

**Subject to Request for Confidential Treatment
Pursuant to 47 C.F.R. §§ 0.457, 0.459**

April 20, 2015

BY HAND DELIVERY AND ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Sorenson Communications, Inc.’s Response to Staff Questions Re: VRS Providers’ Joint Proposal for Improving Functional Equivalence and Stabilizing Rates, and Request for Confidential Treatment Pursuant to 47 C.F.R. §§ 0.457 and 0.459; Structure and Practices of the Video Relay Service Program, CG Docket No. 10-51

Dear Ms. Dortch:

Sorenson Communications, Inc. (“Sorenson”) hereby submits responses to Staff questions regarding the VRS Providers’ Joint Proposal for Improving Functional Equivalence and Stabilizing Rates. An original and one copy of Sorenson’s Response in confidential form is attached as Exhibit A, and an original and one copy of Sorenson’s Response in redacted form is attached as Exhibit B. Sorenson is also filing an electronic copy of the redacted version via ECFS.

Sorenson requests pursuant to Sections 0.457 and 0.459 of the Commission’s rules, 47 C.F.R. §§ 0.457, 0.459, that the Commission withhold from any future public inspection and accord confidential treatment to the highly confidential, business sensitive information contained in the Response, including: (1) Sorenson’s costs associated with operating call centers; (2) Sorenson’s costs associated with compensating, training, and supervising VRS interpreters; (3) Sorenson’s VRS interpreter turnover rate; (4) hours worked by Sorenson VRS interpreters; (5) Sorenson’s strategies and approaches to recruiting and training VRS interpreters; (6) Sorenson’s decisions regarding opening, closing, and staffing VRS call centers and providing technical support; (7) Sorenson’s analysis of market conditions for hiring VRS interpreters; (8) Sorenson’s analysis of the relationship between VRS rates, VRS interpreter compensation, and quality of VRS provided; (9) Sorenson’s budgeting and planning for future research and development; and (10) Sorenson’s projected average speed of answer if the Commission adopts the Joint Proposal. (collectively, the “Confidential Information”). All of the Confidential Information has been redacted from the version of the Response attached as Exhibit B and filed electronically.

The Confidential Information constitutes highly sensitive commercial information that falls within Exemption 4 of the Freedom of Information Act (“FOIA”). Exemption 4 of FOIA provides that the public disclosure requirement of the statute “does not apply to matters that are

... (4) trade secrets and commercial or financial information obtained from a person and privileged or confidential.” 5 U.S.C. § 552(b)(4). Because Sorenson is providing commercial information “of a kind that would not customarily be released to the public” in accordance with the application requirements in Section 64.606 of the Commission’s rules, this information is “confidential” under Exemption 4 of FOIA. *See Critical Mass Energy Project v. NRC*, 975 F.2d 871, 879 (D.C. Cir. 1992). Because this is a voluntary filing, if the Commission denies this request for confidential treatment, Sorenson requests for its Confidential Information to be returned.

In support of this request and pursuant to Section 0.459(b) of the Commission’s rules, Sorenson hereby states as follows:

1. Identification of the Specific Information for Which Confidential Treatment Is Sought (Section 0.459(b)(1))

Sorenson seeks confidential treatment with respect to the Confidential Information—all of which has been redacted from the version of the Update attached as Exhibit B and filed electronically.

2. Description of the Circumstances Giving Rise to the Submission (Section 0.459(b)(2))

Sorenson is responding to Commission Staff’s questions regarding the VRS Providers’ Joint Proposal for Improving Functional Equivalence and Stabilizing Rates.

3. Explanation of the Degree to Which the Information Is Commercial or Financial, or Contains a Trade Secret or Is Privileged (Section 0.459(b)(3))

The information described above is protected from disclosure for two reasons. First, the Confidential Information constitutes highly sensitive information about Sorenson’s operations, costs, and strategic decisions, including as they relate to staffing, call center operation, redundancy and the ability to manage variable call volumes. This information constitutes highly sensitive commercial information “which would customarily be guarded from competitors.” 47 C.F.R. § 0.457.

4. Explanation of the Degree to Which the Information Concerns a Service that Is Subject to Competition (Section 0.459(b)(4))

The Internet-based Telecommunications Relay Services market is highly competitive throughout the United States.

5. Explanation of How Disclosure of the Information Could Result in Substantial Competitive Harm (Section 0.459(b)(5))

Disclosure of the Confidential Information would provide Sorenson's competitors with sensitive insights related to Sorenson's operations, costs, and strategic decisions—all of which would work to Sorenson's severe competitive disadvantage.

