

UNITED STATES OF AMERICA

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FEDERAL COMMUNICATIONS COMMISSION

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CONSUMER ADVISORY COMMITTEE MEETING

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FRIDAY,
MARCH 26, 2004

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The meeting was held in Commission Meeting Room TW-C305, 445 12th Street, S.W., Washington D.C., at 9:00 a.m., Shirley Rooker, Chairperson, presiding.

COMMITTEE MEMBERS PRESENT:

SHIRLEY ROOKER, CAC Chairperson, Call for Action
 SCOTT MARSHALL, CAC Designated Federal Officer
 CHRIS BAKER, AARP
 MATTHEW D. BENNETT, Alliance for Public Technology
 DAVID POEHLMAN, American Council for the Blind
 MICHAEL F. DELCASINO, AT&T
 CINDY COX, Bell South
 DAVID BRUGGER, Brugger Consulting
 ANDREA WILLIAMS, Cellular Telecommunications and
 Internet Association
 SUSAN PALMER-MAZRUI, Cingular Wireless
 DEBRA BERLYN, Consumer Policy Consulting
 JIM CONRAN, Consumers First Incorporated
 CLAUDE STOUT, Deaf and Hard of Hearing Consumer
 Action Network
 MIKE DUKE, Interests of the Blind or Visually
 Impaired
 DONALD SNOOP, Hometown Online
 JOSEPH GORDON, League for the Hard of Hearing
 THOMAS ALLIBONE, LTC Consulting/Teletruth
 ANNETTE CLECKNER, MCI
 LARRY GOLDBERG, Media Access Group, WGBH

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COMMITTEE MEMBERS PRESENT: (cont'd)

MARSHA MACBRIDE, National Association of
Broadcasters
RONALD MALLARD, National Association of Consumer
Agency Administrators
BRENDA KELLY-FREY, National Association of State
Relay Administration
SUSAN GRANT, National Consumers League
DIANE BURSTEIN, National Cable Telecommunications
Association
BYRON ST. CLAIR, National Translator Association
MARK PRANGER, Interests of Academia and Rural
Telecommunications Services
VERNON JAMES, San Carlos Apache Telecommunications
Utility, Inc
EUGENE SEAGRIFF, Telecommunications Industry
Association
RICHARD T. ELLIS, Verizon Communications
LINDA WEST, Interests of the Native America
Community and Rural Services
RICHARD MITLER, NASUCA
PATTI LIPROT-BANNIER, Hamilton Telephone Company

ALSO PRESENT:

JONATHAN ADELSTEIN, FCC, Bureau of Consumer Issues
JEFFREY CARLISLE, Wireline Competition Bureau
JANE LAWTON, Cable Communications Administrator
ELIZABETH NOEL, People's Counsel, District of
Columbia
LOUIS SIGALOS, Consumer Affairs and Outreach
Division, CGB
BROOKE SCHULZ, Vice President, Corporate
Communications, Vonage
JUNE TAYLOR, CGB
CHRYS WILSON, Maryland Public Service Commission
THOMAS WYATT, Deputy Bureau Chief, CGB

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P-R-O-C-E-E-D-I-N-G-S

(9:12 a.m.)

CHAIRPERSON ROOKER: I see that our recording service is up and running now. I am going to move on and let Scott give you some of the logistics of the meeting, and then we're going to hear from June Taylor. So, Scott? Here you go. Let me give you a mike.

MR. MARSHALL: All right. Good morning, everyone. Welcome. It's good to see you all again, and I'm sure I'll have a chance to say hello at some point during the course of the day.

As you know, restrooms are right outside the doors you came in, down a short corridor to your left. And if you do not make that left and continue down that corridor, two of the breakout sessions will be in that general vicinity. We'll give you the room numbers, and so forth, at the time of the breakout sessions at 10:00.

Just a couple of housekeeping matters. Because of interference issues, we can only operate two assisted listening device systems simultaneously.

For the breakouts, I've had one request for the Consumer Complaints and Outreach Group. Does anyone else need an assisted listening device in one of the

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1 breakout sessions?

2 Okay. Jeff, I hope you got that
3 information, so you can go ahead and set up for the
4 Consumer Complaints Group down the hall.

5 Also, in your packets is an emergency
6 contact information sheet. We'd appreciate your
7 filling that out and giving it to me or one of the
8 other FCC staff during the course of the day.

9 As you know, we had a shelter-in-place
10 drill here during the November meeting. That was very
11 successful, and we'd like to have an emergency contact
12 for you, in the unfortunate event that we would ever
13 have to use it. And as you can well imagine, having
14 that information is certainly critical and can be
15 very, very important if you do have to use it.

16 We will be also sending around an
17 attendance sheet during the course of the day. Please
18 sign that sheet for us, and that will make sure that
19 we have you on record as attending this meeting.

20 And I think that's all I have at the
21 moment, Shirley.

22 CHAIRPERSON ROOKER: Okay. Thank you very
23 much, Scott.

24 Where is Jeff Tignor?

25 MR. TIGNOR: Right here.

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1 CHAIRPERSON ROOKER: Hi, Jeff.

2 MR. TIGNOR: Hi.

3 CHAIRPERSON ROOKER: He was trying to meet
4 me earlier. I apologize, Jeff. Would you stand up so
5 everyone can see you? Thank you. We welcome you.
6 Yes, welcome.

7 (Applause.)

8 I'm going to turn the microphone over to
9 June Taylor.

10 Unfortunately, Dane Snowden sends his
11 regrets that he will not be able to be with us this
12 morning. A close family member has died, and he is
13 taking care of his family and attending some services
14 this morning. So he sends his regrets, but he has
15 sent a delightful person to speak to us instead.

16 June Taylor -- I always tease her and ask
17 her if she is the dancer. She assures me that that
18 was in another life. At any rate, please join me in
19 welcoming June Taylor.

20 (Applause.)

21 MS. TAYLOR: Thank you, Shirley. And if
22 anybody saw me walking up here, we're fortunate we
23 didn't see me trip. So if that's any indication of my
24 dancing abilities.

25 Again, I do send Dane's regrets that he is

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1 unable to attend today. He very much was looking
2 forward to seeing you all and welcoming you to the
3 first meeting of the new year. And also, he wanted to
4 very much congratulate you for all of the hard work of
5 your working groups and of the committee during this
6 past year.

7 You've put together a tremendous --
8 tremendously helpful body of recommendations for the
9 Commission, and of particular note is the
10 recommendation that you put together in November for
11 the Homeland Security Disability Summit that we held
12 yesterday.

13 Yesterday's summit, for those of you who
14 were able to attend, was very well received, very well
15 attended, and some really great issues did come out in
16 those discussions. In the summit, Dane did put a call
17 out. Well, first of all, he, of course, thanked the
18 committee for its recommendations, and he also put a
19 call out, because, you know, a thank-you alone is not
20 enough. He is going to hit you up for more work.

21 He did put a call out for this committee
22 and for the Intergovernmental Advisory Committee to
23 also look into this issue further, perhaps put
24 together some recommendations for the Commission to
25 act upon. So I hope that you all are up for the task.

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1 I'm sure that you are.

2 Something else that he wanted to make sure
3 that you knew about is our upcoming disability
4 solution summit on May 7th. You are going to hear
5 today from Jeff Carlisle, and you're also going to see
6 a demonstration on VoIP.

7 Since our last meeting in November, the
8 Commission adopted and released an IP-enabled services
9 NPRM. And to address the issues related to ensuring
10 disability access, E911 services, and law enforcement
11 functions, the chairman announced three solution
12 summits. We recently held the 911 solution summit on
13 March 18th, and we have the upcoming disability
14 solution summit on May 7th. And we hope that you are
15 able to participate and join us for that very
16 important meeting.

17 I won't dally, because I know you have a
18 long day ahead of you. But one thing that I did not
19 need to be reminded by Dane to do, and that is to
20 thank all of you for your hard work, but also to thank
21 Shirley for her tremendous leadership, and to thank
22 her for her generosity for underwriting the cost of
23 Rebecca's travels, and really hope that you can follow
24 in her leadership and hopefully help in this very
25 important assistance. We appreciate it.

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1 So I also got word this morning that the
2 chairman is unable to attend this morning, and he does
3 send his regrets and hopes that you guys have a great
4 meeting today. You have a lot of work ahead of you,
5 so let's get started.

6 CHAIRPERSON ROOKER: Thank you very much,
7 June.

8 (Applause.)

9 And that leads right -- Claude?

10 MR. STOUT: If I might, to June, if I
11 could?

12 CHAIRPERSON ROOKER: June, do you mind?
13 I'm sorry. Let's take some questions here.

14 MR. STOUT: Thank you. Thank you,
15 Shirley. I appreciate that.

16 Hi, June. My name is Claude Stout. I'm
17 with Telecommunications for the Deaf, Incorporated.
18 And, first, I just wanted to thank you for hosting a
19 disability summit. I was there yesterday -- the
20 disability summit on homeland security and emergency
21 preparedness. The summit yesterday was very
22 productive and really left us with many more questions
23 than answers, but together we'll work on those and
24 move forward.

25 I also wanted to compliment you and Dane

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1 and others for planning the May 7th outreach solutions
2 summit, and I would like to just make a comment in
3 regards to that. And if you could pass on this
4 message from the disability community.

5 We would like Dane to investigate hosting
6 a VRS forum here in the FCC as soon as possible. And
7 one suggestion would be if Dane or other FCC
8 Commissioners feel like it's -- it wouldn't be
9 appropriate to host that forum here at the FCC, but to
10 maybe, you know, find any outstanding VRS. And when I
11 talk about VRS, it's Video Relay Services -- those
12 issues and to maybe discuss those through a rulemaking
13 procedure.

14 And if you went ahead with a rulemaking
15 procedure, you -- I would hope you would involve all
16 of the parties that have interest there, people who
17 aren't here, people who are here, people throughout
18 the United States to have input into those issues.
19 And as you collect those comments from us on VRS, then
20 you will have a broader picture and a more indepth
21 understanding of the issues and the solutions for the
22 VRS issues. And so that's -- I just wanted to make
23 that comment to you this morning.

24 MS. TAYLOR: No, I appreciate that. And
25 if I recall, I think the committee did make a

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1 recommendation in November for something similar to a
2 summit on VRS, if I'm not mistaken. I know that is
3 before the Commission right now. It is -- it was
4 filed as a comment into the record.

5 We do have a rulemaking, and so not only
6 just the committee but others are welcome to file
7 comments on that particular issue or other issues
8 related to VRS and TRS. We certainly do want to hear
9 from as many people as possible and to have as full a
10 record as possible. So we hope that you are able to
11 file comments into the record.

12 Brenda?

13 MR. STOUT: The reason why I would like to
14 have the rulemaking take place would be some rules
15 that we -- we want to know if those rules are going to
16 be proposed, so that we can know what they are and be
17 able to discuss the issues, and to be able to see if,
18 you know, we agree with you on those rules or not.

19 And we want to have, you know, a more
20 meaningful dialogue between the FCC and us as
21 consumers on those issues. So thank you.

22 MS. TAYLOR: Absolutely. Thank you.

23 Hi, Brenda.

24 MS. KELLY-FREY: Good morning. Am I on?
25 Can you hear me now? Sounds like a commercial, huh?

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1 Okay. Good morning. I am Brenda Kelly-
2 Frey, and I represent the NASRA group, which is the
3 National Association of State Relay Administration.
4 And yesterday I searched on the ECFS for comments or
5 recommendations from the Consumer Advisory Council on
6 telecommunications relay services in both 97-67 and
7 03-123, and they weren't there.

8 Is there anybody that could confirm that
9 our work was put into the docket? And, if so, what
10 date? Because my understanding is is that the FCC
11 can't consider our recommendations unless they are
12 part of the record. And I know that policy is being
13 developed now, if not already, but I -- I just kind of
14 want to follow up on that for my working group.

15 MS. TAYLOR: Oh, absolutely.

16 MS. KELLY-FREY: Okay.

17 MS. TAYLOR: It was filed by the working
18 group, or was it filed by the committee?

19 MS. KELLY-FREY: It was -- well, the
20 working group made recommendations to the full CAC at
21 our November meeting. And then, the CAC voted all in
22 favor of our recommendations, and then that's where it
23 stopped.

24 MS. TAYLOR: It was my understanding that
25 it was filed. Let me -- Scott probably can speak to

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1 that.

2 CHAIRPERSON ROOKER: Scott has a comment
3 on that.

4 MS. KELLY-FREY: Okay.

5 MR. MARSHALL: Yes. Hi, Brenda. That
6 troubles me a lot, and we will certainly check it out.
7 The comments were filed in 03-123, and they were also
8 forwarded to the appropriate staff that are working on
9 that topic. So I think we're covered, but I'm -- I
10 think it's curious that you didn't find an ECFS, and
11 I'll definitely check that out.

12 We do that shortly after the committee
13 meeting takes place, and we submit it with a cover
14 letter from Shirley as an ex parte communication. So
15 if something went awry, we'll take care of it. But be
16 assured, though, that the staff working on the TRS
17 issue is aware of those comments, because I -- I
18 delivered those personally.

19 MS. KELLY-FREY: I'm certain that you did
20 everything in your power. I just want to make sure
21 that -- you know, that the ball is not dropped and
22 that it keeps rolling and rolling, because these
23 issues are so very, very important and critical to
24 telecommunications relay.

25 MR. MARSHALL: Absolutely.

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1 MS. KELLY-FREY: Yes.

2 MR. MARSHALL: We'll check into it --

3 MS. KELLY-FREY: Thank you.

4 MR. MARSHALL: -- and I'll let you know.

5 MS. KELLY-FREY: All right. Thank you.

6 MS. TAYLOR: Thank you, Brenda.

7 CHAIRPERSON ROOKER: Thank you, Brenda.

8 Do we have other questions or comments for
9 June?

10 Well, June --

11 MS. TAYLOR: Okay.

12 CHAIRPERSON ROOKER: -- thank you.

13 MS. TAYLOR: Thank you. While I'm up
14 here, I wanted to introduce to you Commissioner
15 Jonathan Adelstein. He has been a strong supporter of
16 our Bureau of Consumer Issues and of this committee.

17 So, welcome.

18 (Applause.)

19 MR. ADELSTEIN: Thanks, June. And good
20 morning, everybody. We are really glad that you could
21 be here today. It's an impressive group, and we
22 really appreciate your input into consumer issues. We
23 want to make sure that we keep a consumer-friendly
24 approach to everything that we do here, and keep
25 consumers in mind first in every action that we take.

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1 All of the Commissioners here are so
2 pleased that you have given the input that you have,
3 and I wanted to say that -- I know Dane is out today
4 -- on behalf of all of us on the eighth floor, how
5 much we appreciate your input.

6 We need this kind of dialogue. We need
7 the participation of all of you and the input from
8 consumers directly into what we're doing. I look
9 forward to hearing your recommendations as you hash
10 through them today.

11 I really am very pleased with what the
12 committee has been doing and all of the thoughtfulness
13 you've been giving into these issues. At the top of
14 our agenda, of course, is VoIP, and I'm glad that
15 you're biting into that. It offers I think huge
16 promise for revolutionizing the nation's
17 telecommunications infrastructure, how people get
18 voice services.

19 We need to think about the explosion of
20 consumer choices and services that are going to become
21 available as a result of VoIP, and we need your
22 thoughts about to make sure that everybody in this
23 country benefits, be they people with disabilities or
24 people who live in rural areas.

25 Everybody has got to benefit from this and

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1 do it equally, which also, of course, involves broad
2 band availability and everything else. So we're just
3 glad that you're going to give her input on that,
4 because we're seeing that VoIP has matured and it is
5 at the point now where we really think it's about to
6 take off.

7 We have been saying that for a long time,
8 but I think now it's actually true. We're right there
9 on the cusp of it, and it -- the VoIP services are
10 targeting the biggest market, the residential
11 consumer. They're going straight after the jugular,
12 and the questions about what this means for consumers
13 and the Commission are far from simple. It's
14 extremely complex, how we're going to tackle these
15 issues. So we need your input on that. We need this
16 kind of dialogue.

17 In addition to VoIP, I see that you are
18 focusing on electronic access to the FCC, which is a
19 critical issue. I think that a lot of the
20 recommendations that you're talking about are going to
21 be helpful to us. We have, of course, one of the best
22 websites in the country according to the ratings. It
23 can always be better. There's things that we can do
24 to make it more usable.

25 I was just hearing some concerns from some

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1 people about it recently. There's infinite things we
2 can do to improve it. We want to be the best, and
3 better than the best, as good as any -- any private
4 sector website. A lot of you have great familiarity
5 with how to come up with consumer-friendly, very
6 effective websites for commercial purposes. We want
7 to be equally effective here.

8 I see that one of the recommendations is
9 to develop an action plan for those who use English as
10 a second language. I'm particularly interested in
11 getting the Commission to give attention to this
12 proposal, because in my view the 40 million Hispanics
13 in this country need to have the ability to access the
14 material that we have on our website.

15 And I'm pleased that we do have on our
16 website some important consumer information in
17 Spanish, but there's more we can do. And I'd like
18 Hispanics to be able to access our online documents as
19 well.

20 Only 13 percent now of state and federal
21 government agencies offer any bilingual content at
22 all. And as the Federal Communications Commission, of
23 course, we should be leading that effort. And as part
24 of that leadership initiative, I want to in the next
25 few weeks put a portion of my own website in Spanish

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1 as an impetus for others to do the same.

2 So, again, I just wanted to thank you,
3 welcome you on behalf of all of the Commissioners
4 here, and thank CGB for their efforts in putting this
5 together. And I don't want to keep you from the
6 important work you have to do. I just wanted to
7 welcome you here this morning.

8 Again, thanks from all of us.

9 (Applause.)

10 CHAIRPERSON ROOKER: Commissioner, thank
11 you so much. Do you have time to take questions? If
12 we have questions for the Commissioner?

13 MR. ADELSTEIN: Sure, if you want to.

14 CHAIRPERSON ROOKER: Does anybody have a
15 question?

16 MR. ADELSTEIN: Anything on your mind?
17 I'd love to discuss.

18 CHAIRPERSON ROOKER: We thank you so much
19 for taking time out of your busy schedule to come and
20 join us. Thank you.

