

June 25, 2015

VIA ECFS

Ms. Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CG Docket No. 03-123; CG Docket No. 10-51

Dear Ms. Dortch:

On June 24, 2015, Jarrod Musano, Chief Executive Officer, and I of Convo Communications, LLC (“Convo”) met with Rebekah Goodheart, Legal Advisor, Commissioner Clyburn, Travis Litman, Legal Advisor and Jennifer Thompson, Special Advisor & Confidential Assistant, Commissioner Rosenworcel, and Amy Bender, Legal Advisor, Commissioner O’Rielly, to provide information about its new offerings for the video relay services (“VRS”) market, its vigorous growth and the need for an immediate temporary rate stabilization to allow its maturation to scale to operate at a lower rate. Convo said that the rate cut scheduled for July 1, 2015 places Convo in a severe fiscal shortfall, which requires cutting services or raising additional capital to stay upright until it reaches an efficient scale of operations. Convo urged the Commission to take immediate measures to stay the imminent rate decrease for at least the three newest and smallest providers to ensure their fiscal viability while the joint VRS providers’ petition to improve functional equivalence and rate stabilization is considered.

Convo provided them a confidential handout (attached) which summarized its robust growth of volume, its three-year business roadmap and its lean fiscal operations. Convo explained that it has had to begin building its business without the significantly higher past compensation rates that mature VRS providers have availed themselves to grow to scale. RLA in its 2015 TRS Rate Filing reported to the Commission that “the historic and projected costs for the smallest of the providers’ remains above the rates, potentially jeopardizing their continuation of service.” Convo said that it would reach scale under the current rate in less than a year, but would fail to do so if the rate cut went into effect on July 1, 2015.

Convo discussed that Convo was certified as a VRS provider before the Commission’s 2013 VRS Reform Order and therefore had no way to foresee or plan for the Order’s “glide path” of declining rates in anticipation of new programs which were intended to permit providers to reduce certain service costs through the engagement with third party entities. These new programs have not yet moved forward or are at its earliest stages, thus Convo must absorb all of the rate cuts without the opportunities the Commission set out in the VRS Reform Order to alleviate the rate cuts. The fiscal information Convo provided the Commission showed that while its operational costs are well within the industry parameters, it is operating with debt, without margin and plunging back into negative revenue with each rate decrease.

Sincerely,

/s/

Jeff Rosen
General Counsel

cc: Rebekah Goodheart
Travis Litman
Jennifer Thompson
Amy Bender

Attachment

REDACTED ATTACHMENTS

Slide 1 – Convo Mission Statement

Slide 2 – Convo Organizational Chart

Slide 3 – Convo Specialization Chart

Slide 4 – Convo Growth Chart

Slide 5 – Convo Roadmap

Slide 6 - Convo Fiscal & Operational Information