WILTSHIRE & GRANNIS LLP

PUBLIC VERSION

July 29, 2011

Ex Parte

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

Re: *Structure and Practices of the Video Relay Service Program*, CG Docket No. 10-51

Dear Ms. Dortch:

On July 27, 2011, James Perry, Michael Cole, Scott Pasquini and Alex Kerr of Madison Dearborn Partners ("MDP"), and John Nakahata of Wiltshire & Grannis, LLP, on behalf of Sorenson Communications, Inc. ("Sorenson") spoke with Paul de Sa, Chief, Office of Strategic Planning and Policy Analysis, and Nicholas Alexander of the Office of Strategic Planning and Policy Analysis.

During the meeting, the MDP and Sorenson attendees discussed the prospect of restructuring the VRS rate structure to compensate providers on a "per active user" basis rather than on a "per minute" basis. In particular, the attendees discussed the composition of Sorenson's customer base, approaches to defining an "active user" for purposes of the new rate structure, and Sorenson's historical cost structure, as reflected in the attached document. The MDP and Sorenson attendees provided Mr. de Sa and Mr. Alexander with copies of the attached document, which provide historical data related to Sorenson's user base, minutes of service provided, and costs. Furthermore, the MDP and Sorenson attendees explained that it would be important that the VRS transition plan incorporate a transition period long enough to enable providers to make a reasonable transition and to fulfill the objectives of robust competition and continued, functionally equivalent service. Finally, the MDP and Sorenson attendees explained that there is uncertainty as to the total number of VRS-eligible subscribers and as to reasonable estimates of total subscriptions that would be included in a per active user calculation. It may be important for any long-term VRS rate plan to take these uncertainties into account in setting per active user price caps.

MDP and Sorenson request pursuant to Sections 0.457 and 0.459 of the Commission's rules, 47 C.F.R. §§ 0.457, 0.459, that the Commission withhold from any future public inspection and accord confidential treatment to the attached document, which was distributed at

the meeting.[1] This document contains sensitive commercial information that falls within Exemption 4 of the Freedom of Information Act ("FOIA"). *See* 5 U.S.C. § 552(b)(4).

Exemption 4 of FOIA provides that the public disclosure requirement of the statute "does not apply to matters that are ... (4) trade secrets and commercial or financial information obtained from a person and privileged or confidential." 5 U.S.C. § 552(b)(4). Because MDP is providing commercial information "of a kind that would not customarily be released to the public" in response to a request from FCC staff, this information is "confidential" under Exemption 4 of FOIA. *See Critical Mass Energy Project* v. *NRC*, 975 F.2d 871, 879 (D.C. Cir. 1992).

In support of this request and pursuant to Section 0.459(b) of the Commission's rules, MDP hereby states as follows:

1. Identification of the Specific Information for Which Confidential Treatment Is Sought (Section 0.459(b)(1))

MDP seeks confidential treatment with respect to all of the data, charts and descriptions contained in the attached document.

2. Description of the Circumstances Giving Rise to the Submission (Section 0.459(b)(2))

At Mr. de Sa's request, MDP provided Mr. de Sa with historical data related to Sorenson's user base, minutes of service provided, and costs.

3. Explanation of the Degree to Which the Information Is Commercial or Financial, or Contains a Trade Secret or Is Privileged (Section 0.459(b)(3))

The data described above constitutes sensitive commercial information "which would customarily be guarded from competitors." 47 C.F.R. § 0.457. In particular, information related to VRS usage volumes and patterns, Sorenson's VRS user base, and its costs constitute closely guarded information that, if released, would disadvantage Sorenson by providing its competitors with an insight into Sorenson's operations, service offerings, and costs.

4. Explanation of the Degree to Which the Information Concerns a Service that Is Subject to Competition (Section 0.459(b)(4))

The VRS market is highly competitive throughout the United States.

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[1] Pursuant to Section 1.1206(b)(2) of the Commission's rules, counsel is filing an original and one copy of this letter and its attachment in paper form and delivering electronic copies to the Commission staff involved in the meetings described above. Sorenson is also electronically filing a copy of this letter and a redacted version of the attachment for inclusion in the public record in the docket identified above.

5. Explanation of How Disclosure of the Information Could Result in Substantial Competitive Harm (Section 0.459(b)(5))

Sorenson could be harmed by unauthorized disclosure of this information, as it could provide competitors with commercially sensitive insights related to Sorenson's operations, service offerings and costs.

6. Identification of Any Measures Taken to Prevent Unauthorized Disclosure (Section 0.459(b)(6))

Sorenson does not make the information contained in the attachment publicly available.

7. Identification of Whether the Information Is Available to the Public and the Extent of Any Previous Disclosure of the Information to Third Parties (Section 0.459(b)(7))

Sorenson does not make the information contained in the attachment publicly available.

Sincerely,

John T. Nakahata /CDB

John T. Nakahata
Counsel to Sorenson Communications, Inc.

cc: Paul de Sa
Nicholas Alexander

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Sorenson Communications

Key Operating Metrics

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