

November 11, 2010

Via ECFS

Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street NW
Washington, DC 20554

RE: Notice of Ex parte, WC Docket 06-122

Dear Ms. Dortch,

David Frankel, CEO of ZipDX LLC met with the following individuals in the Wireline Competition Bureau on November 10:

- Nicholas Degani, Vickie Robinson

The discussion focused on the attached materials. Mr. Frankel explained the melding of information services with audio bridging, and highlighted by example some of the challenges in fairly administering the InterCall Order.

Regards,

/s/
David Frankel
CEO, ZipDX LLC
Los Gatos, California
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cc: Meeting Participants, via E-mail

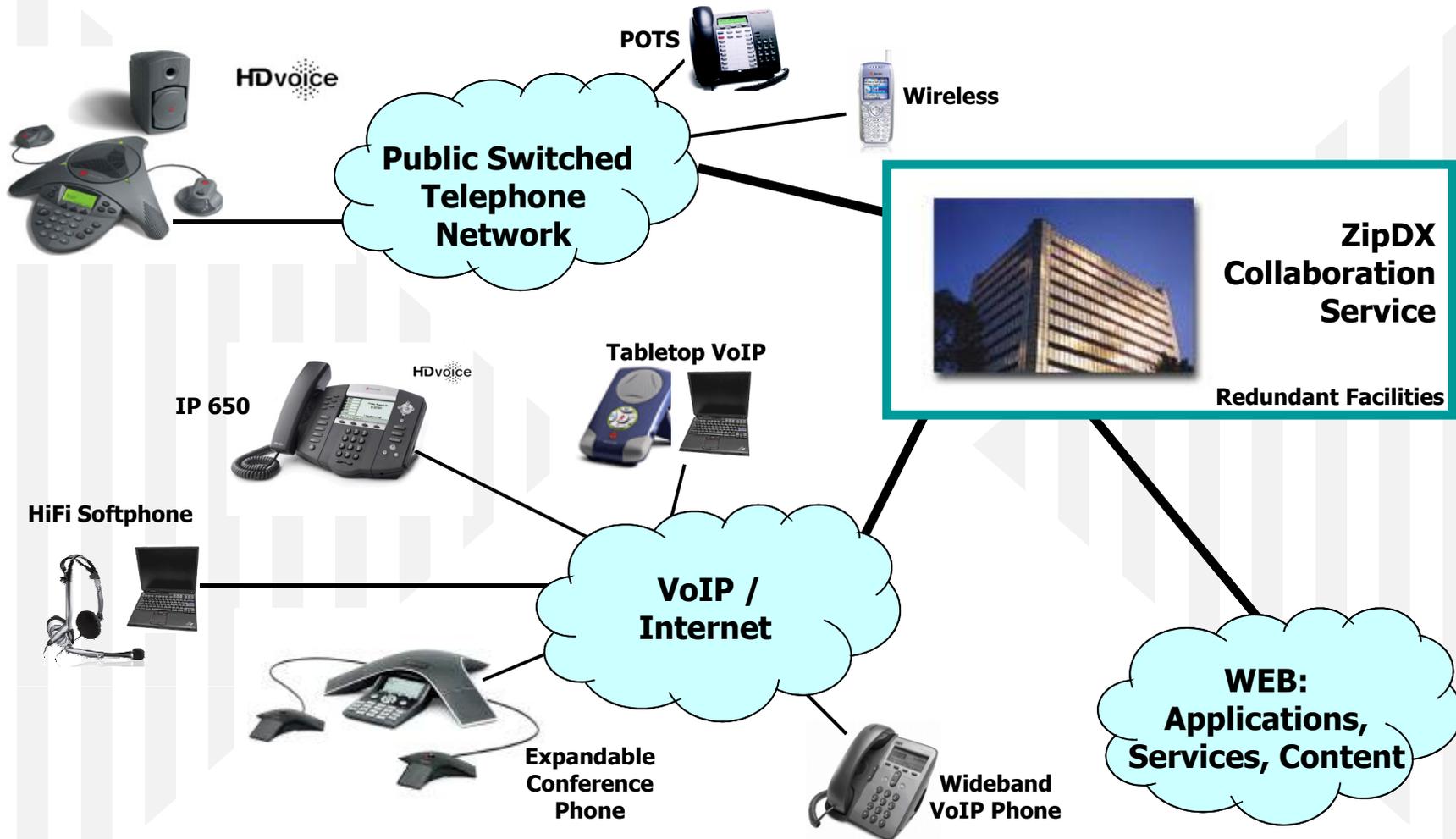


ZipDX Introduction

- ZipDX is an innovative provider of real-time electronic collaboration services
- Audio-centric information services via PSTN and VoIP
- Patented ease-of-use & security features
- New levels of audio quality
- Functionality beyond conference calling
- Serving:
 - Small, medium and large businesses
 - Entrepreneurs & non-profits
- “Next generation” collaboration



ZipDX Network Connectivity





Impact of InterCall Order

- InterCall Order was intended to “level the playing field”
 - “Integrated” conferencing providers already required to pay FUSF
 - “Stand-Alone” providers paid FUSF on underlying Long Distance
 - Order requires that all providers pay FUSF on “end-user revenue”
 - Objective is to assess FUSF on conferencing “value add”
- But Now:
 - What is a “similarly situated” provider?
 - What is “end user revenue”?
 - How is jurisdiction determined?
 - How about “mixed mode” (IP & PSTN) calls?
 - Do bundling rules invite avoidance schemes?
 - What is a “conference call”? What is an “ordinary telephone call”?
- Confusion reigns!
- Now playing field is tilted even more as providers make different interpretations, or simply ignore rules
- Minimal transparency in how rules are enforced & obeyed



