

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC. 20554**

In the Matter of)
)
) WC Docket No. 12-375
Rates for Interstate Inmate Calling Services)
)

**COMMENTS OF IWEBVISIT.COM, LLC
TO THIRD FURTHER NOTICE OF PROPOSED RULEMAKING**

iWebVisit.com, LLC (“iWebVisit”) respectfully submits these Comments in response to the *Third Further Notice of Proposed Rulemaking* (“*Third FNPRM*”) released November 5, 2015, in the captioned proceeding.¹

I. Introduction

Founded in 2009, iWebVisit developed one of the first “cloud-hosted, web-based” remote video visitation platforms available to the corrections industry. By combining its technology with commercial off-the-shelf hardware, iWebVisit provides a state-of-the-art, but affordable, means for correctional facilities to have both a robust visitation system for all on-site visitations as well as the option for remote visitors to schedule and conduct a visit if they are unable to travel to the facility. Having first deployed its technology in 2010 at a facility in Nevada, iWebVisit now provides services to a multitude of facilities in a dozen states.²

¹ *Rates for Interstate Inmate Calling Services*, WC Docket No. 12-375, Second Report and Order and Third Further Notice of Proposed Rulemaking, FCC 15-136 (rel. Nov. 5, 2015).

² See <http://www.iwebvisit.com>.

The benefits to inmate families and corrections officials from the iWebVisit solution include: (1) the expansion of visiting hours, (2) the ability to visit with multiple visitors at different remote locations simultaneously, (3) the ability to provide a visitor with the option to not bring children into a detention facility yet allow them to visit with their loved one, (4) the reduction in the number of people waiting in the visiting lobby of the corrections center, (5) the increase in the safety of inmates and staff, and (6) the reduction in staff time needed to implement and track visitation.³

This is the first opportunity iWebVisit has had to address the Commission on any topic and is pleased to be able to share information with the FCC in response to a number of the areas of inquiry identified in the *Third FNPRM*.

II. Competing with ICS Bundled Service Offerings

As a pioneer in remote video visitation technology, iWebVisit was founded with the goal of enhancing traditional on-site only visitation technology and adding the ability to conduct remote visits from any standard home computing device together with advanced scheduling capabilities. iWebVisit quickly realized, however, that to compete in this new and emerging industry, alongside existing ICS companies, video visitation systems could no longer be made available to corrections facilities for “purchase” (as they had been since the mid 1990's). Rather, in order to be competitive, a visitation system generally would need to be provided for “free” and the service provider might even need to go further to offer a “commission” to the correctional facility.

³ *New Jail Visit Technology Makes AZ Debut in Pinal County* (Apr. 2013), <http://www.pinalcountyaz.gov/Sheriff/Pages/PSCONewsArticle.aspx?aid=32>.

iWebVisit resisted this new pressure, however, and found that it could still secure new contracts but growth was limited as ICS companies continued to “give away” costly video visitation technology in order to prevent the erosion of their telephone contracts, and to gain access to a potentially new revenue stream.

In early 2014, iWebVisit brought in a new president with prior experience in the ICS industry who believed he could help grow iWebVisit and successfully compete against the pressures from the ICS providers. The new iWebVisit president recommended that the company discontinue the practice of competing against “free” system offers from ICS companies as it was his belief that such offers were not sustainable, nor were they in the best interests of the consumer. It also was his belief that raising visitation rates to compete with the bundled ICS offers would not align with the company's values. The company's goal was, and remains, to increase family contact, not create barriers.

With this knowledge and recommendation, the owners of iWebVisit agreed to change course concerning the overall business model for the company. The company focus shifted to working with correctional facilities which desired an advanced system but which also placed emphasis on affordable end-user pricing without expecting a “free” system. If any revenue sharing would occur, it would be to reimburse the facility for its own investment in the purchase of a system. Further, iWebVisit placed great emphasis on product enhancements and the reduction of end-user costs.

This strategy has proven successful and in the past 18 months the company has been able to voluntarily lower the rates paid by its end users nearly 20 percent enterprise wide. The iWebVisit business model now focuses on correctional facilities that are looking for the lowest

possible consumer prices and do not expect or want to receive a commission. Some facilities, in fact, pay iWebVisit monthly for access to and the use of its specialized platform.

Most iWebVisit correctional facility customers value and appreciate the labor savings derived from the reduced inmate movement which results from having a full-featured visitation management system in place.

Admittedly, by staying with its commitment to keep consumer costs low, iWebVisit has not been able to compete as effectively in some sectors of the corrections industry against companies that offer bundled services, “free” systems, commission offers and, sometimes, higher consumer pricing.

While iWebVisit would prefer not to see new regulation on technology companies or new administrative burdens placed on the FCC, some form of accountability for ICS providers, and minimally a restriction against bundling by ICS providers of their regulated communications services with unregulated video visitation systems, would appear to be in the best interest of consumers.

III. Visitor-Initiated Visitation Versus Inmate-Initiated Communications

iWebVisit provides exclusively a reservation and scheduling system whereby *visitors* reserve in advance a block of time that fits within the visitor’s schedule and within the visitation policies of the facility and applicable law. At the designated time, the visitor(s) and the inmate are connected and they have a traditional *visit* – whether the visitor is in the lobby of the facility or a thousand miles away. This process is 100 percent visitor (consumer) initiated. iWebVisit does not provide *inmate-initiated* communications options.

IV. The Cost of Visitor-Initiated Visitation

Historically, the pricing of remote (paid) visitation has been determined by the anticipated volume versus the cost of installation. Major factors that affect anticipated volume include the number of available visitation hours per day that each visitation station is accessible to an inmate and visitor, as set by facility policy, and the geographic location of the correctional facility and its ease of access via highway or toll way.

