Presentation to John W. Hunter
Chief of Staff for Commissioner McDowell

Video Relay Service Issues

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Hands On Video Relay Services, Inc.

- FCC Certified VRS provider.
- Contract supplier of VRS to AT&T.
- Call centers in; Phoenix, AZ; Rocklin, Oakland, Long Beach, and Temecula, CA; Kissimmee, FL; Guaynabo, Puerto Rico and Vancouver, WA
- Projected to open several more call centers in 2007.
- Now supplying more than [deleted] minutes of VRS per month.
- Projected to supply more than [deleted] minutes of VRS in 2007.

VRS Is Vitally Important To The Deaf And Hard Of Hearing Community

- VRS allows deaf and hard of hearing persons to communicate in their natural visual language.
- VRS is the closest TRS service in functionality to telephone service for hearing persons.
- The utility of VRS is proven by its widespread acceptance by the deaf and hard of hearing community.
- VRS is not subject to the type of fraudulent activity experienced with text-based Internet Protocol Relay service.

TRS/VRS Is Not an Accommodation

- Purpose of Section 225 of the Communications Act is universal service.
- Unlike Titles I-III of the Americans with Disabilities Act, Section 225 of the Act contains no mention of “reasonable accommodations.”
- Even were TRS correctly considered merely an “accommodation” to deaf and hard of hearing persons, it would be no basis for failure to adequately compensate providers for all reasonable costs of providing the service.

The Competitive Market for VRS

- The FCC has promoted a competitive market structure for VRS.
- Competition has benefited consumers through the introduction of videophones, service to Apple MacIntosh users, adoption of state of the art video protocol such as SIP, and software applications that are much improved over the no longer supported Microsoft Net Meeting program.

VRS Market Is Not Freely Competitive

- One provider's 80 percent market share was obtained by distributing free equipment specifically designed to block consumer access to competing providers.
- This provider also contractually prevented consumers from using competing VRS providers.
- The FCC stood by for almost three years before prohibiting blocking of consumer access to VRS competitors.

Anticompetitive Conduct Is Continuing To Occur

- The 80 % dominant provider places its interpreters under one-year national non-compete agreements which prevent their moving to a competing VRS provider anywhere in the country.
- This provider denies competing providers access to the proxy telephone numbers its assigns videophone users.
- There are reports of other anti-competitive activities which Hands On is investigating

FCC Action Is Needed To Ensure A Competitive VRS Market

- Mandate 10 Digit NANP numbers for VRS and IP Relay to ensure equal dialing parity.
- Issue has been teed up since FCC's interoperability decision
- Declare non-compete agreements for video interpreters invalid.
- Five providers have filed a request for the FCC to declare the practice void against public policy.

Adopt NANP Numbers for VRS

- One provider has monopoly control of access to videophone numbering through its LDAP server.
- NANP numbers are needed so that there will be dialing parity among VRS providers.
- NANP numbers will benefit consumers by allowing hearing to deaf and deaf to deaf calls.
- NANP numbers will allow implementation of enhanced 911 service for VRS and Internet relay users.

Invalidate Interpreter Non-competes

- Interpreter non-compete clauses are unreasonable and promote a monopoly.
- Interpreters have limited access to trade secrets or confidential information.
- Interpreters are under a legal duty of confidentiality with respect to relay user information.
- Interpreter non-competes contribute to interpreter scarcity and thus drive up the cost of relay.
- Interpreter non-competes perpetuate a near monopoly enjoyed by the dominant VRS relay provider the only provider which employs them.

Hands On Requests the FCC To Take The Following Actions

- Invalidate interpreter non-competition agreements and aggressively deal with anti-competitive conduct.
- Adopt NANP numbers for Internet-based relay.
- Maintain vigilance to ensure a competitive market and the absence of abuse.