

August 17, 2010

Federal Communications Commission  
445 Twelfth St., S.W.,  
Washington, DC. 20554

In the Matter of Structure and Practices of the Video Relay Service Program – Docket No. 10-51  
Re: NOTICE OF INQUIRY – Released on June 28<sup>th</sup>, 2010.

Dear FCC Inter-Bureau Task Force on VRS Reform:

Please allow me to introduce myself briefly. I am Todd Elliott and I write to you as an ordinary Deaf citizen on this Notice of Inquiry (NOI). I am also a VRS consumer and my VRS provider is ZVRS (Formerly CSDVRS). However, I do not represent any VRS company, nor ever have worked for a VRS company. I also have commented on CG Docket 03-123 on two different occasions. I would also like to take this quick opportunity to thank all stakeholders involved in reforming the Video Relay Service industry.

Before I go into some specifics of the NOI, my stance on reforming the VRS industry is indeed painted with a broad brush, delving not just only into the functional equivalency portion of Title IV, but its interconnections with the rest of the Americans with Disabilities Act (ADA). Previously, the VRS industry was on a destructive and unsustainable path, decreasing the availability of community interpreting as mandated by the ADA. Community interpreting was becoming increasingly scarce and fetching premium prices, affecting compliance with the ADA under Titles I, II, and III.

It is under this broad stroke in which I urge the FCC Inter-Bureau Task Force to undertake in reforming the VRS industry. Thankfully, recent steps have alleviated some of the issues affecting community interpreting with interpreters ‘rejoining’ the pool. (i.e., the February 25<sup>th</sup>, 2010 Declaratory Ruling regarding reimbursability of employee calls, international calls, and multi-party conference calling.)

(¶¶ 17-19) – “OUTREACH AND MARKETING COSTS”

I will not be commenting on all aspects of the NOI, however, I do wish to focus on some areas. First off, I’d like to comment on “Outreach and Marketing Costs”. I would like VRS providers to be compensated for their unique brand marketing through the per-minute rate reimbursement mechanism. It could be capped to a certain extent among tiers. (e.g., Tier 1 would be allowed \$10K/year, Tier 2 would be allowed 20K/year, etc.) The main gist is that the capped amount would be considered in the rate setting process in determining per minute rates.

This way, VRS providers would have to look at their branded marketing budget and expenses and analyze the return on investment (ROI), given the fact that *they may not be certain of*

*recovering such costs* via the per minute rate reimbursement mechanism. (e.g., expenses on company website justify the ROI in getting VRS consumers? Sponsoring a Deaf convention justifies the ROI in brand awareness?)

As outlined in February 25<sup>th</sup>, 2010 FCC's Declaratory Ruling regarding employee/subcontractor calls, VRS providers cannot run up VRS minutes on branded marketing efforts. In my opinion, if allowed, such branded 'telemarketing calls' will only serve to alienate hearing consumers and erode public confidence in VRS as a whole.

As for outreach, I **strongly** recommend that the FCC initiate a RFP for a company to conduct an outreach campaign in promoting awareness of the Video Relay Service among the mainstream public. A company like National Association for the Deaf (NAD) or some other company could bid on the RFP, win the outreach contract, and do the campaign.

The reason why I strongly recommend an outreach campaign is that I still encounter '*hangups*' whenever I call hearing consumers via VRS. Hearing consumers still think that the call is a telemarketing call, or would think that the call would 'cost them' money, or whatever. Even some hearing consumers will still hang up on VRS calls due to concerns about privacy and confidentiality. (e.g., banks refusing VRS calls.)

However, for a VRS company to conduct a branded outreach campaign among the mainstream public, **the ROI is poor**, as hearing consumers generally do not 'sign-up' for services or to use such services. The public, and by extension, the FCC, needs to pick up the slack, and undertake outreach efforts in the mainstream public promoting the Video Relay Service as a whole. The outreach campaign would reach ordinary mainstream outlets like web banner advertising, newspaper ads, TV PSA's, specially designed website(s), radio spots, etc.

#### (¶ 20) – “RESEARCH AND DEVELOPMENT COSTS”

Continuing innovation in the VRS industry should be promoted and encouraged. To this extent, I support a capped and tiered rate on R&D expenses and that they are factored in the rate setting mechanism for the per-minute reimbursement rate. This way, VRS providers can undertake R&D efforts, and *they still need to examine the ROI on such efforts as they are not guaranteed reimbursement* via the per minute rate reimbursement mechanism. This would be similar to my approach on branded marketing costs borne by each VRS provider.

#### (¶ 21) – “VIDEOPHONE EQUIPMENT”

In considering the videophone equipment market, the FCC needs to consider the "*Network Effect*". ([http://en.wikipedia.org/wiki/Network\\_effect](http://en.wikipedia.org/wiki/Network_effect)) While it is an educated guess, this is why Sorenson VRS became the dominant VRS provider with the dominant videophone telephony standard. Currently, there is not a lot of variety opening up in the videophone market for mainstream consumers and such efforts are primarily targeted at businesses.

