

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

Telecommunications Relay Services            )  
And Speech to Speech Relay Services        )       CG Docket No. 03-123  
For Individuals with Hearing and Speech     )  
Disabilities                                        )

**COMMENTS OF AT&T INC.**

AT&T Inc. (“AT&T”) on behalf of its affiliates hereby provides these comments in support of the Petition for Declaratory Ruling (“Petition”) in the aforementioned docket.

AT&T does not directly provide video relay services (“VRS”) to its customers but has entered contractual arrangements with Hands on Video Relay Services, Inc. (“Hands On”), a Petitioner, to provide these services to AT&T’s deaf and speech-impaired customers. Accordingly, AT&T has an interest in ensuring that Hands On can fulfill its contractual obligations as well as its legal obligations under Section 64.604 of the Commission’s rules.

The Petition claims that Sorenson requires its video interpreters (“VIs”) to enter restrictive covenants that prohibit them from working with a competing VRS provider in any capacity for at least one year after termination of their employment with Sorenson. Specifically, the Petition claims that Sorenson’s covenants are overly broad, unjustified under traditional non-compete agreement jurisprudence, and anticompetitive. The Petition accordingly asks the Commission to declare that Sorenson’s non-compete agreements are unreasonable, and issue an order declaring the agreements invalid pursuant to Section 201(b) and 225 of the Communications Act of 1934.

AT&T fully supports the Petition and the legal and policy arguments articulated therein.<sup>1</sup> As the Petition explains, the VRS market is not yet competitive and Sorenson continues to hold the lion's share of the market. To compete with Sorenson, other VRS providers like Hands On must have access to VIs. Given that the pool of certified VIs is limited, any practices or agreements that would preclude VIs from working with competing VRS providers could affect those providers ability to compete in the marketplace.

Importantly, such claims are not theoretical. As the economic analysis attached to the Petition demonstrates, there currently exists an imbalance in the supply and demand for VIs, and such imbalance is expected to increase. Thus, where a portion of the labor pool is restricted – the case here – and restricted by the provider with the greatest market share – Sorenson – the end result is a significant increase in costs for competitors, which not only affects existing competitors ability to compete, but the ability of a new provider to enter the VRS market.

To be sure, AT&T recognizes that non-compete agreements are warranted in some instances, particularly for upper management who would be privy to a company's business strategies, operations and cost structure – all highly sensitive, confidential information. But there is no reasonable basis for requiring VIs to adhere to such restrictions. VIs provide interpretive services. That's it. They are not privy to the type of information, the disclosure of which, could adversely affect Sorenson's VRS operations. Thus Sorenson's restrictive covenants, which in essence hold VIs hostage for

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<sup>1</sup> AT&T agrees that Sorenson's restrictive covenants would not pass muster under traditional non-compete covenant analysis. In particular, Sorenson's covenants are extremely broad – geographic limitations and prohibition on working for a competitor in any capacity – without any reasonable supporting justification.

a year after termination of employment, can only be interpreted as a means for Sorenson to maintain its competitive position in the marketplace, to the detriment of competing VRS providers.

AT&T, accordingly, supports the Petition and urges the Commission to take the requested actions, namely declare that Sorenson's restrictive covenants for VIs are unreasonable under Section 201(b) and 225 of the Act, and declare such covenants to be invalid.

Respectfully Submitted,

/s/ Davida Grant

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