

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

In the Matter of:

*Administration of the North American  
Numbering Plan, and*

*Numbering Resource Optimization*

WC Docket No. 92-237

WC Docket No. 99-200

**COMMENTS OF TELCORDIA TECHNOLOGIES, INC. D/B/A ICONECTIV**

Telcordia Technologies, Inc.,<sup>1</sup> doing business as iconectiv (“Telcordia” or “iconectiv”), is pleased to submit these brief comments in response to the FCC’s request for comments on the North American Numbering Council (“NANC”) recommendation, as proposed by its Numbering Oversight Working Group (“NOWG”), that the FCC consider consolidating its North American Number Plan Administrator (“NANPA”) and Pooling Administrator (“PA”) contracts.<sup>2</sup> A critical consideration for evaluating the NANC recommendation regarding contract consolidation is promoting and ensuring competition in number administration, in keeping with the pro-

---

<sup>1</sup> Since February 14, 2013, Telcordia, a wholly owned subsidiary of Ericsson, has been doing business as iconectiv.

<sup>2</sup> *Comment Sought on North American Numbering Council Recommendation that FCC Consolidate Its North American Numbering Plan Administrator and Pooling Administrator Contracts*, Public Notice, CC Docket Nos. 92-237 & 99-200, DA 13-806 (rel. Apr. 22, 2013); *see* Letter from Betty Ann Kane, Chairman, NANC, to Julie A. Veach, Chief, Wireline Competition Bureau, FCC (Feb. 20, 2013); *see also* Letter from Laura Dalton, Co-Chair, NOWG, Natalie McNamer, Co-Chair, NOWG, and Karen Riepenkroger, Co-Chair, NOWG, to Betty Ann Kane, Chairman, NANC (Nov. 28, 2102), *available at* <http://apps.fcc.gov/ecfs/document/view?id=7022134674>.

competition policy of the Commission's rules and regulations. iconectiv supports steps that will promote and support competition in the number administration market, including creating a new, single, unified set of system requirements governing a consolidated NANPA/PA system, putting cardinal changes to the existing contracts out for competitive bid, and submitting fundamental changes to existing number administration—such as individual telephone number pooling—to consultation and competitive procurement. In reviewing the NANC Recommendation, the Commission should ensure that its actions encourage competition while protecting against the competition distorting effects of monopoly and sole-source procurements.

**The FCC Should Promote and Support Competition in Number Administration.**

As iconectiv has argued since the Pooling Administration contract was first discussed,<sup>3</sup> fair and open competition are the touchstones for numbering administration. Both public policy and FCC practice favor competition and this principle is embedded in Section 251 of the Telecommunications Act.<sup>4</sup> Competition in numbering administration additionally supports the selection of the most qualified, innovative, and cost-efficient vendor. iconectiv agrees with the NOWG and the NANC that consolidating the NANPA and PA contracts will create a need for a new, larger, combined database system. That need for a larger combined system, in turn, may attract additional competitors to bid on a consolidated system, offering greater opportunity for innovation and price competition.

---

<sup>3</sup> See, e.g., Telcordia Petition for Reconsideration, CC Docket No. 99-200, RM-9258, NSD File Nos. L-99-17, L-99-36 & L-99-51 (filed Jul. 13, 2000); *Ex Parte* Letter from James J. McCullough, Counsel to Telcordia, to Magalie Roman Salas, Secretary, FCC, CC Docket Nos. 92-237 & 99-200 (Feb. 16, 2000).

<sup>4</sup> See, e.g., H.R. Rep. No. 104-458, 104<sup>th</sup> Cong. 2d Sess. at 117 (1996) (Section 251 was intended to “create competitive communications markets”).

## **1. A Consolidated System May Provide Incentives for Competitors to Bid.**

The relatively limited size and option for reuse of existing systems for the NANPA and PA database systems has posed a significant obstacle to vendor competition. Both the NANPA and the PA contracts are relatively small, especially when compared with the Number Portability Administration Center Administrator (“NPAC”) contract. The PA contract, for example, has an annual value of less than 1/100<sup>th</sup> the value of the NPAC contract. It should come as little surprise, therefore, that the relative cost of developing and building a system for a contract that offers only limited opportunity for recouping costs, much less generating profit, rapidly constrains a potential competitor’s business case for bidding. And potential new vendors have faced further disincentives to bidding in recent procurements, including RFP requirements that any potential new vendor must match and maintain the functionality as well as the identical look-and-feel of the existing systems, or RFP options simply permitting re-use of the existing system.

Competitors in such circumstances have tremendous difficulty meeting, much less surmounting, the incumbent’s advantage. Even requiring the incumbent to share the existing source code does not sufficiently overcome this advantage: it will always be cheaper for the incumbent to work with its own existing source code—code with which it is intimately familiar, and which it has used and customized over a period of years—than it would be for a new vendor, no matter how technologically sophisticated. Obligating competitors to build systems that unnecessarily mimic or match the incumbent’s system not only imposes on competitors needless development and production costs to duplicate a system that already exists, but also harms competition by foreclosing a competitor’s ability to offer new, innovative, and potentially more cost-effective methods of providing services. When combined with an RFP option simply to extend the current system provider’s contract, it can be small wonder that recent RFPs attracted

few bidders. Accordingly, any decision on the NANC Proposal should seek to encourage and support additional competition in number administration.