21 MR. ADELSTEIN: Absolutely. You bet.

22 (Applause.)

23 CHAIRPERSON ROOKER: I would like to -- at
24 this point, I'd like to set up the Homeland Security
25 Working Group. I spoke with Dane yesterday, and he

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1 said it's very important for us to make
2 recommendations to the committee, so we -- what we
3 did, we had talked about this in November, and some of
4 you had indicated an interest.

5 Those individuals who had indicated an
6 interest then were Mike Duke, Mike Delcasino, Mark
7 Pranger, Rebecca Ladue, and Susan Masary. Also, I
8 talked to Joe Gordon this morning, and he said he
9 might be interested.

10 So could we get a show of hands of the
11 people who'd like to serve on this Homeland Security
12 Working Group? And just to remind the folks that were
13 with Gene's ancillary services working group that that
14 group is kind of in abeyance right now, depending on
15 developments of technology, and so on. So we strongly
16 encourage you to join one of these groups, and perhaps
17 this is an opportunity to join a new one.

18 At any rate, could I see a show of hands?

19 I saw Susan's hand up. Okay. We've got Susan, we've
20 got Mike Duke, Diane, Marsha, Joe. Okay. Who else do
21 we have? Brenda, and Mike Delcasino -- yes, I've got
22 him down -- Mark Pranger, okay, Rebecca, okay. Did I
23 get everyone who is interested? Okay. That's super.

24 Scott can put together for you an e-mail
25 list. Who'd like to chair it? Or shall we let you

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1 all decide that yourself?

2 Mike Duke, we kind of had a question mark
3 by your name.

4 (Laughter.)

5 MR. DUKE: I will do it if no one else
6 goes --

7 CHAIRPERSON ROOKER: If no one is chomping
8 at the bit, huh? We appreciate that, Mike. Thank you
9 very much.

10 Scott will be contacting you -- well, if
11 you want to give it some thought and join later, you
12 don't have to do it this morning. But we'd just like
13 to get the nucleus together. So have we got
14 everybody? Okay.

15 All right. Super. That's wonderful.

16 Now, we have a few minutes, and I just
17 wanted to -- I said earlier that I was so pleased with
18 the work that's being done by the working groups. I
19 think that -- I think we've gotten -- really, some
20 excellent things have been happening.

21 And just to recap a little bit of it for
22 you, the broadband recommendations. As you know,
23 we've made recommendations to the Commission. We are
24 asking them to pay close attention to issues for
25 people -- access for people with disabilities, and

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1 these recommendations were filed.

2 I understand that Larry's broadband
3 working group is developing some -- a paper dealing
4 with consumer issues in broadband, which we will look
5 forward to more on that later. So there has been a
6 lot of effort going on in that group, and certainly if
7 -- by the number of e-mails, they are very busy.

8 The consumer education outreach and
9 complaints recommendations -- part of their
10 suggestions have resulted in Thomas Wyatt coming back
11 and joining us to speak about the consumer outreach.
12 But part, also, of the recommendations that were made
13 had to do with the fact that -- that we felt that
14 there was more consumer outreach that needed to be
15 done through a variety of outlets. Some excellent
16 things have come out of that working group, and I
17 think we're going to be hearing from them as we go
18 along.

19 The TRS VRS homeland security
20 recommendations you heard from Brenda. And as you --
21 as we said, we have filed recommendations to the
22 Commission. We'll check up and find out what's going
23 on there. The Commission is considering a summit on
24 VRS TRS, and I'm not sure when that may be. But at
25 any rate, it has been brought to their attention, and

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1 they haven't said no to it.

2 As I said, we thank you, Gene, and his
3 leadership for the ancillary services working group.
4 Those of you who were on that group, if you do want to
5 sign up with another group, that would be strongly
6 encouraged.

7 If you think you're going to get out of a
8 working group and go out and play in the halls for two
9 hours while we have those meetings, you're wrong. So
10 you may need to find a home this morning when we go
11 out into our breakouts.

12 Now, we have -- because Dane wasn't here
13 -- we had allowed time for him -- if Thomas Wyatt is
14 here, we could go ahead and start with Tom. Is he
15 here? Oh, you are here, Thomas. Thank you for being
16 the early man.

17 I'm so pleased to introduce Tom. He's
18 been with us before, as you know. He has some --
19 actually, he not only heads up the consumer -- yes,
20 where is it? I've got notes here, Thomas. Just bear
21 with me. He's back by popular demand.

22 He's with the Consumer Governmental
23 Affairs Bureau. He's the Deputy Director. He's also
24 responsible for, as you know, the Bureau's Consumer
25 Inquiries and Complaints Division, and its Information

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1 Access and Privacy Office as well.

2 Thomas, thank you so much for coming back.

3 (Applause.)

4 MR. WYATT: Good morning. I'm glad to be
5 back. The last time I was here I spoke to you about
6 our consumer -- informal consumer complaint process,
7 and so today's presentation is sort of a followup to
8 that, because I'm going to talk briefly about our
9 quarterly statistical report on the top consumer
10 inquires and complaints that we receive.

11 I'll keep my remarks brief, because I
12 don't have a lot of time. I want to make sure you
13 have time for questions, if you have them.

14 But we issued our first report back in
15 October 2001, and it covered the second quarter
16 calendar year 2001. Since that time, we've released a
17 report each subsequent quarter. Our most recent
18 report was issued back in November. We're planning to
19 release another one soon, and hopefully that will be
20 out within the next couple of weeks.

21 Don't hold me to that, but I'm pretty
22 confident that we'll have it out in the next couple of
23 weeks. I'm looking over at June, because I'm hoping
24 that she agrees with me. We should have it out in the
25 next couple of weeks.

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1 Generally, the reports cover the top
2 categories of complaints and inquiries that we
3 receive. And our goal in creating the report was
4 pretty straightforward. We receive thousands of
5 consumer complaints every year, many of which are
6 resolved by the companies involved without a lot of
7 direct involvement from us. But some of them require
8 some pretty major work on our part.

9 So highlighting the top complaints that we
10 receive is -- was one way of highlighting for
11 consumers issues that they may want to be particularly
12 concerned about or to consider as they shop around
13 among the many competing service providers.

14 As far as the inquiries, the goal is
15 pretty much the same. We receive many more inquiries
16 than we do complaints, but oftentimes consumers are
17 confused about the service offerings. So we put a lot
18 of emphasis on making sure that consumers can get
19 information they need to make informed decisions.

20 So by indicating the top inquiries that we
21 are receiving from consumers, it gives us a good idea
22 what consumers are concerned about, the issues that
23 they are struggling with, even if it falls short of a
24 complaint. So the idea was to really highlight the
25 top complaints and inquiries that we receive on a

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1 quarterly basis.

2 The information also helps Commission
3 staff, because it helps form and frame consumer
4 education initiatives, as well as consumer protection
5 initiatives that may be required.

6 The report also assists companies in
7 targeting those aspects of their services that may
8 require some adjustment or some further explanation.
9 When we routinely meet with the companies -- I say
10 routinely, we do it very frequently -- as we identify
11 spikes or trends in our inquiry and complaint data,
12 and we've been very successful in working out issues
13 with the companies in terms of helping to educate
14 consumers about particular issues.

15 So I really -- those of you that represent
16 companies, I'd like to say thank you, and we hope to
17 continue that cooperative working relationship, so
18 that we can continue to educate and inform consumers.

19 I guess the most significant thing I can
20 say about the report -- and I will start wrapping up
21 my brief remarks with this -- is that we are always
22 constantly trying to improve it. In that respect, we
23 would really appreciate any recommendations you have
24 about ways to improve the report. We want to make it
25 useful to consumers, the industry, and the Commission.

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1 So that's our goal is to really make it a valuable
2 tool for consumers and industry.

3 So having said that, I will open it up for
4 questions. I'll be happy to answer any questions you
5 might have.

6 CHAIRPERSON ROOKER: I have a question.

7 MR. WYATT: Okay.

8 CHAIRPERSON ROOKER: Describe for us the
9 types of complaints and the major ones -- the things
10 that would cause you to meet with companies to address
11 issues. Is this because of the level of complaints,
12 the number of complaints, the seriousness of the
13 complaints, or what's the general framework?

14 MR. WYATT: During both of those things,
15 or sometimes a combination of those things, we see a
16 large spike in complaints. It tells us that there's
17 something -- something is going on that may require
18 some kind of intervention or some -- some consumer
19 education initiative.

20 For example, billing complaints. You may
21 recall -- many of you may recall that the truth in
22 billing guidelines that the Commission adopted I guess
23 two or three years ago were based on the many, many
24 inquiries and complaints we received from consumers
25 about billing matters.

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1 So billing is probably the classic
2 example. Slamming is another one. Many of the
3 Commission's slamming initiatives were based on the
4 fact that we received so many complaints from
5 consumers and so many inquiries about the slamming
6 phenomena.

7 Probably one of the more recent and
8 popular examples would be TCPA, do not call. We were
9 inundated with complaints and inquiries about unwanted
10 telemarketing calls and unwanted faxes. And so that
11 -- monitoring those inquiries and those complaints was
12 very valuable for the Commission, because it provided
13 a lot of insight in terms of what the Commission
14 needed to do to address those issues.

15 So we look at a number of factors -- the
16 number of complaints, the seriousness of the
17 complaints. For example, in the disabilities context,
18 I know that I've had this conversation with many of
19 you in the past. The disabilities complaints have
20 never really made our top categories list, because
21 they have been relatively few compared to other
22 complaints that we receive.

23 But we don't -- that doesn't mean we take
24 those complaints any less seriously. When we see a
25 spike in disability-related complaints, we've convened

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1 meetings, and we've called in companies to talk about
2 what's going on, to try to better understand and
3 better educate consumers.

4 So our goal is always to educate and
5 inform, and the calls that we get from consumers, the
6 e-mail that we get from consumers, tells us that we
7 need to be more proactive in some areas. That's
8 exactly what we do.

9 CHAIRPERSON ROOKER: All right. Do we
10 have other questions for Thomas? Susan Grant.

11 MS. GRANT: Good morning. We haven't
12 noticed a significant drop in the number of slamming
13 complaints that we're receiving at our national fraud
14 information center, despite the fact that consumers
15 have more rights than they used to, and that there are
16 disincentives, supposedly, for companies to slam
17 consumers.

18 I'm wondering if you have seen any
19 significant decrease in slamming, and, if you haven't,
20 why you think that is and what more we can do about
21 it.

22 MR. WYATT: That's a tough one. Well,
23 generally, we haven't seen a major decrease in the
24 number of complaints that are being logged with us.
25 Now, as many of you probably know, the states now have

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1 authority to process slamming complaints on behalf of
2 the consumers in their respective states.

3 In that respect, certainly if you take
4 into account complaints that are filed at the state
5 level, which our reports don't reflect by the way, but
6 there doesn't appear to be any significant reduction
7 in the number of complaints that we're seeing.

8 I don't know why that's the case. It
9 might be that consumers are a lot more savvy, and they
10 understand what their rights are, which is something
11 else we try to do by the way is to make sure that
12 consumers understand they have a right to redress if
13 they have been slammed.

14 And the rules are very straightforward
15 when it comes to slamming, and the relief is very
16 straightforward. If you file a complaint and allege
17 the appropriate facts, then the chances are you're
18 going to get relief in the slamming context.
19 Consumers know that, and they file complaints.

20 And we don't discourage people from
21 filing, so the fact that they haven't gone down is not
22 troubling to me. It means that consumers are taking
23 advantage of their rights.

24 And I don't have the numbers before me. I
25 don't think we've spoken recently about the number of

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1 slamming orders that we've -- the Bureau has issued
2 resolving slamming complaints. The number has gone up
3 pretty significantly in the past year, in terms of
4 orders resolving slamming complaints.

5 I think the industry would like to see the
6 numbers go down as well. I'm sure of that. And it
7 wouldn't bother us to see the numbers go down, but we
8 want to make sure that consumers are aware of that
9 avenue and can file a complaint if they feel they've
10 been slammed.

11 CHAIRPERSON ROOKER: Annette.

12 MS. CLECKNER: Just a follow up on that.
13 There is also a rulemaking open on the CARE
14 procedures, which are the customer account record
15 exchange information that the carriers pass between
16 themselves when they're switching customers.

17 And we think that that rulemaking will be
18 important in furthering efforts to reduce slamming,
19 because as we get better information between the
20 carriers we should have fewer instances of consumers
21 getting switched to a carrier that wasn't their
22 particular choice. And getting that information more
23 accurately passed between the carriers should reduce
24 these kinds of problems.

25 So another layer to the -- to what we're

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1 referring to as the slamming or the alleged
2 unauthorized install issue.

3 MR. WYATT: That's a good point, and it
4 goes back to my point earlier about our goal in
5 working with companies is to make sure that they have
6 mechanisms in place to handle the complaints. And
7 from our perspective, the companies are doing a good
8 job. Whenever we've had to raise an issue with the
9 various companies, they've been very responsive.

10 So to the extent that the companies are
11 poised and equipped to handle complaints directly -- I
12 mean, our purpose is for consumers to go directly to
13 the companies in the first instance. And to the
14 extent that the companies have mechanisms in place to
15 resolve complaints before they get to us, I mean, we
16 really favor that. That is definitely our preference.

17 CHAIRPERSON ROOKER: Tom.

18 MR. ALLIBONE: Yes, this is Tom Allibone.

19 Actually, I have a comment, first of all. I'm very
20 pleased to hear that the industry is doing something
21 with regard to sharing the records back and forth,
22 because there's a phenomenon going on in the industry
23 for some period of time now where -- it's called
24 casual calls.

25 And I see almost every day of the week

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1 situations where consumers all across the country,
2 when they add a line, switch carriers, and do a number
3 of things along those lines, what happens is that if
4 the carrier they are switching to is not aware that
5 they became a customer of the new carrier, even though
6 they were picked over to them as their legitimate long
7 distance carrier, they are incurring, you know, casual
8 calls.

9 So hopefully this new procedure you're
10 talking about will help head off those types of
11 consumer, you know, issues that I've seen people get
12 billed as much as \$4 a minute when it appears on your
13 phone bill. It's a real wakeup phone call. So that's
14 really good news.

15 My question, though, getting back to you,
16 Tom, would be along the lines of -- it's a soft issue,
17 really, in my mind -- and that's cramming. Where do
18 you stand -- what kind of statistics do you track to
19 that level, if you do so?

20 And, again, my concern -- the reason I
21 raise the cramming issue is because at the end of the
22 day it normally comes down to a situation where it's a
23 he said/she said type battle. And I think the
24 consumers are in a very gray and a very awkward area.

25 So I'm just curious what, you know, you have found

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1 with your reports with respect to cramming type of
2 violations and complaints.

3 MR. WYATT: I don't have the specific
4 numbers in front of me, but I do -- I can tell you
5 that we do track cramming. We track it very closely.

6 Now, the thing about cramming -- in many
7 instances, the complaint ultimately belongs with the
8 FCC, and we do our best to get the complaint over to
9 the FCC when we get it. But we do -- when we receive
10 one, we count it. We code it and count it, and it's
11 included in our database, so we can track it.

12 So it's something that we track very
13 closely, and we coordinate very closely with the FCC
14 to make sure that when -- complaints that involve non-
15 carriers and cramming, those complaints are forwarded
16 to the FCC for appropriate action.

17 CHAIRPERSON ROOKER: Larry.

18 MR. GOLDBERG: Hi, Tom. It's Larry
19 Goldberg from WGBH. We are aware that the level of
20 complaints from the disability community doesn't quite
21 rise to the level of wardrobe mishaps that happen
22 around the country, but nonetheless they are important
23 issues.

24 (Laughter.)

25 A while back we had talked about, since

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1 many of us are almost equal to the FCC in fielding
2 these complaints and having to deal with them, because
3 our consumers write to us all the time, that you are
4 considering whether you could share both the
5 complaints and the resolutions of them with us, so
6 that we could all be on the same page and actually see
7 how the FCC was doing on them and see how we were
8 doing with them. So that's still possible.

9 MR. WYATT: Well, let me address maybe the
10 second part of that, because the thing to keep in mind
11 about our informal complaint process, we typically
12 don't render decisions on the merits. The informal
13 process is really designed to facilitate some
14 resolution for the consumer in an informal way. So
15 very rarely is there a written disposition of a
16 consumer complaint.

17 It happens in the slamming context,
18 because there are a specific set of rules that require
19 the Commission to do that. But very rarely do we
20 issue any written disposition of an informal complaint
21 in that context.

22 Now, the first part of your question,
23 sharing the complaint information, we're open to
24 recommendations about capturing -- better capturing
25 disability-related complaints. And I guess I would

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1 maybe look to Shirley and see if we could get maybe a
2 formal recommendation along that line. We'd be happy
3 to consider it.

4 But we're always trying to improve the
5 reports. So to the extent that we can better capture
6 disability-related complaints, we want to figure out
7 how to do that. So I'm very open to that. And there
8 might be ways that we can -- I haven't really studied
9 the issue recently, but there are things that we can
10 do to better capture complaints, to the extent that
11 there's a view that we're not capturing complaints.

12 CHAIRPERSON ROOKER: I think we very well
13 can get a recommendation from the working group that
14 we can put in the form of a formal recommendation.
15 We'll have to put it before the committee, but it
16 sounds reasonable to me.

17 Who is here from the working group, the
18 consumer outreach and -- Susan, who's the chair of
19 that group? I forget. Joy. Joy is not with us
20 today. Mike is sitting in for her. Is this
21 something, Mike, that we could ask you all to take up?
22 Okay. Super, that's great.

23 Thomas, that's excellent. Thank you.

24 MR. WYATT: I was going to make a comment
25 about -- back to Larry as well. To the extent that

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1 you are seeing complaints that aren't making it to us,
2 I guess I have a question.