Jurisdiction Issues

- Non-Carriers are expected to determine jurisdiction; situations are much more complicated than traditional point-to-point calls
- All participants in California, bridge in Florida
- 9 participants in USA, 1 in Canada
- 90-minute call USA-only; then 10 more minutes with Canadian caller
- All participants connected via VoIP
- Some callers PSTN, others VoIP (location unknown)
- Caller in Ohio using mobile phone with Utah phone number; other participants in Ohio and bridge in California



Jurisdiction Issues

- Non-Carriers are expected to determine jurisdiction; situations are much more complicated than traditional point-to-point calls
- All participants in California, bridge in Florida
Intra-state
- 9 participants in USA, 1 in Canada
Entirely international
- 90-minute call USA-only; then 10 more minutes with Canadian caller
Entirely international
- All participants connected via VoIP
Depends on if they are using “regular 10 digit phone numbers”
- Some callers PSTN, others VoIP (location unknown)
Use your best guess
- Caller in Ohio using mobile phone with Utah phone number; other participants in Ohio and bridge in California

Answers per USAC email



VoIP & PSTN Conferencing

- Some conferencing services connect using VoIP
- A “pure” VoIP conference has only VoIP endpoints
 - PC-based, such as Skype, or web meeting services like WebEx or GoToMeeting
 - VoIP appliances, such as Polycom SoundStation
 - IP phone system, such as Cisco, Avaya, Shoretel, Mitel, Asterisk IP-PBX
- Some services use VoIP for transport to/from PSTN
- Many conferences are “mixed mode”
 - PSTN callers can be added to Skype conferences via Skype-In/Skype-Out
 - WebEx and GoToMeeting offer PSTN conferencing as well
- When does a VoIP conference become a PSTN conference?
 - When are PSTN conferences subject to FUSF?
- What fraction of “other revenue” (subscription fees, advertising) must providers consider when calculating FUSF contribution?



What is a “Standalone” Provider?