**2. The FCC Should Create a New, Single, Unified Set of System Requirements for a Consolidated Contract.**

If the FCC decides in favor of consolidating the NANPA and PA contracts, it should, in consultation with the NANC, consolidate the two sets of existing system requirements so that a combined system will be subject to a single, unified set of functional and interface requirements. Such a unified set of requirements should not prescribe a particular interface, but should encourage competition and innovation in services and interfaces. The benefits of vendor competition include ensuring the selection of the most qualified vendor, creating incentives for bidders to develop and implement the most innovative methods to solve the challenges associated with numbering and pooling administration, supporting the development of the most efficient and least costly method of implementing numbering optimization, and achieving vendor diversity in numbering administration.

The Commission also should ensure that the requirements governing a combined system should minimize the incumbent's advantage inherent in RFP provisions that include options of simply reusing existing systems. In other words, the Commission should not permit the existing systems to simply be lightly connected and continue operating behind a new, "consolidated" landing page or front end. Instead, the Commission should identify and set out the specific requirements needed for a new, consolidated system that combines the functions of the NANPA and PA systems with the possibility of new interfaces or design features. Such a set of requirements would both encourage the greatest number of competitors to bid and provide the greatest likelihood of achieving the cost and efficiency benefits that the NOWG has identified and that industry seeks.

Moreover, the Commission should ensure that any cardinal changes to the NANPA and PA contracts—whether separate or consolidated—be subject to competitive bid. A cardinal change is a modification that materially alters the scope of an existing contract.<sup>5</sup> Such modifications, by their nature, are so substantial as to amount to a new contract and to require a new procurement.

### **3. Any Fundamental Change to Number Administration Must Be Competitively Bid.**

The Commission is in the midst of gathering information and overseeing several trials or potential trials affecting numbering, VoIP interconnection, and the transition to all-IP telecommunications.<sup>6</sup> In these proceedings, it is collecting information about potential VoIP interconnection, NG911, and wireline-to-wireless transition trials. Most importantly to the instant review, the Commission is also requesting comment on potential trials regarding numbering issues and related databases.<sup>7</sup> Among the issues before the FCC and its Technology Transition Task Force and industry bodies are new technical proposals for number administration, including individual telephone number (“ITN”) assignment/pooling or just-in-time number assignment. Such proposals, if adopted, would fundamentally transform current number administration. They would require a tremendous expansion in the scope and scale of

---

<sup>5</sup> See, e.g., *Northrup-Grumman Corp. v. United States*, 50 Fed. Cl. 443, 466 (2001) (discussing the cardinal-change doctrine).

<sup>6</sup> See, e.g., *Technology Transitions Policy Task Force Seeks Comment on Potential Trials*, Public Notice, GN Docket No. 13-5, DA 13-1016 (rel. May 10, 2013); *Numbering Policies for Modern Communications et al.*, Notice of Proposed Rulemaking, Order, and Notice of Inquiry, WC Docket Nos. 13-97, 04-36, 07-243 & 10-90 and CC Docket Nos. 95-116, 01-92 & 99-200, FCC 13-51 (rel. Apr. 18, 2013); *Petition of Vonage Holdings Corp. for Limited Waiver of Section 52.15(g)(2)(i) of the Commission’s Rules Regarding Access to Numbering Resources*, Order, CC Docket No. 99-200, FCC 13-51, at ¶ 92-108 (rel. Apr. 18, 2013).

<sup>7</sup> *Technology Transitions Policy Task Force Seeks Comment on Potential Trials*, Public Notice, GN Docket No. 13-5, DA 13-1016 (rel. May 10, 2013).

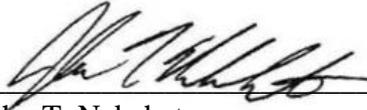
database systems supporting number administration. Any proposal to shift to ITN pooling or just-in-time number administration would require extensive consultation and testing with industry and technical experts in order to devise appropriate structures and system requirements. The result would be an entirely new set of system requirements and would require initiating a new competitive bid. This is especially true in light of the IP interconnection and numbering trials currently under consideration or about to commence. A consolidation of the NANPA and PA contract should not treat these types of changes to number administration as change orders to the existing contracts, but instead recognize them for the foundational and transformative changes they would be and submit them to a competitive bid process. These would be more than cardinal changes to the contracts; rather, such changes would alter the scope many times over. If adopted, they would represent foundational changes in the way telephone numbers are used as “addressing” resources. The NANC Recommendation should not be permitted to prejudge or serve as a backdoor into such a fundamental transformation of existing number architecture and administration.

## **CONCLUSION**

The most important issue in considering the NANC Recommendation is ensuring competition in number administration. The Commission’s evaluation of the NANC’s NOWG analysis of benefits and risks from contract consolidation should prioritize promoting and supporting competition, including ensuring that the current separate requirements be blended into a single, new unified set of system requirements, and initiating a new competitive bid process with new requirements before permitting any cardinal changes to the NANPA or PA contracts.

A competitive process will foster innovation and enable the selection of the best solution for the industry.

Respectfully submitted,



---

John T. Nakahata  
Madeleine V. Findley  
WILTSHIRE & GRANNIS LLP  
1200 18th Street NW  
Washington, DC 20036  
(202) 730-1320

*Counsel for Telcordia Technologies, Inc. d/b/a iconectiv*