3 Are there things that you're doing to
4 facilitate the consumer actually giving the complaint
5 to us, if you feel they should come to us? Because
6 I've heard many times that people on the outside are
7 getting a lot of complaints, but they never really
8 ever show up with us in that kind of volume.

9 So if there are some things that you all
10 can do to maybe facilitate that process, then we'd
11 welcome that as well. So we're just not getting the
12 numbers of complaints that we're told are out there.

13 CHAIRPERSON ROOKER: Well, I think it is
14 incumbent upon us -- like Call for Action. We always
15 tell people to file the complaint with you, even
16 though we may help them resolve the problem. We feel
17 that, like you do, it's very important that this
18 record be maintained, so you know what's going on.

19 So perhaps what we all need to do is to
20 make a concerted effort to see that consumers, in
21 addition, file their complaint.

22 I don't know -- Susan, do you all do that?
23 You probably do. Do you recommend that consumers who
24 call you about telephone complaints also file it with
25 the FCC?

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1 MS. PALMER-MAZRUI: No, we would not do
2 that. We would try to resolve it directly with the
3 customer. But I think --

4 CHAIRPERSON ROOKER: I'm sorry, Susan. I
5 meant the other Susan.

6 MS. PALMER-MAZRUI: Oh, sorry.

7 CHAIRPERSON ROOKER: I'm looking at Susan
8 Grant. I apologize.

9 MS. GRANT: Actually, we take complaints
10 in about slamming and cramming, and we --

11 CHAIRPERSON ROOKER: Wait a minute. Put
12 your hand up.

13 MS. GRANT: We take in complaints about
14 slamming and cramming and electronically transmit them
15 to certain personnel at the FCC. So we don't need to
16 tell consumers to take another step to complain to the
17 FCC, because we can --

18 CHAIRPERSON ROOKER: That's great.

19 MS. GRANT: -- share that information.

20 MR. WYATT: And I believe the slamming
21 complaints are a type of complaint -- those are being
22 reflected in our numbers, because we are getting those
23 in a pretty routine way. But I think the concern I
24 was hearing is that a lot of disability-related
25 complaints don't quite show up in our numbers, and

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1 that's something that we've been hearing for some time
2 and doing -- we're open to ways to improve that.

3 If there are, in fact, complaints that we
4 should be receiving, then we want to figure out how to
5 make sure consumers know how to do it and where to do
6 it.

7 CHAIRPERSON ROOKER: And Susan Mazrui this
8 time. Sorry, Susan.

9 MS. PALMER-MAZRUI: That's okay. I
10 thought that was kind of an odd question for me.

11 (Laughter.)

12 CHAIRPERSON ROOKER: It was.

13 MS. PALMER-MAZRUI: I think to Larry's
14 point, in terms of disability-related complaints, I
15 think people with disabilities are often intimidated
16 about going to a government agency. And certainly
17 companies prefer it if we can resolve the complaint
18 directly.

19 But I think for companies that want to do
20 the right thing, it would be sometimes helpful to have
21 a list of concerns. Maybe not the addition -- you
22 know, the actual complaint or the carriers or service
23 manufacturers involved, but, you know, this is an
24 issue that was raised.

25 You know, we've seen it several times.

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1 And these seem to be concerns, and I think that that
2 would be helpful in our planning moving forward,
3 because in many cases the disabilities may be low
4 incidence, or we may not have had that complaint.
5 Sometimes it helps reinforce what we're doing, that
6 we're doing the right thing.

7 But more often, it will give us some
8 information about needs that we may not have heard
9 directly from the community that we work with.

10 CHAIRPERSON ROOKER: Okay. I think --
11 thank you, Susan.

12 Is there any follow up on that comment?
13 Rich Ellis, I believe you had your hand up next.

14 MR. ELLIS: Just a couple of comments for
15 you. First of all, Shirley -- and other groups were
16 referring people who have gone to you first, and then
17 having to go to the FCC -- that's fine, but please
18 tell them when they go to the FCC, if you have already
19 solved the problem, tell them to tell the FCC that.
20 Otherwise, we're going to be chasing our tails and
21 solving the same problem three and four times over.

22 Also, if we do get some kind of report
23 from the FCC back to the committees of this group, I'd
24 like to make sure that there's enough detail in there,
25 so that we get an understanding of what the complaints

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1 are. A lot of times we get complaints from customers
2 and it's just a misunderstanding. And by the -- you
3 know, we go back and tell the customer what the facts
4 are.

5 It isn't that something is wrong with the
6 company, but if it's listed wrong on the sheet it's
7 going to give a wrong impression. So just make sure
8 there's enough detail so we can accurately reflect
9 what the complaints are about.

10 CHAIRPERSON ROOKER: Good point. So now
11 we had several hands. Andrea, and then David.

12 MS. WILLIAMS: Can you hear me? I'd just
13 like to concur with what Rich said. I strongly agree
14 with you on that.

15 But I'd also like to ask Susan and some of
16 the other consumer organizations, have you ever tried
17 or have worked with, say, an industry group in terms
18 of providing that information? Say, for example --
19 I'm going to be frank. Say, for example, as you know,
20 CTIA has been working on a voluntary consumer code.
21 Would consumer groups be willing to share that
22 information, if we had a mechanism to accept that
23 information and get it to the right people within our
24 companies, my member companies?

25 Because I think what -- the goal here is

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1 to facilitate the consumer getting his complaint
2 resolved as quickly as possible. And I think that
3 would also help.

4 I'm not saying that -- you know, if the
5 consumer still wants to file a complaint with the FCC,
6 that's fine. But at least it gives us a chance to
7 resolve the customer's issue before we lose them as a
8 customer, and I know that's very, very important to my
9 members.

10 That with the industry right now
11 particularly being so competitive, that they get very
12 concerned when a complaint just sits there and it
13 doesn't -- they don't know about it or it's, you know,
14 sitting at a state PUC's office or at the FCC, because
15 they are burdened with a lot of, you know, work. They
16 lose that customer and don't have a chance to win back
17 that customer.

18 CHAIRPERSON ROOKER: Well, in the case of
19 Call for Action, we call on behalf of the consumer.
20 So we would talk to your member base. We would be
21 calling the company that's involved about the problem.

22 But, yes, I think this is something that
23 we could discuss in terms of how we can share
24 information with consumers, so that we serve everybody
25 better.

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1 So -- wait a minute. I have other -- is
2 this comments following up on this? Because we're
3 running out of time, so let's make them very brief. I
4 saw Susan's hand first, and then we'll get to David,
5 because, David, do you have a different issue?

6 MR. POEHLMAN: No.

7 CHAIRPERSON ROOKER: Oh, okay. Well,
8 then, David is first. I'm trying to be fair.

9 MR. POEHLMAN: I don't think I have a
10 different issue. Dave Poehlman with the American
11 Council of the Blind. Just wanted to mention that
12 another reason that people -- that you may see lower
13 incidence of complaints from people with disabilities
14 is that a lot of times when confronted with a
15 situation that looks like it might not be
16 appropriately meeting their needs, a lot of people
17 with disabilities just sort of adjust and find other
18 ways to do things.

19 And there's a lot of examples of that I
20 can give you, but -- but, you know, they just sort of
21 drop out of the -- well, anyway, I don't want to go on
22 too far with this, but that's basically what can
23 happen.

24 CHAIRPERSON ROOKER: Okay. We had other
25 comments. Susan, and then we'll just go down the

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1 table.

2 MS. GRANT: I just wanted to clarify that
3 we're looking for complaints that rise to the level of
4 fraud or serious deception and not misunderstandings
5 or billing disputes. We transmit the information to
6 law enforcement agencies, and we need to leave it to
7 them to decide when it's appropriate to share that
8 information with the companies in question.

9 CHAIRPERSON ROOKER: All right. Who else
10 had a comment? I think Joe's hand was first, and then
11 Susan, and then Larry. Okay. And got to ask it fast.

12 MR. GORDON: Hi. Joe Gordon, League for
13 the Hard of Hearing. One of the many, many, many
14 hundreds of complaints that I receive from hard of
15 hearing and deaf consumers is quality and quantity of
16 captioning. You mentioned quality, and that's
17 something that you have to invite us to participate
18 in.

19 As far as missing captions, when captions
20 are missed and a consumer writes to the cable TV
21 company, it's after the fact. So it's not in a
22 complaint, but it's a question. And they never, never
23 reply unless there's a cc to the FCC, and that's a
24 problem we need to have solved by the industry.

25 When a program is -- TV without

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1 captioning, we want to bring it to their attention and
2 get them -- say, "Oh, the switch was not turned on."
3 We need a reply. There are many, many complaints
4 about missing closed captioning, and we need some help
5 on that.

6 MR. WYATT: Okay. I know that recently we
7 facilitated a meeting with a consumer group in
8 Northern Virginia and members of the industry
9 regarding captioning matters, and that's something
10 that we look to do as well. If there is -- there
11 seems to be a disconnect, if information is not
12 flowing in one direction, we try to act as a bridge
13 sometimes to make sure that there's an open dialogue.
14 And we're always open to doing something like that.

15 So we'll continue to do that, but, again,
16 if there are other recommendations, we're open to
17 them.

18 I wanted to just -- if I could quickly
19 follow up on something Rich was referring to. I
20 neglected to mention that one important caveat that we
21 include in our report is the fact that a complaint
22 doesn't mean that a company has done anything wrong.

23 We get a complaint from -- we get many
24 complaints that don't involve violations of any
25 specific rule or policy of the Commission. So we're

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1 very careful to point out that the existence of a
2 complaint doesn't mean that a company has done
3 anything wrong.

4 So, and I think that's a very important
5 caveat that I need to mention, because we do get a lot
6 of complaints that are not actionable but they do give
7 us an opportunity to try to help and assist or inform
8 the consumer.

9 CHAIRPERSON ROOKER: Okay. Susan Mazrui,
10 do you -- it was answered? Okay.

11 Thomas, thank you so much. As always,
12 you're an outstanding hit. Thank you.

13 (Applause.)

14 I think that's something that, of course,
15 the way consumer complaints are handled are important
16 to consumers and businesses alike. So we all have a
17 vested interest in what they're doing.

18 It's time for us to go to our breakout
19 sessions. Just a few reminders. At lunch, we are
20 having a presentation. Lunch starts at 12:00. Please
21 be back here by 12:00, because we have lunch scheduled
22 from 12:00 to 1:00, and we have someone from Vonage
23 coming to talk about VoIP. So I think it's going to
24 be a subject of great interest to all of us.

25 We'll have lunch here at 12:00. Be back.

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1 Now, for those people -- for Eugene's
2 working group, the ancillary services -- Scott, what
3 are we going to do with them? Let me give you the
4 microphone.

5 MR. MARSHALL: All right. The TRS group
6 will remain in this room. And the consumer complaints
7 outreach education group and the broadband group will
8 meet across the hall and down the corridor. Broadband
9 will be in B445, and there is a sign. And the
10 consumer complaints group will be in A408 across the
11 hall, and there is signage there.

12 And if -- I know many of Eugene's group
13 were also on other working groups, and are, therefore,
14 already taken care of. But if anyone is in need of a
15 new working group home, feel free to join any of these
16 groups. And let us know that you'd like to join, and
17 we'll be sure that you get plugged in to the e-mail
18 discussion, list serve, and all that sort of stuff
19 that's set up for each group.

20 CHAIRPERSON ROOKER: Brenda has a
21 question.

22 MR. MARSHALL: Okay. Brenda, go ahead.

23 MS. KELLY-FREY: Is it my understanding
24 that we just formed a new homeland security working
25 group? And shall we be meeting as well during this

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1 time period or not?

2 MR. MARSHALL: No, not at this point.

3 MS. KELLY-FREY: Okay.

4 MR. MARSHALL: Not at this point.

5 Undoubtedly, our next meeting -- well, they will be
6 part of the breakout sessions, and we'll get that off
7 the ground quite quickly. And there certainly will be
8 meetings between now and the June meeting.

9 CHAIRPERSON ROOKER: Do we have any other
10 questions before we go to our breakout? Okay. Go do
11 lots of work.

12 Thank you.

13 (Whereupon, at 10:02 a.m., the proceedings
14 were adjourned so that participants could
15 attend working group breakout sessions.)

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A-F-T-E-R-N-O-O-N S-E-S-S-I-O-N

(12:16 p.m.)

CHAIRPERSON ROOKER: Yes. Hello, everyone. If we could get you to the table, we'd like to start our lunchtime presentation, please. If I could get you to the table.

Many of you have expressed an interest in the VoIP issue, and I think we're going to have an enlightening presentation for us at lunch today. Our guest is Brooke Schulz, who is the -- heads the Communication Department at Vonage. She oversees their public regulations, their regulatory affairs, marketing, and internal communications programs.

I don't know with all those things to do how she found time to get here for us, but we're very thankful that she did. So please join me in welcoming Brooke.

Thank you.

MS. SCHULZ: Wow, what a great introduction. Thank you.

Okay. I'm running the presentation off this laptop here. I think we're supposed to see a presentation up here, but I'm not sure. I can run it here. That's fine.

Okay. Sorry for the delay. There we go.

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1 Okay. Can everyone see that? Okay,
2 great. Sorry for the delay.

3 I'm from Vonage. We're a relatively new
4 company. We were founded in 2001. We are based out
5 of Edison, New Jersey. We have about 300 employees
6 currently. We spent the bulk of 2001-2002 developing
7 the technology and testing our service in limited
8 market trials. And in 2003, we came to market with a
9 new service called Vonage, the broadband phone
10 company.

11 It's basically voice over IP. What we see
12 in the marketplace today is using a voice over IP
13 adapter like this, a computer, in conjunction with a
14 broadband connection. I'm going to pass this around,
15 so everyone can kind of see it. Pass the adapter
16 around.

17 Basically, you use the adapter in
18 conjunction with a regular telephone and a broadband
19 connection, and your calls will now be routed over the
20 internet. It uses a regular telephone number, and
21 I'll get into some of the cool features and unique
22 applications that the service offers in a little bit.

23 But basically in 2003 was the first real
24 year of launch for us. Today we have about 130,000
25 lines and service. So it's still a very small market.

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1 A couple of things that we achieved in
2 2003 and early 2004, we actually offer about 40 states
3 coverage with our service. So we offer about 180 area
4 codes, and that means you can choose from any area
5 code that's in our network. So if you go to
6 Vonage.com and want to sign up, you can choose from
7 any of the 180 area codes we offer.

8 Because this service works over the
9 internet, basically there is no geographic
10 significance to the number anymore, and you can choose
11 from any of the numbers that we offer. So this offers
12 some really cool capabilities to consumers who are
13 interested in having a presence outside their local
14 area.

15 Now, with regard to a couple of things
16 we've done over the past year, we have about 60
17 percent of the market share currently, according to
18 the Yankee Group. There are other companies entering
19 the marketplace, like Time-Warner Cable and
20 CableVision. You might be aware of some of their
21 products.

22 Right now, this is a very new industry,
23 and we're starting to kind of get our legs underneath
24 us and figure out what kind of new features and what
25 kind of cool services we're going to be offering to

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1 the marketplace over the next year and in the coming
2 years.

3 We've also been the first operator to
4 create the first non-geographic 911 system. I can get
5 into a little bit about that a little bit later. You
6 might be aware that our CEO last week participated in
7 the internet policy working group 911 summit.

8 We also completed a recent equity
9 financing round of \$75 million, so there's a lot of
10 investment coming into this community for new
11 services, new features, and new capabilities in this
12 market. It's very exciting.

13 So this is how it works. I explained a
14 little bit about how the adapter plugs into your
15 existing home networking with regard to your high-
16 speed cable modem or your DSL modem. You can see the
17 white box there in the front. The yellow adapter is
18 actually the black adapter that I handed around, and
19 that's a Motorola device. We have used CISCO devices
20 in the past. We are currently using the Motorola
21 adapter.

22 Basically, all you need is an existing
23 telephone handset that you have at home, a cordless
24 phone, corded phone. Any kind of phone that you have
25 will work. And you basically plug that into your

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1 adapter, and plug the adapter into the internet, and
2 you're off to the races.

3 You do the installation yourself. Once
4 you sign up on Vonage.com, the box is mailed to you by
5 UPS, and you get it out of the box and you install
6 your own phone service. It's kind of a neat thing for
7 people to be able to really take control of their
8 service and take control of the features.

9 So you don't really need a computer. In
10 this picture here, the computer is kind of tangential,
11 but there are some really cool features I'll get into
12 in a minute that do utilize the computer that are in
13 conjunction with our service, and a couple new things
14 that we're coming out with on the next slide.

15 So this is a new product that we just
16 launched this week called the Vonage soft phone. And
17 this is actually a phone that lives on your computer,
18 and it goes with you wherever your computer goes. It
19 needs high-speed internet just like the adapter does,
20 but it can also work over a Y-FY connection.

21 So I actually have a soft phone that I'm
22 going to demonstrate for you all on this computer here
23 that's running over the FCC's Y-FY network.

24 This is also a picture of an IPAC. You
25 can actually use your soft phone clients on a PDA. So

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1 if you have an IPAC or some next generation device
2 that works over the internet, you can install this
3 piece of software on that device and use it wherever
4 there's internet access.

5 So there's a lot more mobility with this
6 new application than there is with the actual phone
7 handset and the Motorola adapter. So that's giving
8 more mobility to people, which we think is a very good
9 thing.

10 Now, this is a new feature that -- or new
11 offering that we're currently developing. It's a Y-FY
12 handset. It works -- it looks like a cordless phone,
13 and it works over a Y-FY network. CISCO is currently
14 in the marketplace with a device like this. We're
15 evaluating the CISCO gear as well as some other
16 handsets that will work over Y-FY connections.

17 Basically, you will no longer need the
18 adapter or a computer. If you have a Y-FY network
19 installed in your home, you can take the Y-FY handset
20 all over the home, or even to a Starbucks, wherever
21 there's Y-FY, or even your office, and use it there.

22 So it's kind of like a cellular phone but
23 -- in terms of the way it roams, but it must work over
24 the internet, so it has to have a Y-FY hot spot. So
25 that's kind of the new application that we've seen our

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1 customers demand that gives more mobility and more
2 flexibility with the applications.