- Most providers offer a suite of services
- Audio bridging is one item in their menu
- Sometimes services are offered a la carte, but often they are bundled
- Some providers bundle web conferencing with audio conferencing
 - Pay for audio conferencing and web conferencing is included
- Others bundle audio conferencing with web conferencing
 - Pay for web conferencing and audio conferencing is included
- Should FUSF be calculated differently for these cases?
- Plenty of other services appear on the menu as well (bundled or not)
 - Video conferencing, file storage and sharing, security features
- Many phone service providers (VoIP or not) include some form of conferencing
 - Three- and six-way calling; meet-me bridges
 - These may be a la carte (monthly or pay-per-use), bundled, or just “included”
 - Which charges must be included in FUSF calculation?

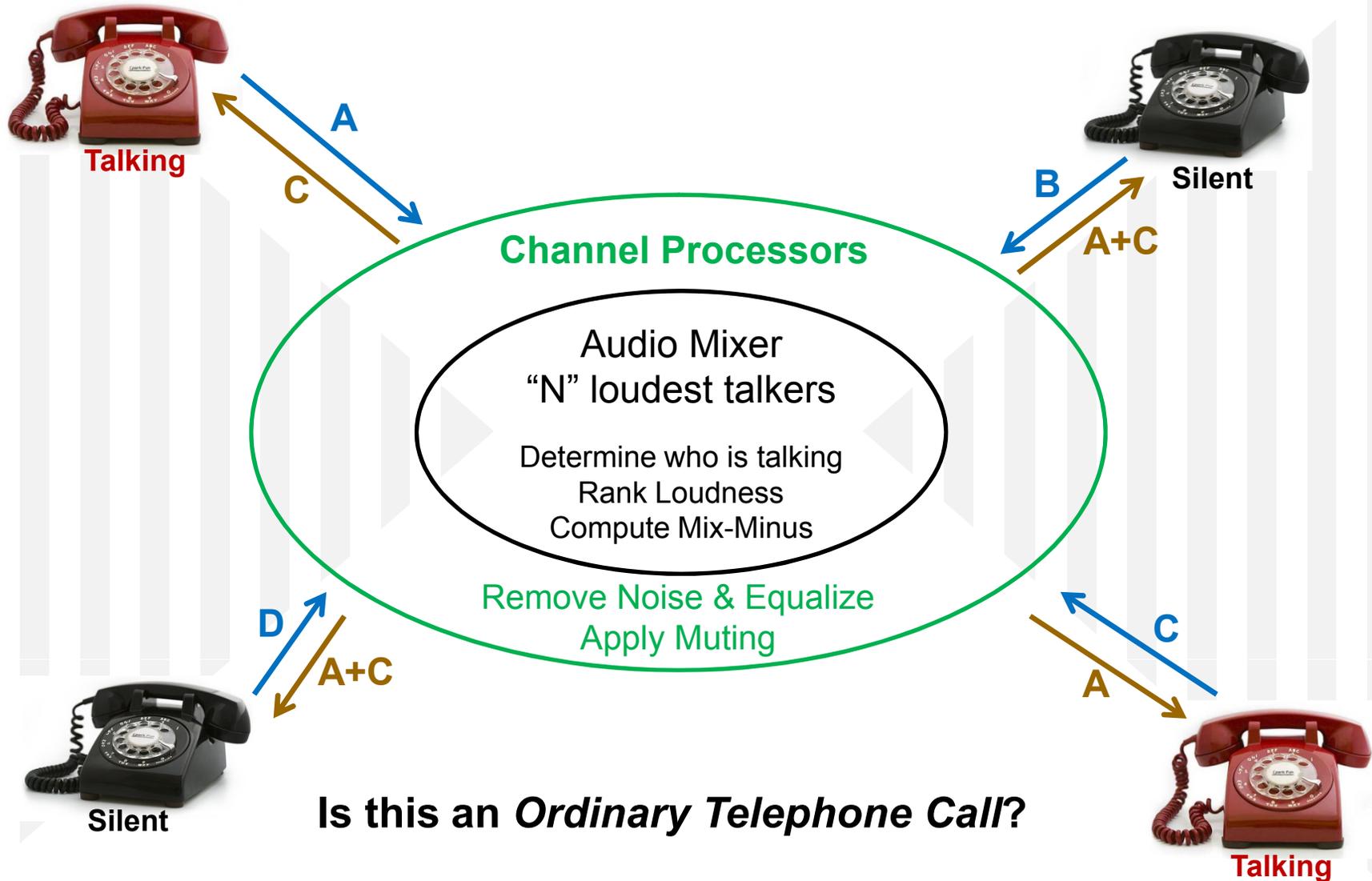


“Free” Conference Services

- There is now a cadre of “free” (or discounted) conferencing services
- They generate some or all of their revenue via access charges assessed on IXC's
- These revenues do not appear to be subject to FUSF
- Thus, these providers are avoiding FUSF on their conferencing “value add”
- This makes the marketplace even more lopsided
- Users of “paid” conferencing are subsidizing FUSF for those using “free” services
- This drives more users to “free” services, reducing FUSF total contribution



How We Bridge Participants





Same “form & content”?

- Muting, Recording, Hand-Raising
 - Commission dismissed these features, but they are integral to many meetings
- Access Control:
 - Validation & Security via database, secure token & more (voice-print)
- Sub-conference rooms
 - Allows participants to move between conversations
 - Not an “ordinary telephone call”
- Transcription
 - Real-time offering transcribes as individuals talk; surely this is not “same form”
 - How is FUSF contribution calculated for different pricing scenarios?
- Translation / Interpretation
 - Allows interpreter to listen on one “channel” and talk on another
 - Surely this is not “same content”
- Source Audio is often not generated from another phone
 - Roll Call and Announcements are computer generated or recorded playback
 - Instant Replay allows listener-controlled playback of selected audio
