

June 11, 2015

VIA ECFS

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

Stephanie A. Joyce

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Re: WC Docket No. 12-375, Reply to Letter from E-Complish, Inc. (June 10, 2015)

Dear Secretary:

Securus Technologies, Inc. (“Securus”) replies to the letter from Stephen Price, Chief Executive Officer of E-Complish, Inc., dated June 10, 2015 (“E-Complish Letter”). The letter regards the fees that providers of Inmate Calling Service (“ICS”) apply to “payment processing services.” *Id.* at 1. Its focus appears to be credit card processing fees.

E-Complish states that “we have witnessed other vendors who ‘self-provision’ ICS payment processing services and charge fees of \$10.00 to \$19.95 per transaction.” *Id.* at 2. As Securus has previously stated, it generally charges \$6.95 for credit card processing, in some places the charge is \$7.95,¹ and Securus does not increase that amount based on the size of the transaction.

Securus has provided the Commission with a sworn Declaration quantifying the many costs that Securus incurs in order to give customers the ability to use credit cards.² The bulk of these costs represent what the third-party processing vendors charge Securus. Another set of costs, one which the letter specifically identifies as an important variable in the fees that E-Complish charges, are “chargebacks.” E-Complish Letter at 2.

E-Complish suggests that ICS carriers charging \$10.00 to \$19.95 are deliberately paying too much for payment processing vendors. *Id.* (“if an ICS vendor’s costs are that high, that is the vendor’s problem”). Securus has negotiated aggressively to obtain the most reliable payment

¹ WC Docket No. 12-375, Securus Reply Comments in Response to DA 13-1445 at 4 & Att. A (July 24, 2013).

² WC Docket No. 12-375, Declaration of Dennis Rose, Senior Director – Billing, ¶ 3 (Jan. 9, 2015) (appended to Initial Comments of Securus (Jan. 12, 2015) (CONFIDENTIAL VERSION)).

processing vendors for as small a cost as possible. Nonetheless, as the Rose Declaration shows, the amount of “chargebacks” that occur in this industry make the cost of payment processing higher. Moreover, E-Complish has no firsthand knowledge as to the efforts ICS carriers make to enable credit card processing services.

E-Complish then states that “we have refused to work with ICS providers who insist on charging exorbitant fees.” *Id.* Securus has never been approached by E-Complish with an offer to be one of its processing vendors. In any event, Securus’s processing fee is significantly lower than those E-Complish is criticizing.

Securus, a leading provider of ICS nationwide, is not familiar with E-Complish. As such, Securus is unaware of the basis on which E-Complish makes the blanket statement “the ICS industry as a whole is tainted and corrupt.” E-Complish Letter at 1. This industry connects inmates to the outside world and assists law enforcement officers and corrections officers with maintaining prison security and public safety:

- Our industry completes over 400 million inmate calls per year, primarily calls to friends and family members;
- Our industry saves thousands of lives a year – inmates, their friends and family, as well as judges, police officers, prosecutors, and their families; and
- Our industry’s sophisticated technology has enabled law enforcement officers to solve or prevent hundreds of thousands of crimes a year. We help keep society safe.

E-Complish is not itself an ICS provider, but rather has “provided payment processing services to ICS vendors for approximately 10 years.” *Id.* E-Complish does not take on the responsibility of providing secure calling systems – with all of the features and functionalities that corrections officials require to maintain safety – that Securus and its predecessor companies have shouldered for decades. The amount of resources that Securus has devoted to the research and development of ICS technology is unparalleled, as is the amount of person hours it devotes to maintaining reliable calling systems. Securus truly does “‘invest’ in our clients,” to borrow the E-Complish “philosophical approach.” E-Complish Letter at 2. E-Complish has not made the investment that is required to provide the full service product set needed in the inmate communications services sector.

Please let me know if you need any further information from Securus. Thank you for your consideration.

Sincerely,

s/Stephanie A. Joyce

Counsel to Securus Technologies, Inc.

cc: Chairman Tom Wheeler
Commissioner Mignon Clyburn
Commissioner Jessica Rosenworcel
Commissioner Ajit Pai
Commissioner Michael O’Rielly
Rebekah Goodheart, Legal Advisor to Commissioner Clyburn
Pamela Arluk, Acting Chief, Pricing Policy Division, Wireline Competition Bureau
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