3 But because it's a computer application,
4 it runs over the internet. So all you really need is
5 internet access, high-speed internet access, to get it
6 to work. So that's exciting.

7 So a little bit about the plans. So why
8 are people signing up, and why is this voice over IP
9 taking off the way it has been over the past year?
10 Our packages start at \$15. So for \$15 you can get a
11 full service telephone service, for 500 minutes of
12 calling throughout the U.S. and Canada, including all
13 of the features. And I'm going to get into a little
14 bit of the cool features that we offer in a minute.

15 But basically, we give you all the
16 features for free, and we don't nickel and dime our
17 customers. So \$15 is a pretty competitive offering to
18 start out with phone service, so we think that's
19 pretty advantageous.

20 \$35 is the premier flagship product, \$35
21 for unlimited calling throughout the U.S. and Canada.

22 We also offer businesses packages that give you
23 basically two lines, which is a fax line and a voice
24 line, for the price of one really. So we're pretty
25 proud of the packages we've put together for consumers

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1 and the feature capabilities that we've put together
2 for consumers as well.

3 But we've found that a lot of our
4 customers have come back to us and said, you know,
5 "You've saved me thousands of dollars a month or a
6 year, and we really thank you for cutting our phone
7 bills down so significantly." So that's a pretty big
8 advantage to customers out there who have been
9 spending a lot of money on their phone service.

10 So this is the feature set that we offer.

11 As you can see, it's pretty lengthy. We offer all of
12 the lower left and right-hand features for free. The
13 premium services you deserve at the top -- at my top
14 left are the ones that we charge \$5. Enhanced 411 is
15 actually \$1. But toll-free plus, virtual phone
16 number, and the Vonage soft phone are all \$5 to \$10
17 extra per month.

18 The dialing 911, as you can see, is free.

19 Local number portability is free. All of these
20 features, like voice mail, caller ID, call forwarding,
21 call waiting, those are all free as well. So we let
22 you pick and choose which features and services you
23 want to use. We give them to you all for free and let
24 you kind of customize your phone service to suit your
25 needs.

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1 So, again, with self-installation comes
2 self-configuration of the features and of the way
3 you're going to actually use the service. So, for
4 example, we have a picture here in the center that is
5 of the web account that we give you for free.
6 Basically, the web account is a portal into your
7 Vonage service, and basically allows you to configure
8 every possible aspect of your Vonage service for free
9 on the web, wherever there is internet access.

10 So, for example, you can set your call
11 forwarding in real time. Once you're leaving your
12 computer, you put -- hit Submit, it's set. For
13 example, all you have to do to set your call
14 forwarding for your Vonage service is type in the
15 number, hit Submit, and your call forwarding is set.

16 We also have a couple of cool features
17 that we're starting to develop right now. One is
18 called simul-ring. It actually lets you set the
19 Vonage service to ring two different phones at one
20 time. We also have another feature that we're working
21 on called blast-me that allows you to ring up to five
22 to 10 phones at one time, if you want to.

23 You know, if you don't know where you're
24 going to be at one time, if you're going to be, like,
25 near a cell phone, or you're not sure, you can have it

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1 ring all the phones that you might possibly be near at
2 that time. And depending on which one you pick up
3 first, you'll be able to take the call. So it's
4 pretty powerful in terms of giving you features and
5 flexibility that haven't been available in the
6 marketplace before.

7 Because this is IP, we can develop
8 features much more quickly and much more cost
9 effectively, and deploy them to the environment -- to
10 the consumer marketplace much more quickly.

11 People can actually develop their own
12 features. We have a developer's website, where we
13 have our customers go to and they actually develop
14 their own features. For example, for the simul-ring
15 feature, we've had a gentleman -- I think he's in
16 India, he actually developed a website that says, "If
17 you want to call me now, type in your phone number
18 here."

19 And it's a Vonage service, and he
20 basically types -- you type in the phone number, and
21 it rings your existing phone. It does a ring back for
22 you. It rings his Vonage phone, and it rings your
23 phone that's on your desk, so it's pretty neat. And
24 he developed that all on his own, and we have some
25 developer sites that are kind of developing some cool

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1 and cutting edge things that we didn't even think
2 about.

3 So, again, this is an open environment.
4 This is computer networking, and this is open source.
5 So a lot of people have a lot of cool ideas that they
6 want to exercise, and they are -- we are giving them
7 the tools to do that and to develop some new cutting
8 edge things that we didn't even think about. So
9 that's it for features.

10 So, well, we're doing some work toward the
11 future with regard to 911 and a couple disability
12 access issues. With regard to NENA, we're actually
13 working very closely with NENA and the FCC on
14 developing an I911 standard. And we're actually
15 implementing some tests in a few states that you might
16 be aware of, or might not be.

17 In Vermont, we're actually doing a fully
18 enhanced internet-based 911 test where we're actually
19 sending the 911 traffic to -- I believe they are IP-
20 enabled phone handsets as well as computer terminals
21 with more advanced information than currently is
22 available today. So that's pretty exciting.

23 We're also working with Gallaudet
24 University to test and deploy some new features for
25 the disability community with regard to TTY and TDD

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1 services. So we're working with them to see what kind
2 of features and what kind of capabilities the IP
3 environment can push forward with the disability
4 community in mind.

5 And IETF -- with regard to IETF, there are
6 -- actually, right now we're working on -- right now
7 we've talked a lot about voice services and what kind
8 of voice capabilities are on the market today. But in
9 the future, we're going to see a lot more integrated
10 types of communications where there is a voice stream,
11 a video stream, and possibly a text stream all during
12 the same call or the same session.

13 Because we use a technology called SIP,
14 there is a lot of different types of media we can send
15 back and forth to different terminals or computers, or
16 phones even. So what's exciting is IETF is working on
17 a text over IP standard where you'll be able to send
18 text back and forth along with video or along with
19 voice or as its own stand-alone stream.

20 So there's a lot of pretty cool things
21 that are being worked on in the technology
22 environment, and we're trying to work with as many
23 communities as possible to get those solutions
24 deployed to not only our market but the customers as a
25 whole. And that's it.

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1 For now, I think I'm going to try this
2 soft phone call and see how this works. Put on my
3 headset. So, let's see. Let me show you. This is
4 the Vonage soft phone application. Let me show you
5 how it works.

6 Basically, it looks kind of like a phone
7 screen, because you have the number here, and you can
8 just dial it by punching in these numbers using the
9 mouse or using the keypad. And I have the number here
10 already typed in. I'm basically just going to
11 initiate the call. And this is over a Y-FY
12 connection, so this is completely wireless.

13 Hi, Jeff? Hello?

14 JEFF: Hello?

15 MS. SCHULZ: Hi, Jeff. Can you hear me?

16 JEFF: Yes.

17 MS. SCHULZ: How does it sound?

18 JEFF: Well, other than the echo that
19 we're getting because we're too close to speakers, it
20 sounds perfectly fine.

21 MS. SCHULZ: Great.

22 So as you can see, there's a lot of really
23 cool applications we're working on with regard to not
24 only mobility but voice communications, where you can
25 take a computer wherever and a phone service wherever

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1 there is internet access. So as you can see, this is
2 going to be a pretty exciting development.

3 Thank you.

4 JEFF: Okay.

5 MS. SCHULZ: Also, if any of you would
6 like to try this, I'd be happy to let you call
7 somebody or try something at the end of the day.

8 Thank you.

9 And now for questions. Yes?

10 MR. SNOOP: Is this on? Hello? Okay.
11 Most of the cable companies that are currently getting
12 into VoIP are marketing this as a second line service,
13 advising customers to keep their pot service. Is that
14 basically where you're coming from also?

15 MS. SCHULZ: We actually market it -- we
16 don't really market it as a second line or as a line
17 replacement. We basically view it as an option in the
18 plethora of voice services that are out there today.

19 MR. SNOOP: Like an enhancement to --

20 MS. SCHULZ: Yes. We view it as several
21 -- in a different way, I guess, than the cable
22 operator would, because we view it as they -- they now
23 have three options for voice communications in the
24 marketplace, where, you know, maybe even two years ago
25 there were only two. There was landline and cell

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1 phone, and now there's landline, cell phone, and voice
2 over IP.

3 So we view it as, you know, you can self-
4 configure it and sign up for it however you personally
5 want to use the service. We don't, you know, market
6 to you in a certain way, or basically say to you,
7 "Okay. I want you to, you know, use this only, and
8 this is the best phone service for you out there."

9 We basically say, you know, "This is
10 another option in the marketplace. We hope to save
11 you some money, and we hope to have your business."
12 That's kind of the way we're looking at it, as an
13 addition to what's existing in the marketplace.

14 MR. SNOOP: Okay.

15 MR. DUKE: Okay. All right. My name is
16 Mike Duke. I'm from Mississippi. What is -- have you
17 -- first of all, have you done any experiments with
18 your soft phone in terms of working with adaptive
19 screen software for visually impaired people?

20 Also, what about directory assistance?
21 And how secure is it? If it's a Y-FY connection, what
22 keeps somebody from coming in and using up all of my
23 minutes?

24 MS. SCHULZ: Those are all -- three good
25 questions. So I'll take them one at a time. First of

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1 all, we haven't done -- this product is very new.
2 This soft phone was just released this week, so we
3 haven't really done a lot of testing with some of the
4 unique applications that are out there for the blind,
5 like you mentioned. We haven't done any of that, but
6 we would like to test that. And we'd be happy to do
7 -- to get hold of software and take it to our lab and
8 see what we can do.

9 With regard to the security question, in
10 terms of wireless networks, basically they are pretty
11 open. With our service there is encryption on each
12 end of a call, so you actually have to be
13 authenticated with our network. And what that means
14 is the software that's built into this computer here
15 that I just used, basically knows to communicate with
16 our servers, and say, "I am authenticated to make
17 calls and receive calls. Here is my account
18 information. Here is my address." And all of that
19 information is encrypted, so it's pretty secure.

20 As you know, in these days nothing is
21 completely secure. You can't say something is 100
22 percent secure. But we think we're doing a pretty
23 good job of keeping things secure.

24 And can you refresh my memory on the last
25 -- the other question? I'm sorry.

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1 MR. DUKE: Directory assistance,
2 especially for --

3 MS. SCHULZ: Oh, directory assistance.

4 MR. DUKE: -- for people who are not using
5 your service, if I need to get a phone number for a
6 local business, or whatever.

7 MS. SCHULZ: Sure. Yes. We have enhanced
8 411 that is a dollar a call, and it's national 411.
9 And you can get any number that's in the database. It
10 just works like regular 411.

11 In the corner?

12 MR. POEHLMAN: Hi. Vonage is a wonderful
13 service I've been hearing about for a couple of years
14 now. It seems like the price has come down. I think
15 initially it was like \$39.95, and I just hear you
16 quote \$35 something, \$34.95 or something. That's
17 good.

18 The reason I wanted to speak with you, I
19 wanted to ask about the Y-FY handset. I have a couple
20 of questions. One is, if I go to Starbucks to use it,
21 does that mean that I have to be authorized with the
22 Starbucks service? Or is it just like -- just because
23 I'm in the vicinity of a Y-FY network, it will just
24 pick it up and work.

25 MS. SCHULZ: That's a really good

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1 question. As you are probably aware, there are
2 different kinds of Y-FY networks that exist in the
3 marketplace today. There are home networks that are
4 configured by the user, and then there are more
5 corporate or enterprise networks, that are for sale,
6 like the Starbucks network offered by T-Mobile.

7 So with regard to the Starbucks, you would
8 definitely need to be given access, either through
9 purchasing a card or some kind of access to the
10 T-Mobile hot spot that you're going to be using it
11 over, obviously.

12 But there are also other free networks.
13 For example, in Bryant Park in New York City, that's a
14 completely free and open network. So the handset will
15 work, to my knowledge, over both networks as long as
16 you are granted access and you are able to configure
17 the wireless networking card within the device to be
18 able to work with the network you're trying to use it
19 over.

20 MR. POEHLMAN: And my second question is:
21 since this is a -- since this is a -- like a cordless
22 phone basically kind of thing, I imagine it has some
23 display information, like caller ID and things like
24 that on it?

25 MS. SCHULZ: Yes, it does. It's actually

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1 -- I wish I could have brought one here.

2 MR. POEHLMAN: Have you put any thought
3 into making that, you know, more accessible, you know,
4 to people who don't have -- you know, who don't have
5 the means to read the screens or to read the flashing
6 lights, and that sort of thing?

7 MS. SCHULZ: Right. That's a really good
8 question. With regard to the handset, we're kind of
9 limited to what's on the marketplace from the
10 manufacturers. And right now we're working with some
11 Asian manufacturers to see what kind of advances
12 they're going to put into the handsets.

13 Right now it looks and feels a lot like a
14 cellular telephone in terms of the functionality it
15 offers with the call display information and call log,
16 and the profiles that you are able to set up on the
17 handset itself. But, you know, we'd be happy to
18 address some other advancements with regard to the
19 disability community with the equipment vendors.

20 As you are probably aware, the equipment
21 vendors kind of are the ones that are leading the
22 charge with regard to a lot of the devices we're
23 actually able to test and see. So to any way we can
24 help them, move them, toward the disability community
25 and disability community needs, we'd be happy to do

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1 that.

2 MR. POEHLMAN: And is the price the same
3 with the handset as it is with the adapter, or --

4 MS. SCHULZ: Yes. Basically, you will
5 need to -- the adapter is free that we send out with
6 regard to our service today. So the black box that I
7 passed around, that's free when you sign up.

8 The soft phone client that I showed here
9 on my computer is an extra phone line, so that's \$10.

10 The handset we are thinking about offering -- it
11 won't be free, simply because it's such a new product
12 and we can't get the pricing down yet. But in the
13 future, we hope to be able to offer a bit of a better
14 competitive price on that.

15 MS. GRANT: This is just for the mike
16 people. I saw you saw me. Thanks.

17 I want to ask about two common complaints
18 that consumers make regarding telephone services,
19 slamming and cramming. Is it possible for a VoIP
20 customer to be switched to another VoIP service
21 without their knowledge and consent?

22 And do you now, or do you foresee, billing
23 on behalf of third parties where there is the
24 potential for unauthorized charges being put on the
25 consumer's bill?

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1 MS. SCHULZ: Two good questions. With
2 regard to slamming, basically, we haven't seen any
3 instances of it yet. This market is very, very small,
4 and the way our service works, and the way the
5 regulations are defined currently, we're viewed as an
6 information service or as an end user of telecom
7 services.

8 So there's a couple of extra steps that we
9 need to go through in terms of switching customers
10 over by porting their numbers over into our system,
11 things like that that we need to take a couple extra
12 steps to do.

13 So we haven't seen any instances of
14 slamming yet. Maybe in a couple years it might be an
15 issue, but thus far we haven't seen anything, which is
16 positive, I think.

17 The other thing with regard to the service
18 -- what was the other question? I'm sorry.

19 MS. GRANT: The other question was about
20 cramming.

21 MS. SCHULZ: Cramming.

22 MS. GRANT: Which is where third parties
23 represent to the billing --

24 MS. SCHULZ: Third party billing, okay.

25 MS. GRANT: -- entity that a consumer has

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1 signed up for a service.

2 MS. SCHULZ: We don't do that, because we
3 actually have our own -- we have a -- we purchase an
4 edge network, and we have edge services that are used.

5 Basically, we don't -- the only third party billing
6 you would have to initiate yourself, with regard to
7 like a calling card or something like that. There is
8 no other third party billing that's integrated into
9 our system at this time.

10 So we do everything in terms of the
11 international calling on a permanent rate. We do bill
12 ourselves, and we do have our own private negotiated
13 rates for those calls, as well as our 411 service. So
14 it's kind of a restricted environment right now. So
15 there's no ability for another carrier to come in or
16 another service provider to come in and cram.

17 MR. GOLDBERG: I was just taking a look at
18 your website here as we talked. I love the idea of
19 being able to program your service via a website. I'd
20 love to do that with my cell phone, enter all the data
21 in, and with some services you can do that.

22 Have you had that checked for
23 accessibility, to make sure that it's fully compliant?

24 MS. SCHULZ: With regard to -- no, we
25 haven't. Actually, I don't think we have, but it --

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1 MR. GOLDBERG: It would be a good idea.

2 MS. SCHULZ: If we need to do some
3 testing, I'd be happy to put you in touch with our
4 labs, if you want to get that tested.

5 PARTICIPANT: What is your website?

6 MS. SCHULZ: It's Vonage.com. So it's
7 www, dot, V-O-N-A-G-E, dot com.

8 PARTICIPANT Thank you.

9 MS. SCHULZ: You're welcome.

10 MR. SEAGRIFF: Well, thank you very much
11 for your presentation today, first of all, and I have
12 also three questions. That seems to be the number.

13 Do you make a software development kit
14 available? You were mentioning people are programming
15 their own services?

16 MS. SCHULZ: Right. So first of all, with
17 regard to development we do make certain elements
18 available. With regard to the simul-ring feature, we
19 have made that available by a developer's site, and we
20 are planning on making other elements available in the
21 future.

22 Right now, the way Vonage is designed and
23 the way Vonage is built, it's -- I wouldn't say it's
24 proprietary, because it's based on SIP. The code we
25 did write ourselves.

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1 MR. SEAGRIFF: Sure.

2 MS. SCHULZ: So there are certain elements
3 that we need to protect. But we do plan on making a
4 lot of the features and a lot of the capabilities with
5 regard to call routing, with regard to ringing two
6 phones at once, and those kinds of features, available
7 so people can design their own kinds of features and
8 capabilities around that. We think that's a very
9 powerful thing.

10 MR. SEAGRIFF: Okay. The second question
11 is: since in your world area codes have nothing to do
12 with your physical location, how do you define local
13 calls in your plans?

14 MS. SCHULZ: Basically, that's defined by
15 the area code that you've selected from us. And it's
16 really -- there is really no technical reason for it.
17 It's really a comfort for the consumers who are
18 coming to us from a local operator, because those are
19 the kinds of terms and plans that they understand and
20 they have grown up with.