 - Sometimes audio is being streamed from a web or VoIP source
- These sound more like information services



Meeting Access Control (US Patent)

joe.schmoe@acme.com



Mobile: 303-555-1299

Office: 408-555-6866

Home: sip:joe@schmoe.com



Preferences:

Written & Recorded Name

Self-Selected PIN

Call-Me Choices

At Meeting Time

Dial-in & Auto-Recognize
...or, ZipDX dials out

Meeting Announced

Placed into Meeting



User Identities



Meeting Notice
TO: Attendees
CC: ZipDX





The Burden of FUSF

- Presumably should apply to perhaps thousands of providers
- Requires FCC Filer ID
 - Get tagged for all sorts of other (non-applicable) contributions
- 499-A/Q process is lengthy and confusing and carrier-centric
- Rules are unclear
- Application is inconsistent
- Administrative burden is significant for entrepreneurial businesses
- End-users are flummoxed by all of this



Other Comments

- MeetingOne says that using VoIP makes theirs an info service
- Lynch (on behalf of Anonymous) highlights jurisdiction issues
- VON Coalition notes the hazy dividing line between information and telecommunication services, and the slippery slope when defining
- We feel the same pain that is reflected in these comments
- With such complex rules, timely resolution & response is required
- 499A/Q filing requirements and payments should be suspended pending clarification of these issues



What To Do?

- A solution must:
 - Treat providers (and their end-users) fairly
 - Avoid disproportionate administrative burdens
 - Encourage behaviors that deliver net benefits
- You could:
 - Rescind the InterCall Order; let all (incl. integrated) pay on underlying LD service
 - OR: Assess a fixed per-minute, per-participant fee on ALL bridging services
 - OR: Respond to requests for clarification of what constitutes an information service
 - AND: Declare a “safe harbor” percentage for inter/intrastate, with intrastate tied to service billing address or to bridge location
- Better (long-term):
 - Assess FUSF on PHYSICAL network connections to end-users
 - broadband & narrowband, wireline & wireless
 - ELIMINATE assessment on “applications”
 - Contributions would come ONLY from facilities-based providers & resellers
 - Huge jurisdictional and administrative simplification