The primary cost components associated with providing a quality video visitation service include: (1) initial and on-going engineering and development, (2) hardware evaluation and system testing, (3) custom interfacing to communicate with the correctional facility secure systems to maintain inmate status and availability, (4) data centers, (5) customer-care call centers, (6) skilled customer care representatives, (7) high speed connectivity between facilities and data center servers and data storage, (8) network monitoring and emergency support, (9) transaction processing and (10) maintaining a spare parts inventory. These are the primary *direct* costs and do not include such costs as marketing, administration, web-site development and maintenance, management, travel and lodging, insurance, facilities, taxes and profit.

Regarding costs to corrections facilities, these vary based on a facility's needs. It is common for a facility to provide internet connectivity or infrastructure wiring, or staff to provide basic maintenance in an effort to help keep costs down for all involved.

An average of 60 to 70 percent of all iWebVisit visitation sessions are intra-institution, and are provided without cost to the inmate or the inmate's family – even though the same costs exist whether the visit session is intra-institution or remote – *i.e.*, engineering, customer care, customer training, connectivity, data centers, replacement parts, etc. Thus, the revenue generated by the optional paid/remote visits is the sole revenue that supports *all* costs for *all* visit types.

Optional remote video visitation services are sold as pre-scheduled visitation sessions of a fixed duration, not on a per-minute basis like inmate-initiated services. The average (single) visitation session is between 15 and 30 minutes in duration. Often, *remote* visitors choose multiple back-to-back visit sessions, thus extending their contact time. This extended *remote* visitation option is made possible because the visitor's personal computing device does not have to compete for availability as is often the case for in-lobby visits where a high volume of visitors may be waiting in line.

While the cost of a remote visitation session varies from facility to facility depending on a variety of factors, the average cost for an optional remote visitation session ranges between \$4.50 and \$10.00.

Translating the video visitation pricing model into a per-minute regime, however, the cost to the consumer for iWebVisit remote visits has ranged over the years from a high of 55 cents per minute to a low of 30 cents per minute. Considering all of the foregoing cost factors, as technology evolved and cost savings became available, iWebVisit has been able to reduce the consumer cost for a remote visit session by approximately 20 percent over the past 18 months.

Regarding miscellaneous fees, iWebVisit charges only *one* ancillary fee and does not plan to implement additional fees unless mandated by law. iWebVisit accepts almost any form of payment from a remote visitor and regardless of payment type or how it is received, there is a charge of \$2.95 per month as a processing and account management fee. The fee is only applicable if the *remote* visitor's account is active in a given month. Although this fee is intended to offset the cost of credit card processing, disputes, fraud and the cost of providing skilled technical support, it does not fully cover such costs. iWebVisit does not charge any other fees – for example, to deposit funds on an account or to provide a refund. If a consumer is unable to

utilize the iWebVisit system because an inmate was transferred and they did not realize it before they scheduled and paid for a visit, iWebVisit returns 100 percent of their money with no questions asked and no other fees applied.

V. Video Visitation Versus In-Person Visitation

iWebVisit encourages facilities to make in-person visitation as available as practical for each facility's needs and policies. The iWebVisit system is a *complete and true visitation system* in that it can schedule and manage *all* types of visits, whether they are in-person, through the glass, via video station or remotely off-site.

VI. The Use and Benefits of Video Visitation

There is substantial difference between a *quality* video-visit session and a traditional ICS. iWebVisit monitors visit sessions for quality control and customer support. As such, it is common to see multiple family members gather around a computer and uplift their incarcerated loved one with words of encouragement, laughter and sharing of their faith, sometimes hundreds of miles away. We have seen grandparents, parents, spouses, children, aunts, uncles, friends and even family pets share the excitement that only a *quality* video session can provide. These are all special moments that an in-person visit in a public lobby cannot provide and a telephone call can never achieve. *This is a scheduled block of quality time involving many people all for the benefit of sharing their support.*

The iWebVisit system can connect multiple visitors from anywhere in the world, all at the same time. The visitors do not need to all be in front of the same computer. Again, this level of *quality* voice and video visit time cannot be achieved through a traditional telephone call.

Visitation frequency is driven by the number of hours of availability per inmate, per facility policy, and is dependent upon each inmate's incarceration status and visitation privileges.

These policies vary as widely as the family's own schedule and availability. On a broad scope, inmate/family communication has *increased* with an iWebVisit system. When compared with visitation data from 12 months ago, the average number of all visits per week *per inmate* has increased by more than 12 percent. iWebVisit data shows that some families do not opt to use the remote capability at all, while others choose to use it once or twice a month, and some even use it as much as once or twice per day.

Regarding the cost of inmate movement and derived savings within a facility, one larger iWebVisit facility has quoted a \$15 per visit savings in manpower by not relocating inmates inside the facility in order for visitation to take place. Given that a 1,000-bed facility will typically see around 4,000 visits per month combined, both on and off site, such a facility would experience a savings of \$60,000 per month through the use of video visitation.

VII. Conclusion

In sum, iWebVisit believes that *visitor-initiated video visitation* is distinct from *inmate-initiated ICS service*. ICS providers are unfairly competing with stand-alone video visitation companies like iWebVisit through the bundling of their regulated ICS offering with unregulated video visitation services, and the *elimination* of such bundling would ultimately benefit the visitor consumer and the inmate community with whom they interact. The market forces at work in a video visitation sector unencumbered by unfair and inappropriate competition would clearly

be sufficient to result in quality visitation services to visitors and the corrections industry at fair and reasonable rates, without the need for government regulation.

Respectfully submitted,

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by

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and

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