21 So that's why we've incorporated that \$25
22 plan into the mix. Maybe in the future we won't need
23 one, because, you know, the nature of consumer habits
24 might change. But for now, that's the reason that
25 we've instituted that plan -- for comfort.

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1 MR. SEAGRIFF: Okay. And a follow-on to
2 Mike's question before, he was asking about directory
3 assistance. I think part of his question was how are
4 folks that are on your plan in other carriers'
5 directory assistance -- in landline, in wireless
6 carriers' directory assistance? How do you --

7 MS. SCHULZ: Okay. For example, the
8 question -- the question I was answering -- Mike's
9 question -- was how can a Vonage subscriber get
10 somebody else's telephone number, and that's through
11 regular, you know, 411. And then the reverse is your
12 question, is how are Vonage customers listed in the
13 phone book today.

14 Currently, at this moment right now in
15 time, Vonage customers are not yet listed in the phone
16 book. However, we are working on that with several of
17 our CLEC partners.

18 MR. SEAGRIFF: And will that be an opt-in
19 situation?

20 MS. SCHULZ: We're not sure. We're not
21 sure.

22 MR. SEAGRIFF: Because this is --

23 MS. SCHULZ: It likely will be. A lot of
24 our customers like the fact that they're not in the
25 phone book, and they like the fact that their Vonage

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1 number is not in all of the databases.

2 They don't have to put themselves on the
3 Do Not Call List, and that kind of thing. So it
4 probably will be an opt-in, but it hasn't been
5 determined yet. So we're hoping to get that fixed by
6 the end of this year in terms of getting the
7 incorporation into the white pages.

8 MR. SEAGRIFF: Thank you.

9 MS. SCHULZ: Sure.

10 MS. PALMER-MAZRUI: I only have two
11 questions. I feel kind of bad.

12 (Laughter.)

13 MS. SCHULZ: You can think of a third one.

14 MS. PALMER-MAZRUI: I'll work on it. Many
15 of the carriers provide 411 assistance free for
16 customers who are blind or have disabilities. Are
17 there plans for Vonage to do that?

18 MS. SCHULZ: Yes. There's a lot of plans
19 in the works. We're working with Gallaudet University
20 on a bunch of different programs, and including the
21 TTY and TDD.

22 MS. PALMER-MAZRUI: Right. Gallaudet
23 works with deaf people?

24 MS. SCHULZ: Yes. Oh, I'm sorry. We'd be
25 happy to --

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1 MS. PALMER-MAZRUI: Maybe outreach to
2 other groups might be good.

3 MS. SCHULZ: Yes, that's fine, and we'd be
4 happy to do that.

5 MS. PALMER-MAZRUI: The other question I
6 have is: are your phones hearing aid compatible?

7 MS. SCHULZ: Yes. To the extent that the
8 CISCO devices we've used in the past have been tested
9 with TTY and TDD units, they are compatible. And
10 also, there is a bunch of handsets on the marketplace,
11 I believe, that are compatible that you can use with
12 the hearing aid devices. But we'd be happy to do more
13 testing if you're interested in specific compatibility
14 issues.

15 MS. GRANT: I guess this is my third
16 question. I'm assuming that Vonage doesn't pay into
17 the universal service fund?

18 MS. SCHULZ: We actually --

19 MS. GRANT: Is that correct?

20 MS. SCHULZ: We pay in in a different way.
21 We pay in on an indirect basis, because we are billed
22 by our IXC partners for termination on the PSTN. So
23 they bill us back a lump sum that includes several
24 regulatory and public service surcharges. So we pay
25 those on your behalf. We don't pass them through the

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1 same way an RBOC would or a landline operator would.

2 MS. GRANT: Okay. Great.

3 MS. LIPROT-BANNIER: Are you 711
4 accessible?

5 MS. SCHULZ: Not yet. We're working on
6 that. There are some technical developments that we
7 need to work on with our hardware-markers and firmware
8 that makes that compatible. So we are working on
9 that, though, currently.

10 Yes?

11 MR. GORDON: To build on Susan's question
12 about hearing aid compatibility, do your phones also
13 have amplification features on them?

14 MS. SCHULZ: Basically, it's the adapter.
15 So if your phone handset you're using has
16 amplification on it, it should work, because we really
17 just give you the adapter. So you kind of bring your
18 own handset to the setup. So if your phone handset
19 has an amplifier on it, it should work fine.

20 MR. ALLIBONE: I've got a question.

21 MS. SCHULZ: Sure.

22 MR. ALLIBONE: I've been told to go easy.
23 Seriously.

24 (Laughter.)

25 Does your service offer any kind of

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1 blocking from things like 700 and 900 calls for
2 adult --

3 MS. SCHULZ: Yes.

4 MR. ALLIBONE: -- entertainment?

5 MS. SCHULZ: Yes.

6 MR. ALLIBONE: Not that I'm interested.

7 MS. SCHULZ: Yes. No.

8 (Laughter.)

9 Yes. We actually don't -- there is no
10 700/900 accessibility. And we actually do -- we
11 actually do allow you to set your Vonage service to
12 block international calls, which are billed on a
13 permanent rate. So if you don't want your phone to be
14 used for international calling, you can set that
15 yourself. But as the service is today, we don't
16 connect to 900 or 700 numbers.

17 Yes? Third question.

18 MS. PALMER-MAZRUI: Yes, I finally came up
19 with one.

20 MS. SCHULZ: Good.

21 MS. PALMER-MAZRUI: And pardon my
22 ignorance on this. I noticed that during 9-11 there
23 was really slow service on the Internet. What happens
24 in that type of situation? Is that impacted at all?
25 And what happens to voice and also to TTY calls under

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1 those circumstances?

2 MS. SCHULZ: That's a good question. As
3 you're probably aware, disaster recovery is a big
4 thing. With regard to our service, our networks and
5 the back-end service that we provide and our NOC and
6 our databases are all on special connections, so those
7 likely would not slow down. What you're talking about
8 is the last mile connection to your home that might be
9 impacted if there were to be some sort of emergency or
10 some sort of heavy traffic load on it. That's largely
11 dependent upon your broadband operator in terms of the
12 speeds that they can provide and in a disaster what
13 reliability they'll be able to offer you. But our
14 back-end system and our system would largely be
15 probably unimpacted.

16 MS. PALMER-MAZRUI: One more. Do you have
17 redundant power systems --

18 MS. SCHULZ: Yes.

19 MS. PALMER-MAZRUI: -- in your offices?

20 MS. SCHULZ: Yes, we do. Actually, during
21 the blackout -- I'll give you a little anecdotal story
22 -- in the blackout, our service didn't skip a beat,
23 worked beautifully through the entire blackout. And
24 we actually had customers who had -- they were up in,
25 I think, Connecticut, where their landline service

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1 went down and they were actually able to use our
2 service over cable modem all through the blackout
3 because they were on either a power service and their
4 cable operator was still providing service. So we had
5 some pretty good success stories during the blackout.

6 MR. DELCASINO: It's Mike again. In
7 relation to that, the question came to me while you
8 were answering her's, I noticed there's the wall input
9 jack on the back of your adapter. Could that be
10 fitted with a battery backup so that in case of power
11 outage your handsets then would still function?

12 And also you mentioned that Time Warner is
13 working on a similar system or on a somewhat similar
14 system. Time Warner is my current ISP. So will your
15 system work over their lines or does that mean that I
16 have to wait and buy theirs.

17 MS. SCHULZ: Two good questions. With
18 regard to battery backup, we actually surveyed --
19 after the blackout, we actually surveyed our customer
20 base in the Northeast, and we found that between ten
21 and 12 percent of our customers actually already had
22 battery backups on their homes. There's a device
23 called an uninterruptable power source that you can
24 purchase at Best Buy for about \$40, and a lot of
25 people were using that during the blackout, and it

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1 seemed to service them fine. Obviously, we let people
2 decide whether or not they would like to use those on
3 their own. We don't currently provide battery backup
4 as a facility of the service.

5 With regard to Time Warner, actually, I am
6 a Time Warner customer too, and I currently use my
7 Vonage service over my high speed, my Roadrunner
8 service at home. So what's interesting is you can use
9 Vonage service over any high-speed Internet
10 connection. I just use it over this wireless
11 connection here at the FCC, but you can also use it
12 over a cable model or DSL regardless of your provider.
13 So that's a good advantage for people.

14 MS. LIPROT-BANNIER: I have three
15 questions.

16 (Laughter.)

17 MS. SCHULZ: Sticking to theme, that's
18 great.

19 MS. LIPROT-BANNIER: First, you mentioned
20 that high speed, what's the minimum?

21 MS. SCHULZ: Oh, that's a good question.
22 Minimum -- actually, with our service it uses very
23 little bandwidth, so it uses between 30 and 90
24 kilobits per second of up-speed and down-speed. So
25 the minimum -- very minimum speed is usually 128 for a

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1 very slow DSL connection. So it usually works fine
2 over that. And when I say the range, 30 to 90, our
3 device that we send out to you is set to use 90, but
4 if you notice that you're on a 128, you can dial down
5 the speed to 30 if you choose to do that. So you have
6 the ability to set the speed that the device uses
7 between 90, 60 and 30 depending on your high speed's
8 capability.

9 MS. LIPROT-BANNIER: Okay. Second
10 question, how does a Vonage call appear on caller Id?

11 MS. SCHULZ: Usually the number shows up.
12 Do you mean outbound or inbound?

13 MS. LIPROT-BANNIER: Outbound.

14 MS. SCHULZ: Outbound. So if I'm calling
15 from a Vonage phone, I'm calling you on a landline.

16 MS. LIPROT-BANNIER: Right.

17 MS. SCHULZ: The number will show up.
18 Sometimes it will show up with your name depending on
19 if the carrier will pass it through all the way. So
20 it's largely dependent on the carriers in between the
21 hops if they pass it through.

22 MS. LIPROT-BANNIER: Okay. And third
23 question, what about call drops or distortion?

24 MS. SCHULZ: That's a good question. It
25 all really depends on your bandwidth. It all comes

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1 back to how high speed is your high speed at home.
2 With regard to drops and echoes and quality issues,
3 largely if you're on a cable modem, you usually don't
4 really experience any problems. The only problems we
5 really see is people using DSL that are on like a 128
6 where they might have some choppiness, but, by and
7 large, it's dependent upon your high speed, and, like
8 I said, you can set the bandwidth that it uses. And
9 most of our customers find it as good as a landline in
10 terms of the quality.

11 MR. SNOOP: Follow-up question for you.
12 Your service uses the Internet, which in some cases is
13 a managed Internet backbone, in other cases it's an
14 unmanaged Internet backbone. Therefore, you're
15 dependent on the quality of that backbone service. If
16 you're calling between here and Arizona and you're
17 calling in from a Time Warner service, which is
18 managed, into something else that may be unmanaged,
19 you have no control over that.

20 MS. SCHULZ: Right.

21 MR. SNOOP: So you may have quality issues
22 that you really don't have control over.

23 MS. SCHULZ: By and large, the quality
24 issues that we see are related to the last mile
25 connection that you're using, the bandwidth

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1 constraints that you have at your home. Yes, we do
2 use the public Internet, we do use the publicly
3 available resources there, so we haven't seen yet any
4 issues with regard to constraint or slowness on the
5 public Internet, because the public Internet is quite
6 fast. However, once you are on the customer's
7 premises or in that last mile, oftentimes you see
8 constraint there because, for example, a neighborhood
9 might be oversold for the cable modem service and
10 there might be a lot of people using the same
11 connection at once.

12 And that's really just a function of
13 broadband deployment and the advances that happen in
14 the broadband arena. So we do understand that but we
15 have put in some controls to allow you to dial-down
16 the speed if you do notice some quality issues, but we
17 think we're doing a pretty good job with the phone.

18 MR. DELCASINO: Is there a cancellation
19 option or are we under a contract for a certain
20 minimum period, like with most cell phone providers?
21 What happens if I buy this and I think, "Boy, this is
22 really terrible, I want to send it back."

23 MS. SCHULZ: That's a really good
24 question. We actually don't require you to sign a
25 contract. There is no contract. It's a 30-day

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1 revolving term that you sign with us. So, for
2 example, you sign up for service and you decide 30
3 days later you want to cancel, we actually give you a
4 money-back guarantee for the first 30 days. If you
5 try it out and you don't like it, you can send it back
6 free of charge. And then after that you can choose to
7 disconnect at any time. We don't require you to sign
8 a year contract or anything like that.

9 MR. POEHLMAN: This is Dave Poehlman with
10 the American Council of the Blind again. You
11 mentioned you have dial-down controls. Exactly where
12 are they and how are they operated?

13 MS. SCHULZ: Again, the dial-down controls
14 are all controlled through your web portal, through
15 the vonage.com.

16 MR. POEHLMAN: Oh, okay.

17 MS. SCHULZ: Basically, you have to go to
18 vonage.com and log in, similar to the way you would
19 log into Yahoo or public sort of email account. It
20 basically has all of your phone service settings, all
21 your Vonage settings that live in that portal, so you
22 could dial down the service there.

23 MR. POEHLMAN: Speaking of the web portal,
24 do you have or have any plans to offer that also
25 through voice response over the phone, through the

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1 phone service?

2 MS. SCHULZ: We're working on a lot of
3 different things, and if you'd like to test some new
4 applications, we'd be happy to test them in our lab.
5 But we haven't seen any real testing of that yet, and
6 we'd be happy to test it if you'd like to get
7 something going like that.

8 MR. POEHLMAN: Well, I only ask because
9 one of the providers is actually going to be doing
10 that.

11 MS. SCHULZ: AT&T?

12 (Laughter.)

13 MR. POEHLMAN: Yes.

14 CHAIRPERSON ROOKER: Well, Brooke, I think
15 you can -- we'll have one more question, Mark.

16 MR. PRANGER: My question has to do with
17 blocking international calls. Can you also block down
18 to where you only make calls in certain area codes,
19 like just to 918 area code or 405?

20 MS. SCHULZ: No, not yet, because the way
21 our plans are structured we don't really see that as a
22 necessity yet. But, obviously, if consumers demand
23 it, we'll build it.

24 MR. PRANGER: I was thinking kids, keep
25 the kids from calling outside the local area.

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1 MS. SCHULZ: So the way our plans are
2 designed we have the 500-minute base plan, which is
3 500 minutes of anywhere calling throughout the U.S.
4 and Canada. Then we have the next plan is \$10 more at
5 \$25 and that's unlimited local calling, including 500
6 minutes of calling throughout the U.S. and Canada
7 outside that local area as defined by the area code.
8 So if you're on a \$25 plan or a \$35 plan, all the
9 calls to that local area would be included in your
10 plan, so there wouldn't be really a control mechanism
11 that you would need. But maybe for the 500 minute
12 plan we'd maybe think about building something like
13 that if we saw a strong desire from our base for it.

14 MR. PRANGER: And who do I complain to
15 when something goes wrong?

16 MS. SCHULZ: Call -- the number is 1-
17 Vonage-Help. We have a 24-hour-a-day help center
18 that's manned by real people. We have a call center
19 in Edison, New Jersey. We have about 100 people that
20 staff it, 24 hours a day, seven days a week.

21 CHAIRPERSON ROOKER: Brooke, thank you so
22 much. Obviously, from all these questions, you've
23 been a real hit.

24 (Applause.)

25 CHAIRPERSON ROOKER: We appreciate your

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1 time.

2 MS. SCHULZ: Thank you.

3 CHAIRPERSON ROOKER: Fascinating stuff. I
4 wish I understood it.

5 (Laughter.)

6 CHAIRPERSON ROOKER: Before we go on to
7 our next agenda item, I'd like to just take a minute
8 and say to you we need to get the emergency forms from
9 you. If you haven't done those, please do them and
10 turn them into me. Also, just a couple of reminders.

11 If you want to suggest agenda items for next meeting,
12 please do so. I've gotten one already that we have a
13 presentation from the FCC on how they've implemented
14 the recommendations that we made with regards to their
15 web site. So we'll take that one up and see if we
16 can't put it on the agenda for next meeting.

17 In addition to that, I'd like to ask for
18 you to put your generous thinking cap on and to
19 remember that we are looking for some assistance for
20 Rebecca Ladew to get her to these meetings. It's just
21 a few hundred dollars. We'd really appreciate it.
22 And, secondly, if we're going to eat the next meeting,
23 somebody's going to have to help underwrite lunch and
24 breakfast. So -- oh, Susan, you're a doll. We'll
25 take you up on that. You were aware, Susan, that you

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1 were pledging money. Thank you. She's going to cook,
2 right. She's not going to bring homemade sandwiches
3 to us. And thanks, Cindy Cox, again for lunch today.

4 It was excellent. Esey's does a very nice job.

5 So having done those little housekeeping
6 items -- oh, by the way, and it's a little bit early
7 to ask for this but who needs cabs, because we do want
8 to order them and I don't want to forget. So let me
9 just see how many people need cabs? Hands up. We
10 need one, two, three, four, five. Five cabs. Is four
11 o'clock okay for that? Six. All right, we've got
12 six. Penny also. So we've got Vernon, Penny, Joe,
13 Ann, Chris and Cindy. Yes, Mike?

14 MR. DELCASINO: I have to leave at four to
15 go to National Airport with my wife. If somebody
16 needs to go that way, we're leaving from here going
17 straight there if somebody wants to --

18 CHAIRPERSON ROOKER: Does anybody need to
19 go to National Airport? Cindy does, so we'll take
20 Cindy -- all right, we'll take Cindy and Penny. Can
21 we get four people in there? Okay. As long as you
22 don't have too much luggage. You didn't bring your
23 whole wardrobe, right? This is not a fancy dress
24 meeting. Okay. So we only need four cabs. Cindy and
25 Penny will go with Mike and his wife. Thank you,

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1 Mike, for that offer.

2 Okay. We are about to turn the program
3 over to one of our own, David Poehlman who's with the
4 Consumer Complaints Outreach Education and
5 Participation Working Group, and he's going to talk
6 about electronic access to the FCC. David, it's all
7 yours.