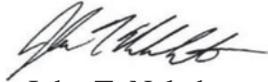
6. Identification of Any Measures Taken to Prevent Unauthorized Disclosure (Section 0.459(b)(6))

Sorenson does not make the Confidential Information publicly available.

7. Identification of Whether the Information Is Available to the Public and the Extent of Any Previous Disclosure of the Information to Third Parties (Section 0.459(b)(7))

Sorenson does not make the Confidential Information publicly available.

Sincerely,



John T. Nakahata

Counsel to Sorenson Communications, Inc.

Attachments

cc: Gregory Hlibok (email)

Exhibit B

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

In the Matter of:

Structure and Practices of the Video Relay
Service Program

CG Docket No. 10-51

Telecommunications Relay Services and
Speech-to-Speech Services for Individuals
with Hearing and Speech Disabilities

CG Docket No. 03-123

**SORENSEN COMMUNICATIONS, INC.'S RESPONSE TO STAFF QUESTIONS RE
VRS PROVIDERS' JOINT PROPOSAL FOR IMPROVING FUNCTIONAL
EQUIVALENCE AND STABILIZING RATES**

Sorenson Communications, Inc. (“Sorenson”) hereby submits its response to questions posed by the Commission staff at the April 8, 2015 meeting with Video Relay Service (“VRS”) providers. In general, Sorenson notes that the 2010 rate cuts and attendant closing of several interpreting centers, followed by the 2013 rate cuts along with the simultaneous adoption of speed-of-answer requirements that caused interpreters to bear the brunt of unpredictable fluctuations in call volumes, have demoralized VRS interpreters and made VRS a less attractive setting for interpreters. The small stream of new interpreting graduates every year is not sufficient to fill VRS openings, especially because many of those new graduates do not yet have the skills to interpret in VRS, which is highly demanding. Further scheduled rate cuts will perpetuate this downward spiral, threatening the ability of VRS providers to provide functionally equivalent service.

1) Is there evidence that lower rates have contributed to lower interpreter salaries or higher interpreter stress?

The rate cuts adopted by the June 2013 VRS Reform Order have already forced Sorenson to decrease Video Interpreters' compensation. As a result of the rate cuts, Sorenson has

****BEGIN HIGHLY CONFIDENTIAL**** [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] ****END HIGHLY**

CONFIDENTIAL** In particular, this decrease in compensation makes Sorenson and other VRS providers less competitive in being able to hire from the pool of only 750 potential new RID-certified interpreter graduates each year.

****BEGIN HIGHLY CONFIDENTIAL**** [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

****END HIGHLY CONFIDENTIAL****

The rate reductions have also forced Sorenson ****BEGIN HIGHLY**

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[REDACTED]

****END HIGHLY**

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2) Is it possible to achieve functional equivalence at upcoming rates?

The scheduled rate decreases will have drastic negative consequences on Sorenson’s ability to continue providing functionally equivalent service because the cuts will make it

****BEGIN HIGHLY CONFIDENTIAL****

[REDACTED]

****END HIGHLY**

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First, the rate cuts will force Sorenson to reduce ****BEGIN HIGHLY**

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[REDACTED]

interpreter efficiency. ****BEGIN HIGHLY CONFIDENTIAL**** [REDACTED]

[REDACTED] ****END HIGHLY CONFIDENTIAL**** It

is therefore not likely that Sorenson can maintain service levels through an increase in interpreter efficiency, and thus further rate cuts are likely to negatively affect service levels.

Third, if rates go down further, Sorenson will have no choice but to cut ****BEGIN**

HIGHLY CONFIDENTIAL** [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

It is important for the Commission to keep in mind that few interpreters want to work full-time in VRS, and doing so is not necessarily desirable from the standpoint of providing high quality interpreting on every call. VRS interpreting is physically taxing, requiring intense visual and mental concentration, as well as the ability to deal with stressful situations.

5) What do you hope to learn from the trial?

This question is addressed in the VRS providers' joint filing.

6) What is the market rate for interpreters with various skills versus generalist interpreters? How much will the trial of skills-based routing increase costs?

This question is addressed in the VRS providers' joint filing.

7) What percent of calls would be skills-based routed?

This question is addressed in the VRS providers' joint filing.

8) What does the 80/45 proposal mean in terms of an average?

If the Commission requires 80 percent of calls to be answered within 45 seconds, Sorenson expects its average speed of answer would be ****BEGIN HIGHLY**

CONFIDENTIAL** [REDACTED] ****END HIGHLY CONFIDENTIAL****.

April 20, 2015

Respectfully submitted,



Michael D. Maddix
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