

# What makes Sorenson the industry leader in VRS?

1. Sorenson has recruited, trained and developed the vast majority of VRS capable interpreters and actively invests to grow the pool of interpreters for VRS and community work opportunities
2. Sorenson is the “all-in” low cost VRS provider
  - lowest cost operational provider – due to explicit operational decisions, not due to scale
  - lowest cost including capital structure costs
3. Sorenson is the best managed VRS provider
  - best business and operational processes
  - most experienced and professional management team
4. Sorenson provides the greatest innovation for the deaf and hard of hearing
5. Sorenson is a transparent and ethical VRS provider

**In summary, Sorenson has a very different business model from all other VRS providers:**

## Sorenson

- Develop deaf-centric endpoint
- Seek new users & provide VRS access
- Invest in growing VRS interpreter pool
- Support and service existing users
- Provide lowest cost service
- Leader in implementing FCC directives

## Other Providers

- Deploy “off the shelf” endpoints
- Take users away from Sorenson
- Take interpreters from Sorenson
- Provide minimal service
- Zero incentive to lower cost of service
- Lag implementation and seek waivers

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# Key Comparisons

Sorenson

Highest Interpreter  
Productivity



Lowest “Allowable”  
Cost/Minute



Lowest “All-in”  
Cost/Minute



Highest Ethical  
Behavior & Integrity



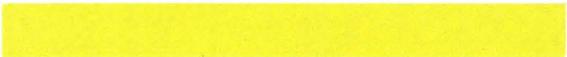
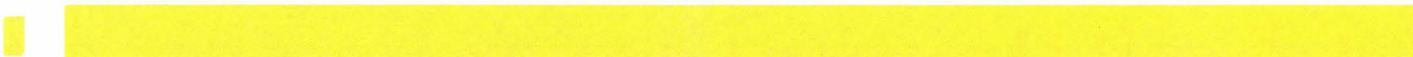
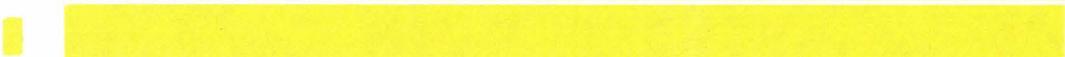
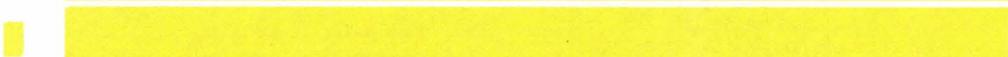
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*Lessons from 2010:*

# Sorenson could not survive another substantial rate cut

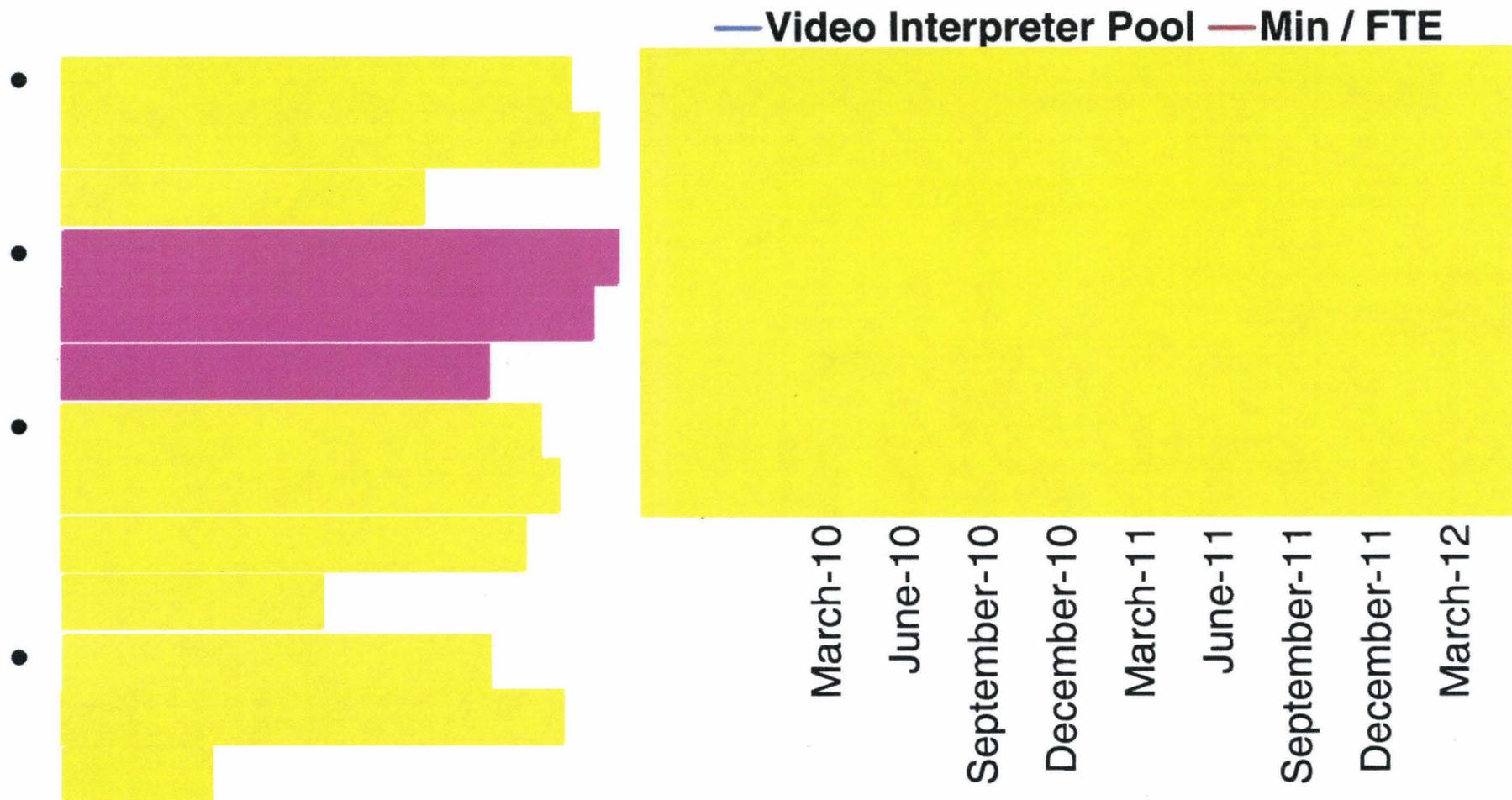
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## How Sorenson Addressed Its 2010 18% Rate Cut

- Sorenson faced the largest rate cuts of any provider in 2010 – approximately 18%. Providers that were exclusively in Tiers 1 and 2 had a 2010 rate cut of 3.5% (500,000 MOU) to 6.9% (50,000 MOU).
- Total Sorenson annual revenue reduction -- 
- Sorenson Cost reductions implemented – 
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- Additional Margin reduction – 

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# Consequences of Sorenson's 2010 Cost-Cutting



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