8 MR. POEHLMAN: Thank you, Shirley. See, I
9 did remember your name. Good afternoon, everybody.
10 Hope you all had a good lunch. We certainly had a
11 good VoIP presentation.

12 I'm not going to spend a lot of time
13 warming up, I'm the warm-up act here for this, because
14 I want us to get into the meat of and go right through
15 what we have to present. Basically, what's going to
16 happen is I'm going to talk a little bit to get the
17 groundwork laid, and then we're going to turn it over
18 to Claude who's going to present our formal
19 recommendations to you all, and then Susan is going to
20 wrap up and I may have something to say and Susan may
21 have something to say in the interim as well.

22 First, before I actually do the
23 introduction, I just want to say that this has been a
24 very fluid dynamic process over the past several
25 months right up through this morning when we talked

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1 about how we're going to present and what we -- some
2 possible additional notes that we're going to add. So
3 we hope that this is informative for you and that it
4 produces a good set of effective recommendations to
5 move forward with.

6 Over the past several months, the
7 Modernizing the FCC Subgroup of the Consumer
8 Complaints Outreach and Education Working Group -- it
9 was so big we had to split it up into several groups
10 -- worked with other Consumer Advisory Committee
11 members and staff of the Federal Communications
12 Commission to gain insight into the FCC's modernizing
13 activities and plans.

14 After the initial meeting, the members of
15 the Education and Outreach -- Complaints and Outreach
16 Working Group were provided with a summary of each
17 meeting and had an opportunity to review and modify
18 the recommendations developed by our subgroup. The
19 results of this joint effort are attached below. We
20 now propose that the CAC as a whole review the
21 recommendations and carefully consider formally
22 presenting their approved recommendations to the
23 Commission in the March meeting.

24 In addition, we would like to discuss with
25 the CAC an appropriate time line for an FCC response

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1 to the recommendations. Our subgroup will also be
2 happy to work further on recommendations or discussion
3 points that the Committee, the CAC suggests. We
4 appreciate the efforts of Committee members who have
5 joined us in this work and the opportunity to discuss
6 the important issues with the Commission. Anyone
7 wishing to join the Modernization of the FCC Subgroup
8 in these and other efforts identified by the CAC are
9 most welcome and appreciated.

10 And pretty much with that I'll turn it
11 over to Claude who will go through the regulations.

12 MR. STOUT: (Through Translator.) Here are
13 the recommendations. First, consistent with the
14 Department of Justice --

15 MR. POEHLMAN: You're not miked.

16 MR. STOUT: Is it on now? Consistent with
17 Department of Justice guidelines establish and
18 regularly update controls, policies, methods and
19 procedures to ensure that as the FCC site changes it
20 will maintain, remains accessible to people with
21 disabilities. And we have a list of elements
22 underneath this recommendation that I'd like to go
23 through.

24 First, focus special attention on the ECFS
25 Express, the complaint form that encourages -- and

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1 areas that encourage public involvement. Second,
2 follow the access board and the WAI, the Web Access
3 Initiative, guidelines for web access as part of the
4 quality controls, review the site with community
5 organizations or companies that specialize in web
6 accessibility for people with disabilities. Third,
7 ensure adequate resources are allocated to make
8 modifications needed in order to comply with Section
9 508 requirements.

10 Next, improve the search functionality and
11 usability of the Electronic Comment Filing System,
12 ECFS Express complaint form and E-Docs system. Next,
13 develop voluntary guidelines for comment submissions
14 that will improve accessibility to people with
15 disabilities and reduce conversion costs for FCC staff
16 as well as improve the ability of the public to more
17 effectively search public comments and documents
18 converted to electronic formats by the Commission.

19 Next, to reduce cost to the FCC, research
20 and as appropriate adopt automated tools that convert
21 PDF files into other formats. The last one, add
22 streaming video of various events, live and archived,
23 to the Commission's web site and add captions to those
24 clips as needed.

25 That's the first recommendation. Now

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1 moving on to the second recommendation. Develop an
2 action plan that will make the FCC web site more
3 usable for people over 50 and for those for whom
4 English is a second language. And so this would be a
5 review -- review this site for cultural sensitivity as
6 well would be included in that.

7 Our third recommendation was to compile
8 and disseminate a list of best practices that have
9 been developed or noted by the Consumer and Government
10 Affairs Bureau or others inside and outside the FCC
11 for outreach to diverse communities using high-tech
12 and low-tech means.

13 Our next recommendation, to provide
14 training opportunities for FCC personnel to ensure
15 that expertise is developed and maintained at the
16 Commission regarding the telecommunication needs of
17 diverse populations, including but not limited to
18 individuals with disabilities, seniors and those
19 living in rural and tribal lands.

20 Our fifth recommendation was to make the
21 public aware of the work the FCC has done and is doing
22 to ensure that information provided in electronic
23 formats reaches those who do not have access to
24 computers. Efforts to make telecommunications
25 available to populations that have historically been

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1 underrepresented in use or availability of technology
2 and to comply with Section 508 requirements.

3 And last, but not least, to expand the
4 Parent's Place to include information about captioning
5 for literacy and for children and parents with hearing
6 disabilities. Thank you. Susan?

7 MS. PALMER-MAZRUI: Yes. I'm here.
8 Destroying things here. First of all, we want to
9 thank the staff members that we met with as well as
10 many, many of the members on the Consumer Advisory
11 Committee for their input onto these recommendations.

12 Our concerns cover a range of things. One
13 is that, first of all, there are certain aspects of
14 the FCC web site that are excellent, they're really
15 outstanding. There are other aspects, the electronic
16 common filing system, for example, that have serious
17 barriers. So we don't see a sense of consistency
18 throughout the web site, and we really believe that
19 not just in terms of accessibility but in terms of
20 literacy and language issues that there needs to be
21 more consistency across the entire web site.

22 Earlier, Commissioner Adelstein mentioned
23 an award they won. Well, when you're looking at
24 awards, I don't think you can assume that that means
25 you're doing everything right. You really have to

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1 look at how the data is collected. And in this case,
2 the data really didn't look at can you go from Point A
3 to Point B on the site. So, for example, having 90
4 percent of your site accessible but the one percent or
5 the ten percent that's not having information like how
6 do you get a number so that you can then make a change
7 in a license for a ham radio operator, those are
8 critical pieces, and all those pieces need to be
9 accessible.

10 If on the complaint form there's
11 information that's inaccurate, dated, companies that
12 don't exist are on there or it's not usable, then that
13 does hinder your ability to interact with the system.

14 And we think we really need to have more
15 consistencies is policies, procedures, methods in
16 place to ensure that there's some level of consistent
17 quality and that the focus needs to be on what
18 consumers need to know and how they can interact with
19 the FCC because we don't believe that that's being
20 done consistently and as effectively as it could be.
21 There's a lot of talent here and the responsiveness
22 has been very good, but you shouldn't have to wait for
23 a complaint from a consumer to tell you that a
24 flashing marquee might induce seizures in people.
25 There should be some place prior to that that would

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1 catch problems before they're put out.

2 We also want to make sure that when there
3 is a chance for people to have access electronically
4 that we don't forget that many people don't
5 necessarily have that connection. They may not have
6 the capability, they may not have a computer, and so
7 that we're pleased that with the Outreach Group that
8 they're also looking at that piece. But we need to
9 keep in mind that this cannot be the sole way of
10 communicating with people.

11 We also would like to see some revisions
12 in terms of usability across the board. Some of the
13 forms that are in place are not easily searchable,
14 they're not easily filled out or they may be
15 confusing. So some work needs to be done in terms of
16 usability, both for general consumers and seniors and
17 people of other cultures and other languages.

18 So there's a range of work that needs to
19 be done, and we'd like to see a plan in place to
20 approach it. Like I said, there's been some very good
21 work done. We also want to see that good work
22 highlighted so that other bureaus perhaps can take
23 advantage of the work that has been done and the
24 ideas, so a more consistent effort.

25 So we also want to invite at the next

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1 meeting and suggest that we have representatives who
2 worked on the web site to come and tell us what they
3 plan to do and how they plan to address these concerns
4 and what other great creative things do they have, for
5 example, for youth coming down the pike, because we
6 would like to know it's moving forward. But we want
7 to see a plan in place. We want to see a systematic
8 approach that's going to prevent problems, that's
9 going to raise the level to an equally high ground
10 across the bureaus and will provide maximum access and
11 usability by a range of U.S. customers of telecom
12 systems.

13 CHAIRPERSON ROOKER: Thank you, Susan. Do
14 we have other -- these are the recommendations from
15 the Working Group. So I think our next steps is to
16 discuss these. Mike, did you have a comment?

17 MR. DELCASINO: If you're ready for
18 questions, yes, I did.

19 CHAIRPERSON ROOKER: Sure. I think --
20 what I was thinking that we should do is to take these
21 by each section and discuss them or maybe you don't
22 have questions about a lot of the sections and we'll
23 just leave it open for discussion. What's the
24 preference of the Committee? Just go through them --
25 we should walk through them, right? Orderly? Okay.

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1 MR. STOUT: (Through Translator.) Would
2 you like me to repeat the recommendations we made?

3 CHAIRPERSON ROOKER: Yes. I think what
4 we'll do --

5 MR. STOUT: (Through Translator.) The
6 recommendations themselves?

7 MR. DELCASINO: I think mine will go into
8 the first recommendation, but that would be very
9 helpful.

10 CHAIRPERSON ROOKER: Okay. Why don't we
11 go back and I tried writing things down but I'm not
12 sure that I got it. So let's go to Recommendation
13 Number 1, which is establish and update the control
14 and policies, methods and procedures to make sure that
15 the web site stays accessible to people with
16 disabilities. And I believe within that there were
17 six -- I think six -- seven -- six recommendations
18 that fell within the main category Number 1. So why
19 don't we take those, those substeps to 1, in order.
20 Is that okay?

21 All right. The first one has to do with
22 the express complaint form. If you would read that to
23 us, please, Jeffrey -- no, who are you? I'm sorry.
24 No. Claude, yes. It's been a long day.

25 MR. STOUT: Read the mini recommendation

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1 or the items under the recommendation, which one?

2 CHAIRPERSON ROOKER: I think the first
3 recommendation has to do with the accessibility of --
4 well, go ahead and read the whole thing, Claude. I
5 think that makes more sense. Read the first major
6 recommendation and the first item under that.

7 MR. STOUT: Okay. Consistent with
8 Department of Justice guidelines, establish and
9 regularly update quality controls, policies, methods
10 and procedures to ensure that as the FCC site changes
11 it remains accessible to people with disabilities.

12 CHAIRPERSON ROOKER: That's the major goal
13 right there, right? Okay. Susan?

14 MS. PALMER-MAZRUI: I don't know if people
15 are aware that I think you have the recommendations in
16 your packet, so you can also look at it --

17 CHAIRPERSON ROOKER: Oh, we do? Somehow
18 my packet disappeared. Who stole it? I have to speak
19 to you all. You just didn't want me to know what I
20 was doing, did you, and you didn't think I brought
21 another copy of the agenda with me. I don't know what
22 happened to it. It has gone. But at any rate --
23 okay, here we go. But within that there are some
24 things that I believe that you stated that were not
25 written down; is that correct?

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1 MR. STOUT: They're written down. They're
2 all written down.

3 CHAIRPERSON ROOKER: Oh, they're all
4 written down?

5 MR. STOUT: Yes.

6 CHAIRPERSON ROOKER: Okay. Oh, yes, they
7 are. Then why don't we take the first one? Claude,
8 this is your committee. How do you want us to
9 proceed? Your committee report.

10 MR. STOUT: Oh, well, basically, what I'm
11 asking you is to approve all the recommendations.

12 (Laughter.)

13 MR. STOUT: And if you can approve all
14 these recommendations, as a whole, then that would be
15 great.

16 CHAIRPERSON ROOKER: I think we probably
17 do need to discuss them. Is that the general feeling?

18 MR. STOUT: Okay. Okay.

19 CHAIRPERSON ROOKER: Okay. Mike?

20 MR. DELCASINO: Okay. My question I think
21 does fall into one of the areas of this first
22 recommendation. Let me preface it by saying that I'm
23 aware that there have recently been changes made to
24 what is called the Universal Licensing or License
25 System -- Susan referred to it briefly a while ago. I

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1 understand there recently have been some changes made
2 to it, which I have not had a chance to go and look
3 at. But did you look at all at the ULS portion of the
4 web site and have any specific recommendations about
5 it?

6 MR. POEHLMAN: Can I take this? I looked
7 at that section of the web site and because I didn't
8 have an ID, I couldn't get in -- I had no way of
9 getting into the system that requires you to fill out
10 forms and stuff. I didn't have an ID. I did look at
11 it. I don't know how much change there's been,
12 because I hadn't seen it before, to be honest. But it
13 looked -- you know, I mean, I can find things but I
14 couldn't do anything because I didn't have an ID.

15 MS. PALMER-MAZRUI: Yes. And let me
16 respond a little bit. That was an example of things
17 that we've heard from consumers where there's been a
18 difficulty that was -- the rest of the site may be
19 fully accessible, but there was a problem, it wasn't
20 looked at beforehand. It actually became probably
21 more problematic than it needed to, but in that case
22 there needed to be a process in place. And I think
23 that when they're implementing anything, they need to
24 go from end to end to say, "Okay, I'm a user of this
25 service or if I need this information, can I make it

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1 all the way through?" And that was an example for
2 that reason. It may have been fixed by now, it may
3 not have been, but it shouldn't have been put in in
4 the first place.

5 MR. DELCASINO: I do have an ID and I'll
6 be glad to report back to you on that, David. But I
7 will say this: I tried to use it and wound up going
8 to an off-site service that says, "Send us six bucks
9 and we'll do it for you." And later -- I didn't feel
10 so bad because after several months later one of my
11 sighted ham radio friends who was having to make the
12 same license change that I was, which was a change of
13 address, called me and said, "How the heck do you do
14 that," and I said, "Well, here's how I did it," and he
15 said, "Oh, okay. I'll do that too."

16 CHAIRPERSON ROOKER: Okay. We're looking
17 at the first suggestion about the, I believe, how do
18 you think we should do this? Should we take each
19 section, we discuss it and then vote on it or vote on
20 it as a whole? Each one, okay.

21 So the first one, the focusing special
22 attention on the filing system, is that a consent, do
23 we have a unanimous consent on that recommendation?
24 Okay.

25 Number 2, follow the access board

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1 guidelines for web access as part of quality control,
2 also bringing in community organizations or companies
3 that specialize in web accessibility for people with
4 disabilities. Do we have discussion on that item?
5 Are we okay on that? All right. Do we have a vote?
6 Do we have anyone dissenting? I guess that's the
7 easiest way to do it. Joe?

8 MR. GORDON: When you say community
9 organizations, that would also include consumer
10 organizations; is that --

11 CHAIRPERSON ROOKER: Should we amend that
12 to say community and consumer?

13 MS. GRANT: Sure.

14 CHAIRPERSON ROOKER: Would that be all
15 right?

16 MS. PALMER-MAZRUI: That's fine.

17 CHAIRPERSON ROOKER: Okay. So we'll make
18 that amendment. All right. With that change, do we
19 have consent on that one? Anyone dissenting? Okay.
20 Moving on.

21 Ensure adequate resources are allocated to
22 make modifications needed or to comply with Section
23 508. Any discussion or questions on that one? No?
24 We accept it? No one dissenting. All right. Thank
25 you.

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1 Improve the search functionality and
2 usability of the Electronic Comment Filing System,
3 ECFS Express, the complaint form and the E-Docs
4 System. Any comments, questions? All right. We
5 accept that as is? And any dissenting? All right.
6 We take that one.

7 Develop voluntary guidelines for comment
8 submissions that will improve accessibility to people
9 with disabilities and reduce the conversion costs for
10 the FCC staff as well as improve the ability of the
11 public to more effectively search public comments and
12 documents converted to electronic formats by the
13 Commission. Boy, that's a long sentence. I'm not
14 sure that I understand that. Can we discuss that?
15 Susan?

16 MS. PALMER-MAZRUI: One of the things that
17 they have are guidelines for filing comments. We
18 notice in the guidelines although they were several
19 pages long, there was nothing about accessibility, and
20 we believe that if you make the site -- the comments
21 more accessible, and we think that's a learning
22 experience for many people, that often it makes the
23 documents more searchable. So we think they need to
24 look at what they're suggesting and include how when
25 you're filing you can make your comments more

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1 accessible.

2 Now, we're not saying that you cannot file
3 unless you follow these guidelines because we want to
4 take in the information, we want the FCC to take
5 information from a variety of sources, by phone and
6 fax and other things, but if you're going to do it
7 electronically, why not do it in a way that's
8 including more people than inadvertently excluding
9 them? And we think that the FCC has a responsibility
10 to help develop those guidelines and help those who
11 are doing filings, especially major companies or
12 organizations, understand what they can do to do a
13 more inclusive job.

14 CHAIRPERSON ROOKER: Okay. I guess the
15 part that I'm confused about is why do we have the
16 reduced conversion costs for the FCC staff as part of
17 that?

18 MR. POEHLMAN: I was just going to --

19 CHAIRPERSON ROOKER: Oh, David, you're
20 going to speak to that?

21 MR. POEHLMAN: Yes. I was just going to
22 speak to that. The reason that that's -- and it could
23 be two sentences, I guess, but it comes under the same
24 heading because while you're submitting accessible
25 electronic documents, it decreases the burden on the

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1 FCC for conversion. Because if you file an accessible
2 electronic document, then the FCC doesn't have to
3 convert it. So we put it in there for that reason.

4 CHAIRPERSON ROOKER: Perhaps what we need
5 to do on this is to restate and do put a period after
6 the --

7 MR. POEHLMAN: Okay.

8 CHAIRPERSON ROOKER: -- "people with
9 disabilities." I think I'd be more comfortable with
10 that. And then this will -- in other words, we could
11 say that these guidelines will help reduce the cost
12 for the FCC staff and improve." Would that be
13 acceptable?

