY 2012*. Washington, D.C., October 2012. (pp. 5-6).

<sup>14</sup> *As Cited in the Public Notice in footnote 5*: The Attorneys General note that, subsequent to the hearing, Senator Claire McCaskill sent a letter to US Telecom and CTIA asking for a “complete analysis of the challenges your industry foresees in implementing call-blocking technologies.” According to the Attorneys General, US Telecom stated in its response to Senator McCaskill that “the [Commission] has concluded that call blocking is an unjust and unreasonable practice under section 201(b) of the Communications Act of 1934.”

Data shows that Americans are being greatly impacted by robodialers and other forms of unwanted calls, and the current tactics being used to stop them are ineffective. Technology exists that would allow telephony service providers to provide accurate and effective blocking of unwanted calls. To date, one reason these have not been deployed is due to legal ambiguity governing such blocking. By allowing telephony service providers to deliver call-blocking services, the Commission will effectively allow those providers to aid in protecting their customers against crime.

Respectfully submitted,

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