

March 23, 2011

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street SW  
Washington, DC 20554

Re: Notice of Ex Parte Communication  
CG Docket Nos. 09-158, 10-207

Dear Ms. Dortch,

On March 22, 2011, Dan Rudich, CEO of Anomalous Networks, Inc., spoke with David Tannenbaum, Special Counsel in the Office of General Counsel.

Anomalous Networks ([www.anomalousnetworks.com](http://www.anomalousnetworks.com)) offers several products that allow ordinary consumers and businesses to track their mobile service usage in real time. Telicost-Lite is a free app that can be installed on iPhones and iPads; on phones that run on the Android, Blackberry, and Windows Mobile OS; and on personal computers. The app tracks data usage in real time on all platforms, and voice and SMS usage on all applicable platforms but the iPhone. Telicost is a software as a service product marketed primarily to businesses that want to cut down on overages and underages by managing usage on multiple devices. It is also used by families that want to manage family plans used by multiple devices. Although Anomalous Networks, Inc. is based in Canada, its products work as well in the United States as they do in Canada.

Mr. Rudich explained that Telicost-Lite and similar apps can track a consumer's roaming usage in real time, even before that usage is registered in carriers' billing systems. Telicost-Lite can also be set to give a consumer a pop-up alert when a consumer is roaming or going over a plan threshold. The app can also turn off the device's radio when those events occur until the consumer decides to re-enable the radio. In addition, Telicost can estimate projected costs for the month, including roaming.

Telicost-Lite requires consumers to manually enter their plan details into the app. Although the app can be set to account for rounding-up or rounding-down billing methods used by some carriers, most retail consumers do not know their carrier's precise billing methods, and these can be difficult to obtain even from a carrier's customer service line. Anomalous Networks's paid service, Telicost, addresses this problem by allowing a business IT department to push out plan constraints to users' phones.

Telicost-Lite cannot presently tell whether certain types of usage are free or paid (e.g., voice calls within the carrier's network) but can support the majority of these cases (e.g., free friends, free nights, free weekends). For this reason the app errs on the side of

conservatism and warns users of potential overages early rather than too late. Mr. Rudich explained that if the app had access to a carrier's billing system, e.g., via an API, it would be able to determine whether a consumer used free or paid minutes.

Anomalous Network has entered into an arrangement with one of Canada's major carriers, Bell Mobility, to provide Telicost to Bell Mobility's customers. Mr. Rudich reports that U.S. carriers have been less receptive to adopting an app-based solution than carriers in Canada, Asia, and Europe.

Mr. Rudich discussed the possibility of including usage apps on handsets so that the app is available to consumers by default. He explained that including apps on some handsets may be easier than on others, because some vendors are more willing to work with carriers to include apps out of the box. He believes, however, that large carriers likely have enough market power to reach arrangements with vendor manufacturers.

Mr. Rudich reported that several carriers he has worked with have concluded that reducing overages is a net cost saver. Although reducing overages causes an initial drop in revenue (because fewer consumers incur overage fees), it also reduces significant carrier costs, including the costs of handling consumer complaints, negotiating billing credits, and collecting debt. In addition, reducing overages helps the carriers sell more service plans by giving customers cost certainty, creates customer goodwill, and reduces churn rates and support costs.

Most costs for reducing overages by using apps like Telicost are upfront costs. Going from 100,000 users to 10 million users, for example, would offer large economies of scale that would bring marginal costs down significantly.

Mr. Rudich also explained that in addition to helping users cope with overages, Telicost helps users deal with underages: not taking full advantage of their plans due to fear of an overage. For fear of overages many people choose to buy plans that are far too large, which assures they pay more than necessary on a monthly basis.

Sincerely,

David Tannenbaum /s/  
Special Counsel  
Federal Communications Commission