14 MR. POEHLMAN: Yes.

15 CHAIRPERSON ROOKER: And take out the,
16 "and," and say, "These guidelines would reduce the
17 conversion costs for the FCC staff and improve the
18 ability of the public to search public comments and
19 documents." I think we can just take out the,
20 "convert to electronic formats by the Commission."
21 Can we do that? I'm just trying to make it a little
22 bit simpler. Is that significant?

23 MR. DELCASINO: Can you read what you want
24 to say?

25 CHAIRPERSON ROOKER: Sure. "Develop

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1 voluntary guidelines for comment submissions that will
2 improve accessibility to people with disabilities.
3 These guidelines will reduce conversion costs for FCC
4 staff and improve the ability of the public to more
5 effectively search public comments and documents."

6 MR. DELCASINO: That works.

7 CHAIRPERSON ROOKER: Okay?

8 MS. PALMER-MAZRUI: And I'm always telling
9 my daughter to make her sentences shorter.

10 CHAIRPERSON ROOKER: Well, that's because
11 I'm on the radio. You only have one minute and you
12 have to say a lot --

13 MS. PALMER-MAZRUI: It's much better.
14 Thank you.

15 CHAIRPERSON ROOKER: -- and you don't use
16 long sentences. I'm only trying to make it a little
17 more understandable, and, frankly, I didn't fully
18 understand it.

19 MS. PALMER-MAZRUI: That's great. Yes. I
20 think that's great.

21 CHAIRPERSON ROOKER: Okay? All right. So
22 are we moving this one ahead? Is there agreement or
23 any dissent on it? Okay. So we accept that one.

24 To reduce cost to the FCC, research and as
25 appropriate adopt automated tools that convert PDF

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1 files into other formats.

2 MR. STOUT: I have an addition to that
3 one.

4 CHAIRPERSON ROOKER: Okay.

5 MR. STOUT: PDF and other electronic
6 formats.

7 MS. PALMER-MAZRUI: Convert PDF --

8 MR. STOUT: PDF files and other electronic
9 formats.

10 MS. PALMER-MAZRUI: That's confusing.

11 CHAIRPERSON ROOKER: May I make a
12 recommendation? I'm not sure that we need to
13 necessarily say, "to reduce costs to the FCC." I mean
14 that may be one of the outgrowths of some of the
15 suggestions that you've made, which are going to
16 facilitate the complaints, are going to require less
17 time and work in the effort of the FCC, but do we know
18 that for a fact?

19 MR. STOUT: It will. I mean it will do
20 that.

21 MS. PALMER-MAZRUI: It's being done
22 manually right now.

23 CHAIRPERSON ROOKER: Okay.

24 MS. PALMER-MAZRUI: But the critical point
25 is that they need to find a more -- an automated way

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1 of dealing with it.

2 CHAIRPERSON ROOKER: So what we really
3 want to say is that we want them to research and adopt
4 automated tools that convert PDF files and other
5 electronic formats --

6 MR. STOUT: To accessible forms.

7 CHAIRPERSON ROOKER: And other electronic
8 files into accessible formats?

9 MS. PALMER-MAZRUI: Yes. It could be
10 inaccessible or PDF and other inaccessible --

11 CHAIRPERSON ROOKER: Okay. I see Eugene's
12 hand?

13 MR. SEAGRIFF: I'm not so sure about this
14 item. My feeling is if the voluntary guidelines were
15 being followed, then the issue isn't any particular
16 file format, whether it be PDF or any other. If those
17 guidelines are followed, you're okay. The area where
18 I think the biggest problem lies is when people scan
19 paper documents into PDF and then those are posted,
20 and I don't know of any system that would help in
21 converting those. Maybe David does. He's saying shut
22 up there, so perhaps he can speak more on this.

23 MR. POEHLMAN: Yes. Just to kind of
24 clarify this particular --

25 CHAIRPERSON ROOKER: Hold your hand up,

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1 David.

2 MR. POEHLMAN: Just to clarify this
3 particular piece, basically what we're getting at here
4 is anything that the FCC puts up, let's say, on its
5 own what we're looking for is we're looking for them
6 to find ways that facilitate -- electronically
7 facilitate the transfer process into something more
8 accessible. We do understand that there are some
9 things that nothing is going to fix, and hopefully the
10 voluntary guidelines will reduce those instances, but
11 even if somebody does submit a PDF that they think
12 might be accessible, and maybe it is, the tool will
13 catch any issues that might dribble out of that and
14 fix them.

15 We're looking for somewhat of an automated
16 process that will lessen the burden on the FCC to
17 produce this, because right now if you take a PDF
18 document that has text in it or whatever and you tag
19 it by hand or you use one of the tools, you still have
20 to fix it by hand, and it's very difficult to do. But
21 you can write scripts and there's things you can do to
22 make this a much less overwhelming process, and they
23 have a lot of documents to process, so we're just kind
24 of looking at recommending that maybe they seek a
25 solution or a set of solutions that will help them do

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1 it quicker, faster, more efficiently.

2 CHAIRPERSON ROOKER: Byron, stick your
3 hand up.

4 MR. ST. CLAIR: Byron St. Clair. Since
5 all of us can read PDF, I guess I don't understand why
6 this is even a problem, and I'm wondering why we
7 should bother the FCC with it? And, furthermore, I
8 think recent versions of Word will read PDF if you
9 need to do that. It seems to me just extraneous.

10 MR. POEHLMAN: We'll take this offline,
11 Byron, and I can talk to you about it.

12 PARTICIPANT: If you're sighted, you can
13 read PDF.

14 MR. ST. CLAIR: Pardon?

15 PARTICIPANT: If you're sighted, you can
16 read PDF.

17 MR. ST. CLAIR: If you cite?

18 PARTICIPANT: If you have vision.

19 MR. ST. CLAIR: Oh, oh. I see. Okay.
20 Well, they're going to convert -- maybe I don't
21 understand what they want to convert to.

22 CHAIRPERSON ROOKER: Let's see if Susan
23 can add to this discussion.

24 MS. PALMER-MAZRUI: Basically, the problem
25 with PDF files, which is one of the reasons that a lot

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1 of agencies will shy away from them, is that they do
2 create barriers for people who are blind. There are
3 more advancements. Some of them are okay, some of
4 them can have settings that make them inaccessible.
5 But at this point, when there are documents that are
6 being worked on from PDF because the FCC would not
7 want to do that as a sole posting of a document
8 because of the lack of accessibility, it's being done
9 manually.

10 And so the purpose of this is to say let's
11 not just do a patch job with this. Let's look at what
12 possibilities are out there and start implementing the
13 things that are more automated, which would increase
14 their efficiency, drive down their cost and make more
15 documents accessible than could be done if it's done
16 by a few people by hand.

17 Now, if the tools that are out there are
18 terrible, then obviously they wouldn't adopt them.
19 But we do want them to research that and implement it
20 as appropriate. And PDF is a major barrier for many
21 people who are blind.

22 CHAIRPERSON ROOKER: Okay. Eugene, you
23 have a further comment?

24 MR. SEAGRIFF: Susan, if it's for
25 internally created documents at the FCC, isn't it

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1 simpler if they make the requirement that the original
2 native format is something other than PDF?

3 MS. PALMER-MAZRUI: Yes. But what if I
4 need to access documents that were filed five years
5 ago, archival documents? The process now would
6 probably be to go to the transcriber, and they have
7 one of the best transcribers in the world, but that's
8 not the most efficient use of his time.

9 MR. SEAGRIFF: Right.

10 MS. PALMER-MAZRUI: And so -- or it might
11 be to go through it by hand. That's not efficient.
12 So there are cases where you may need to look at the
13 last ten years of proceedings. Let's do it
14 effectively.

15 MR. SEAGRIFF: Then may I suggest then
16 perhaps there's two parts to this? One is this which
17 deal with archival, and one is a policy that prevents
18 the additional creation of inaccessible documents
19 going forward?

20 MS. PALMER-MAZRUI: Yes. That sounds
21 good.

22 CHAIRPERSON ROOKER: Okay. Are we saying
23 that we're going to amend that with Eugene's
24 suggestion, that it be a two-part recommendation?

25 MS. PALMER-MAZRUI: Yes.

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1 CHAIRPERSON ROOKER: That the research and
2 adopt automated tools that convert PDF and other
3 electronic files into accessible format and to
4 prohibit the use of files that are not accessible --
5 no, to not use PDF files? Is that what you're saying,
6 Eugene? I'm a little confused here, I'm sorry.

7 MR. SEAGRIFF: I think, Shirley, the
8 second part would be to follow the voluntary
9 guidelines for submissions in creation of internal
10 documents, right? If we're going to create guidelines
11 --

12 CHAIRPERSON ROOKER: Okay. That makes
13 sense.

14 MR. SEAGRIFF: -- the original guidelines
15 for how to submit comments and things of that nature,
16 just apply those same guidelines in the creation of
17 documents throughout the normal course of business at
18 the FCC itself.

19 MS. PALMER-MAZRUI: Yes.

20 CHAIRPERSON ROOKER: Okay.

21 MS. PALMER-MAZRUI: And that will
22 reinforce the quality controls of methods and
23 procedures -- policies, methods and procedures.

24 CHAIRPERSON ROOKER: So what we're saying
25 here is the first part of it and then to additionally

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1 say to follow the guidelines, the voluntary guidelines
2 in terms of creating internal documents that are --

3 MS. PALMER-MAZRUI: Accessible, yes.

4 CHAIRPERSON ROOKER: And?

5 MS. PALMER-MAZRUI: For creating
6 accessible documents.

7 CHAIRPERSON ROOKER: Okay. We got that,
8 Scott?

9 MR. MARSHALL: Yes.

10 PARTICIPANT: Hi. Anne Boveck from the
11 NAB. The only caution that I throw to this issue is
12 that PDF is used by a lot of companies, in fact a lot
13 of federal agencies precisely for the point of not
14 having their documents manipulated in Word format.
15 And while go forward in making them accessible to the
16 visually impaired, we ought to think in terms of the
17 sensitivity of why people put the barriers up in terms
18 of security.

19 CHAIRPERSON ROOKER: Okay.

20 PARTICIPANT: To make sure that that's
21 something that's not -- so you're not having -- it's
22 not backed into a Word or Word-like document where it
23 can freely ripped. And there are proprietary reasons
24 for that.

25 CHAIRPERSON ROOKER: Right. And, David,

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1 do you have a comment on that?

2 MR. POEHLMAN: Yes. The securities issues
3 are well known, and the solution to those security
4 issues are to provide an accessible document and state
5 inside the document that the original version is
6 maintained in a PDF document which is also there,
7 available for people to download and to use in the way
8 that it was intended to be used, and this version is
9 provided purely for informational purposes. And that
10 way -- I mean that's the best we can do right now.

11 There are neutrals out there, though, that
12 if the businesses want to do it, they can produce a
13 screen reader PDF document -- a screen reader usable
14 PDF document that is usable by maybe 15 percent of
15 screen reader users -- and I won't go into why because
16 it would take too long -- that they can use. But for
17 the purposes of most of the stuff that the FCC makes
18 available to the public, it appears that security for
19 the information doesn't seem to apply. If in fact it
20 does, then that's something that needs to be looked
21 into and dealt with.

22 MS. PALMER-MAZRUI: Yes. I think the
23 other piece is -- I mean let's be real. If you want
24 to take a document and fake it, there's plenty of
25 graphic programs out there where you can scan a

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1 document, change the words and put it back out. So if
2 that's your sole concern, I think David's approach
3 addresses it, and I also think that there are other
4 things in place that add some protections. If it does
5 come up, then I think -- where there is a breach of
6 security or concerns, I think that that's another
7 thing that the FCC should look at at that point.

8 The concern about security has been raised
9 in the past. Most of the time when you get to the
10 level where you're dealing with -- we did this ADIS,
11 the fact of the matter is a cautionary statement is
12 more than enough. It hasn't been a problem.

13 CHAIRPERSON ROOKER: Okay. Let's boil
14 this down to are we putting this as the first
15 statement, as we said it, "to research and adopt
16 automated tools that convert PDF and other electronic
17 files into accessible format." And then the addition
18 of Eugene's comment, which we have done here, which I
19 can't remember, which had to do with the guidelines
20 for -- right, the voluntary guidelines. Are we
21 stopping that there? Is that my understanding? Is
22 that acceptable to the group? Do have dissent on it?
23 No? Pardon?

24 MR. SEAGRIFF: Can we hear the whole
25 statement?

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1 CHAIRPERSON ROOKER: I knew you were going
2 to say that. All right. You do the second part, I'll
3 do the first part. The first part is, "Research and
4 adopt automated tools to convert PDF and other
5 electronic files into accessible format." And, Scott?

6 MR. MARSHALL: And the second part would
7 be, "and utilize the voluntary guidelines to ensure
8 that documents are available in accessible formats."

9 MS. PALMER-MAZRUI: I think, "are created
10 by the FCC in accessible formats."

11 CHAIRPERSON ROOKER: "Are created by,"
12 okay. Good amendment. Do we have it now? All right.
13 Do we have --

14 MR. SEAGRIFF: What we can do is take this
15 back to the group after we've --

16 CHAIRPERSON ROOKER: Yes. We can put it
17 together and email it to everybody to make sure it's
18 your intent. We're not trying to put words in your
19 mouth, right. All right. So we have no dissent on
20 that?

21 Okay. The next item is, "streaming video
22 of various events, live and archived, to the
23 Commission's web site and add captions to those clips
24 as needed." Joe, you have a comment?

25 MR. GORDON: Thank you, Shirley. Maybe

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1 it's only me but whenever I see the word, "captions,"
2 involved in discussion of accessibility to people with
3 disabilities, I always want to be specific and either
4 say open or closed. Even though I see various events
5 live or archived and I plug in my netgroup, the audio
6 is not that good for me all the time. So, "as
7 needed," I always need it. Is that going to open or
8 closed? I need it, so I want to turn it on. So can
9 we be specific and say closed if that is what Claude
10 had in mind?

11 CHAIRPERSON ROOKER: And add, "captions,
12 period?"

13 MR. GORDON: And add, "closed captions to
14 these clips."

15 MR. POEHLMAN: Let's take a look at what
16 it says, because it says -- the first word is, "add,"
17 "Add streaming video," okay?

18 MR. GORDON: The second sentence.

19 MR. POEHLMAN: Oh, the second sentence,
20 okay. Oh, "and add captions to those clips as
21 needed."

22 MR. GORDON: What does Claude have in mind
23 is my question?

24 MR. POEHLMAN: Okay. Some of them aren't
25 needed. I mean, for example, if it's a video of

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1 action with no words, why would you need captions,
2 okay? So we wanted to say, "as needed," because it
3 may not be needed. Open caption is the only way you
4 can do video on the web. You can't do close caption
5 on the web, so we didn't put open of close caption.

6 PARTICIPANT: David, you can do closed.

7 MR. POEHLMAN: On the web?

8 PARTICIPANT: Yes.

9 PARTICIPANT: Add --

10 CHAIRPERSON ROOKER: Okay.

11 PARTICIPANT: "Add open captions for
12 anything that requires it." So anytime there's
13 something being spoken or if there is noise --

14 CHAIRPERSON ROOKER: Well, you're not
15 going to put captions on something that doesn't have
16 any verbal anyway, are you?

17 MS. LIPROT-BANNIER: Right.

18 CHAIRPERSON ROOKER: I mean I think that's
19 a moot point.

20 PARTICIPANT: Right. But if there's
21 sound, if there's sound that is important, then they
22 would.

23 CHAIRPERSON ROOKER: Well, that's sound.
24 I mean if there's any sound.

25 PARTICIPANT: If there's any sound, it

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1 would be in parentheses.

2 CHAIRPERSON ROOKER: So you only have
3 captioning, closed captioning for --

4 PARTICIPANT: It would open captioned.

5 CHAIRPERSON ROOKER: I think that's
6 understood.

7 PARTICIPANT: You would have an open
8 caption for anything audio.

9 CHAIRPERSON ROOKER: Okay. I have no
10 problem with doing that.

11 MR. GOLDBERG: As to the question of open
12 or closed captions, the technology definitely exists
13 for closed captioning by user choice. The FCC
14 presently captions all their material with open
15 captions and it works fine. I don't know that you
16 want to recommend either one for now and just say,
17 "caption." Until the FCC is ready to move to a whole
18 new technology which involves some W3C standards, they
19 should just stick with the word, "captions," as you
20 wrote it originally anyway.

21 CHAIRPERSON ROOKER: Okay. So what I'm --

22 MR. GORDON: Let me ask Larry a question.

23 CHAIRPERSON ROOKER: Joe?

24 MR. GORDON: Larry, you just want to have
25 the word, "captions." Do you still want the words,

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1 "as needed," there?

2 MR. GOLDBERG: Well, the "as needed"
3 discussion was if it's a silent video --

4 CHAIRPERSON ROOKER: You don't need it.

5 MR. GOLDBERG: -- you don't need captions.
6 Otherwise you would. I think "as needed" is fine.

7 CHAIRPERSON ROOKER: Yes. Eugene?

8 MR. SEAGRIFF: I think it would also not
9 be needed in a proceeding like this where the captions
10 already are overlaid. So if they stream this on the
11 web site, they wouldn't have to add captions because
12 they're already there.

13 CHAIRPERSON ROOKER: Well, then they
14 wouldn't be needed. Right.

15 MR. SEAGRIFF: They don't have to be added
16 to this because they already exist.

17 CHAIRPERSON ROOKER: Can we accept it as
18 it's written, because I think from everything that
19 you've said that we basically have a consensus that
20 it's written okay.

21 MR. GORDON: But do you see my concern?

22 CHAIRPERSON ROOKER: I see your concern,
23 but I also understand what Larry is saying.

24 MR. GORDON: Okay.

25 CHAIRPERSON ROOKER: Do we accept it?

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1 Okay.

2 All right. "Develop an action plan that
3 will make the FCC web site more usable for people over
4 50 and for those for whom English is a second
5 language." What's with this, "over 50?"

6 (Laughter.)