Right now there are exciting developments the FCC needs to consider, the emerging **mobile** VRS market with iPhone 4, EVO 4G, and other mobile smartphones capable of video telephony. It is more and more likely that Deaf consumers will purchase these subsidized videophones and try to utilize VRS services with them. Natural market forces may well take care of this ‘problem’ for the FCC in determining whether to support or subsidize the videophone market.

Just like the mainstream public abandoned their landlines in droves and flocked to cellphones as their primary phones, so too could the Deaf community with the eventual proliferation of cellphones with video telephony capabilities. The need to subsidize the home videophone market with direct subsidies may not be as greatly needed as previously thought. Moreover, software-based solutions may be a better alternative if the FCC decides to go on this route, as there are millions of webcam-connected computers available on the market for Deaf/HH consumers.

Regardless of what the FCC decides, the “Network Effect” must be dealt with. Interoperability between videophones, whether they are software-based, a dedicated videophone, or a cellphone with video telephony, is *critical and essential in fostering a healthy competition within in the VRS industry, and results in a competitive marketplace for Deaf/HH consumers.*

#### (¶ 38) – “RELAY INTERPRETER SERVICES”

The current regulatory scheme addressing this issue is more than adequate. However, I should point out that mobile VRS calling is now just starting, and VRS companies will need to meet this demand. For the first time, Deaf/HH consumers can make/receive VRS calls **AT ANYTIME AND ANYWHERE**, a genuine paradigm shift from when they could only make/receive VRS calls at home or business. The VRS industry needs to address the oncoming demand to service mobile VRS consumers with comparable response times, interpreter quality, speed/accuracy of CA’s afforded to regular VRS consumers.

#### (¶¶ 71-76) – “THE INCENTIVE AND NEEDS OF VRS USERS”

The VRS industry is a unique industry as the ratepayers pay into a trust fund, which in turn, reimburses VRS providers for providing VRS services at no cost to parties involved in the call. In a sense, and throughout this NOI comment, I have been referring to Deaf/HH people as ‘consumers’, as if it were a term of art, in which they consume VRS services but do not pay for it. (Apart from broadband costs they incur, I mean.)

As this may sound **blasphemy** to the vast majority of Deaf/HH consumers of VRS services, but the FCC may need to consider whether VRS providers are **required** to start charging a *flat monthly rate*. There would be a more profound paradigm shift; Deaf/HH people are no longer consumers, but rather, **CUSTOMERS**. The flat monthly rate could be artificially low, i.e., \$5 a month, or be comparable to monthly rates (\$20 a month?) offered by mainstream VoIP carriers like Vonage.

This flat monthly rate would only reimburse VRS providers for maintaining the network infrastructure needed to facilitate 10-digit numbering, videophone cost recoupment, p2p calls, and video mailboxes. All of which, as I understand, are not being reimbursed by the FCC in their per-minute rate. The FCC will continue to reimburse VRS providers for VRS services.

The key here is that Deaf/HH people are engaged in the VRS industry as CUSTOMERS. They will demand quality services (e.g., response time, terp quality) from VRS providers. Deaf/HH customers will gravitate to VRS providers that innovate with the latest and greatest videophone connectivity solutions. Natural market forces will reward and/or punish VRS providers for their business execution in providing quality VRS services. Fly by night VRS companies will likely perish, as they need customers to make the critical mass they need to sustain their business models.

Having a monthly nut will also force Deaf/HH customers in making choices; I know quite some people that have more than one videophone and/or VRS provider. This will force Deaf/HH customers in paring down their choice down to one VRS provider, the one that can best meet their unique and individualized needs for video telephony communications. Also, this would be limited to the VRS industry; as some people continue to use ip-based text relay services.

About individual subsidies, I know that there are programs out there, offered to the mainstream public, e.g., "Lifeline" services, where customers can receive basic telephone services at discounted rates or for no cost. These programs have specific eligibility criteria, e.g., income, # of people in household, etc. The FCC could offer a monthly subsidy for Deaf/HH customers who meet certain eligibility criteria, and receive VRS services at a discounted rate or at no cost. (I refer to the monthly flat rate plans if the FCC does decide to go through that route.)

Alternatively the FCC could subsidize the monthly cost of broadband services needed to facilitate videophone calls for eligible Deaf/HH customers. Participating broadband carriers can configure their broadband delivery services to allow videophone connectivity, but no internet (i.e., www and email.) capabilities to help keep costs low. This monthly subsidy can be for traditional broadband connections or mobile broadband connections.

## CONCLUSION

Thank you for giving me the opportunity to comment on this NOI concerning VRS reform. I will look forward to seeing the final results of the VRS reform efforts and seeing a revitalized industry ready to serve our needs for 2010 and beyond and on exciting new (mobile!) platforms.

Sincerely,

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