7 CHAIRPERSON ROOKER: Should I be insulted?
8 What?

9 PARTICIPANT: You're not over 50.

10 CHAIRPERSON ROOKER: Oh, no. I wouldn't
11 admit if I were.

12 MS. PALMER-MAZRUI: The background on that
13 has nothing to do with Shirley who's only 29. It
14 really has to do with the way you take in information
15 as you age. Complexity of information, you can't sort
16 it out the same way. So what's perfectly acceptable
17 for a teenager, and we've all probably faced this, may
18 be a poor design for most of us. And so we really
19 need to look at the issues of aging and you need to
20 look at language and how much information you can have
21 on the screen and how that really impacts your
22 usability. And I know that AARP, for example, has
23 done some research in that area. I think we need to
24 make sure that everyone's being included.

25 CHAIRPERSON ROOKER: Okay. Thank you,

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1 Susan. I appreciate your comments on that. We're
2 running out of time, and our next speaker is here. If
3 it's acceptable with this Working Group, I'd like for
4 us to maybe finish this at the next meeting or else we
5 can disseminate -- no, you don't want to do that. All
6 right. Then let's move very fast. If we can get
7 through the rest of it, then we can submit
8 recommendations to the Commissions, okay? If we have
9 the leave of Jeff Carlisle, I apologize. Where is he?
10 Do we have -- can you give us a couple minutes?
11 Thank you, Jeff. We're having a heated discussion
12 here. Okay.

13 So we will accept that -- Mike's just made
14 an excellent suggestion. Why we don't look at the
15 rest of this, give me exceptions to it, we'll make the
16 changes if necessary and so we can move forward,
17 because we're running out of time.

18 So what about the site for cultural
19 sensitivity? Are we good there? Okay. We accept it.

20 If you haven't said -- if you don't shoot out of your
21 seat and tell me, that means that you accept it.

22 The next to the last paragraph about the
23 list of best practices? I think that's a pretty given
24 statement. Do we accept that? Okay.

25 And the training for FCC personnel, are we

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1 implying that they're not trained?

2 MS. PALMER-MAZRUI: We're supporting the
3 Commissioner's effort, Powell's effort to work on the
4 FCC University, that's all.

5 CHAIRPERSON ROOKER: Okay. So does anyone
6 have any problems with the last paragraph? All right.
7 Well, then I think we have a -- now, let's look at the
8 whole document.

9 MR. SEAGRIFF: There's another page.

10 CHAIRPERSON ROOKER: Oh. God, I didn't
11 fast enough. Okay. Make the public aware of the work
12 the FCC has done, et cetera. Do we have any comments
13 with that? This has to do with the education and
14 outreach. We all right with that?

15 And the last one, extend the parent's
16 place. Any questions or comments? All right.

17 Can we look at the whole list of
18 recommendations? Do we have -- I think we'll show a
19 hand vote. All those who accept the recommendations,
20 please put up your hand. Any dissenting? Then we can
21 say that we have a unanimous acceptance of the
22 recommendations. Thank you all so much for putting so
23 much work in this. Absolutely.

24 MS. PALMER-MAZRUI: And we'll look forward
25 to a report back next meeting?

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1 CHAIRPERSON ROOKER: I'm sorry, Susan.

2 MS. PALMER-MAZRUI: And we'll look forward
3 to the report back next meeting saying how these are
4 going to be addressed.

5 CHAIRPERSON ROOKER: Yes. That was part
6 of this thing that you had asked us for the agenda
7 items. I don't know if it's practical to think that
8 that would be done. Do you think it will be, Scott?
9 Can we put that to see how progress is made and see
10 whether it's appropriate at that point? You will have
11 a report back.

12 MR. MARSHALL: I don't know about next
13 meeting but I'm sure we're going to be able to report
14 back.

15 CHAIRPERSON ROOKER: Certainly by the
16 second meeting if we can't get it done by the June or
17 July meeting. But we'll do that. Is that okay?

18 MS. PALMER-MAZRUI: Well, they should be
19 aware of many of these things, because we raised them
20 in prior meetings.

21 CHAIRPERSON ROOKER: Sure.

22 MS. PALMER-MAZRUI: But if we could at
23 least get an update, that would be very helpful.

24 CHAIRPERSON ROOKER: Okay. We can promise
25 you that we will have something for you on this when

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1 we come to our next meeting. How's that? Okay.
2 Thank you so much again. I really appreciate the work
3 that you've put into this.

4 We are very pleased to have with us
5 Jeffrey Carlisle, who is the Senior Deputy Bureau
6 Chief for the Wireline Competition Bureau, and he's
7 also the Co-Director of Chairman Powell's Internet
8 Policy Working Group. And he's going to talk about
9 VoIP. Jeffrey? And he's been with us before. Thank
10 you. Let's welcome him.

11 (Applause.)

12 CHAIRPERSON ROOKER: And thank you so much
13 for being understanding of our time constraints.

14 MR. CARLISLE: Oh, not at all. It's
15 perfectly understandable. You've got a tremendous
16 amount of material to cover, so thank you for making a
17 little time for me.

18 I'm going to load up my slides. While
19 we're doing that I wanted to say that one of the
20 questions that I'm getting an awful lot when I talk
21 about VoIP is, "Well, is this really a big deal?
22 Isn't this a lot of hype? Haven't we seen this all
23 before with the Internet bubble? Isn't this going to
24 be just another situation where there's going to be a
25 lot of consumer expectation built up and then there's

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1 never any delivery on it?"

2 I think if you had said that about VoIP in
3 1999 or 2000, and people were saying a lot about VoIP
4 back then, I think you would be right. I don't think
5 it was a mature technology at that point. I think it
6 was still coming into an area, an environment where
7 the quality of service was sufficient to really
8 provide a serious alternative on voice service.

9 But I don't think you can really say that
10 today. I mean if we're talking about the cool new
11 services that VoIP can bring, you only have to look at
12 what's going on right now. All of the phones in the
13 Commerce Department building across the Mall, which
14 was the biggest office building in the world before
15 the Pentagon was built, all of those phones are IP
16 phones now. They did this last year.

17 Right now major corporations around the
18 world are looking very hard at their virtual private
19 network agreements that they've had for years with the
20 large long distance and international carriers and
21 saying, "Why do I need this if I can just go to Nortel
22 or I can go to SISCO and my IT guys that I already pay
23 to do the data network can buy equipment, hook it up
24 to the Internet, and then I've got a 140-country voice
25 network of my own, and I don't have to pay anyone else

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1 anything for it?"

2 We've got a situation now where I can go
3 to my computer and download software that enables me
4 to place voice calls, either to other people on the
5 network or in some cases to the public switch network,
6 and these providers can be located in the United
7 States or they can be located in Milan and Ukraine or
8 Scandinavia or Hong Kong or Singapore.

9 Verizon Wireless' pushed talk
10 functionality, as I understand it, is provided using a
11 VoIP platform, okay? And the videophone that we've
12 all wanted for so many years since we first saw it at
13 the New York World's Fair is a reality now. I can go
14 to 8x8's web site and buy a \$600 phone, hook it up to
15 my broadband connection and I can show my mother-in-
16 law or my mother pictures of their two-year-old
17 granddaughter. Now, who's going to do this for \$600 a
18 pop? I could do it, but I haven't done it yet.

19 But Cisco's announced plans to have a sub-
20 \$200 videophone that has the same functionality in it,
21 and 8x8 is going to follow later on this year. And
22 that functionality is going to be built into home
23 entertainment systems. One of my deputies went to the
24 Consumer Electronics Show in Las Vegas last year and
25 was amazed to find out that every major piece of

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1 equipment that's going to be marketed to people in the
2 next few years in Circuit City and Best Buy and these
3 major chains has a hook-up for an ethernet connection.

4 Now, what you're going to do with that ethernet
5 connection nobody's really quite sure yet, but there's
6 clearly a concept that whatever functionality you're
7 buying within a piece of hardware is going to be
8 massively added on to by an ability to hook up to the
9 Internet.

10 So I think the concept of VoIP being sort
11 of overhyped I think we're really on the other side of
12 the hype curve. It sort of goes down, but then it
13 starts to come back up, and it starts to be reality.
14 And so I think what we're trying to do here at the FCC
15 is really take a realistic look at it at this point
16 and try to figure out, okay, we know that this will
17 offer consumers innovation, potentially significant
18 price reductions in what they can do and not only
19 because of the access charge issue, because you're
20 using more efficient networks.

21 So what is the FCC's role in that case?
22 What is in it for the consumer for us to apply the
23 same common carrier obligations that have applied for
24 the last 100 years to telephone companies in this sort
25 of environment? If there is something in it for the

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1 consumer, then maybe it's worth doing in the public
2 interest. If there's not, we need to take a look at
3 it. One of the problems of regulation here and also
4 at the states is is that you get into this dynamic
5 where you've got second order regulations and
6 doctrines and concepts that have gotten so far removed
7 from the idea of what's best for the consumer that we
8 apply these doctrines and concepts almost reflexively
9 without any thought as to whether or not they're
10 really serving our baseline goal.

11 So I think what we've recently released is
12 remarkable in that it tees up these questions. It
13 asks the question, do we continue to be relevant?
14 Assuming that we are, at least to some extent, where
15 are we relevant and what sort of doctrine should we be
16 applying, and should we change those doctrines if they
17 really don't make sense in the new environment"

18 So what I'll do is very quickly go through
19 some of these slides that I've brought with me, and
20 then I would love to entertain any questions you might
21 have.

22 Just to give you a sense of how we're
23 approaching the concept of our jurisdiction and how
24 that plays out within the act, a lot's written in the
25 popular press about -- well, at least in the trade

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1 press, but at any rate, about the distinctions between
2 telecommunication services and information services.
3 It's worthwhile going over that very quickly at a high
4 level so you can understand the mind-set that we're
5 bringing to this at this point.

6 The FCC has very broad jurisdiction -- any
7 interstate and foreign communication by wire and
8 radio. That's pretty much anything. But the extent
9 of the regulation we can apply depends on how you
10 classify the service. If it's a telecommunication
11 service, which is essentially point-to-point
12 communication offered without change in form, it's
13 transmission of information of the user's choosing and
14 offered to the public for a fee, then that's subject
15 to the full range of common carrier regulation under
16 Title 2. So that's potentially tariffing, that's
17 entry and exit regulations, regulatory accounting, all
18 the way down the line.

19 If it's information services, though, if
20 it's a capability to process data or access or
21 generate data that's provided over telecommunications,
22 then it's an information service, which is largely
23 unregulated by the Commission. It's subject only to
24 our general jurisdiction.

25 But it's useful also to note that even in

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1 situations where we have found something to be a
2 telecommunication service, historically we have
3 foreborn from regulating it. This was the case with
4 CMRS, Commercial Mobile Radio Service, or cellular
5 telephones. Those were found to be a
6 telecommunication service, or rather a common carrier
7 service at the time, but the Commission affirmatively
8 -- took the step of forbearing from regulating them
9 under Title 2. We regulated them under Title 3,
10 having to do with acquisition and use of spectrum, but
11 we did not regulate them as common carriers.

12 Also, I'd point out that our 30-year
13 policy of distinguishing between computers and
14 telecommunications, which was initiated in the
15 Computer One proceeding in the early 1970s and
16 followed through in Computer 2 and Computer 3, this
17 formed the based of the distinction between
18 information services and telecommunication services.
19 The Commission took a look at all of these new
20 applications that could potentially be made available
21 over the telecommunications network and said, "Look,
22 we probably have jurisdiction to regulate this, but
23 we're not going to." So the Commission has a long
24 history of affirmatively forbearing from regulation
25 when it's not in the public interest to do so if

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1 you're talking about a new set of services.

2 The only thing that we've said before
3 these recent orders on Voice over the Internet was the
4 Steven's report in 1998, named after Senator Stevens
5 because he had asked us to provide a report to him as
6 to what the impact of the Internet and Voice over the
7 Internet was on universal service contributions. In
8 that report, we established a paradigm where we made a
9 distinction between computer-to-computer
10 communications where we said that looks like programs
11 downloaded onto people's computers. It's not anything
12 that we've really ever thought about regulating.
13 These look like other types of computer applications.
14 This is probably an unregulated information service.

15 But if it's phone-to-phone and it bears
16 certain characteristics, it may be a telecommunication
17 service, and we set out these four characteristics:
18 The provider has to hold itself out as providing
19 telephone service, the consumer premises equipment is
20 the same as consumer premises equipment you'd use to
21 access the public switch network, customers can dial
22 numbers assigned under the North American Numbering
23 Plan, so the ten-digit numbers that you use to dial
24 anyone else, and the service transmits customer
25 information without change in former content.

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1 But, notably, the Commission made no final
2 decision in the Steven's report. It said, "We're
3 going to have to decide this on a case-by-case basis
4 when we start getting factual records in."

5 I'll speak specifically about the
6 pulver.com order and the NPRM in a second, but I
7 thought it would be useful for context to let you know
8 what the other petitions we have in front of us are.
9 There are three petitions that are pending before us
10 in the pricing division relating to how access charges
11 apply to Voice over the Internet services. It's
12 useful to think of these three petitions as sort of
13 being different facets of the same problem. AT&T's
14 petition posits a service where you originate a
15 telephone call using a regular phone, it's carried
16 over the Internet by AT&T, and then it is terminated
17 to a regular phone. So the only IP in the call is the
18 IP that is between the originating side and the
19 terminating side on the public switch network. And
20 AT&T has asked us to declared that access charges do
21 not apply to this service.

22 Level three is the other side of this.
23 They said, "Okay, fine. Whatever you decide on AT&T
24 take a look at the situation where you originate a
25 call on the Internet and you terminate it to the

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1 public switch network." This is a different
2 situation, may call for a different result.

3 And most recently we received a petition
4 from a company called Inflexion which is the other
5 side of the level three petition. The level three
6 petition said, "Look, decide the access charge issue,
7 but don't decide it for underserved areas; that is, we
8 don't want to get into that. We really only want to
9 talk about the urban and suburban markets where we
10 expect the majority of our service to be used."
11 Essentially, in order to avoid getting involved in the
12 questions of support for rural ILECs." Inflexion's
13 come in and asked us to address that question and
14 picked up the strand that was left open by level
15 three.

16 Additionally, we have two clarification-
17 related petitions -- classification-related petitions,
18 which go not just to access charges but to the
19 classification of the service itself. The Vonage
20 petition was filed with us after Vonage received a
21 decision from the Minnesota Public Service Commission
22 that its service was a telephone exchange service that
23 should be regulated under state law. They filed their
24 petition with us to preempt the Minnesota commission.

25 While that petition's been pending, a Minnesota

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1 district court reversed the decision of the Minnesota
2 Public Service Commission. So the docket is still
3 pending before us. There is a question as to whether
4 or not there is anything for us to resolve in it, but
5 the docket is still open.

6 And more recently, SBC has filed a broad
7 petition asking that any sort of IP network services
8 of applications using the services are first
9 jurisdictionally interstate and not subject to state
10 jurisdiction and also they are exempt from regulation
11 under Title 2. Now, if we believe they are subject to
12 Title 2, they ask for forbearance from regulation
13 under Title 2.

14 So what's the context in which we're going
15 to be deciding these petitions? Well, I think there's
16 our 30-year-old precedent on Computer 1, 2 and 3.
17 There's the Steven's report that will inform our
18 decisions. And then there are our two most recent
19 releases from the Commission, the pulver.com
20 declaratory ruling and the IP-enabled services, NPRM.

21 And I can discuss these in a lot of detail if you're
22 interested. I'll just give you the very most general
23 points right now.

24 The pulver.com declaratory ruling was
25 issued in response to a petition to us from

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1 pulver.com, which was asking us to declare that its
2 free-world dial-up service was neither a
3 telecommunication service nor even telecommunications.

4 And they based this on the idea that, "Look, all
5 we're doing is hooking up a server to the Internet.
6 All that server does is say here's the IP address of
7 somebody who is a member of our service. Here's
8 another IP address of somebody else who's a member of
9 our service." All they do is then tell the Internet
10 to establish a peer-to-peer connection between those
11 two IP addresses and then they drop out of the call.
12 They also provide certain other essentially
13 information services in terms of address look-up and
14 so on. And on that basis they were saying, "Look, we
15 provide no transmission. And, moreover, our service
16 is completely free, so you should declare that we're
17 neither telecom nor telecom service."

18 The Commission agree with the petition and
19 granted it based on the fact that they do provide no
20 transmission, and even if they did provide
21 transmission it is a free service. So it's neither
22 telecom nor telecom service. We did, however, take
23 the step of saying that we do believe they are an
24 information service stepping through an analysis of
25 all the functions they provide.

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1 The second part of the order then declares
2 the free-world dial-up is subject to federal
3 jurisdiction essentially based on the concept that if
4 it is an information service, Congress has clearly set
5 forth a policy of wanting to leave the Internet and
6 applications over the Internet unfettered by
7 unnecessary state or federal jurisdiction. So to the
8 extent we have declared it an information service,
9 we've stated that state rulings to the contrary to
10 treat it like a regulated telecommunication service
11 would most likely be preempted.

12 And most recently, we've released our NPRM
13 on IP-enabled services. And, as I said earlier, it is
14 a pretty remarkable document. I think if you read the
15 introductory section of it, you really will see the
16 FCC asking whether the economic regulation -- and when
17 I say economic regulation I mean the sort of Title 2,
18 100-year-old railroad type of regulation -- is really
19 applicable to this type of service, and, if so, to
20 what extent?

21 It then splits out other types of
22 regulations, such as USF and access charges, which are
23 important to our national policy of ensuring that all
24 Americans have access to reasonably affordable
25 telecommunications services. It splits out 911 which

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1 is important to ensure that people have access to
2 emergency services.

3 It may be difficult to think of how you
4 would apply 911 when you're using an Xbox play a game
5 with somebody else and there's a voice function in
6 that game, but on the other hand if you have something
7 that looks like a phone and acts like a phone in the
8 house and somebody doesn't know that it's an IP phone,
9 it doesn't really matter what sort of disclaimers you
10 place on it, having some sort of emergency access over
11 that phone is an important public policy. So we ask
12 questions about how we should make those distinctions.

13 And we explicitly leave for a specific
14 proceeding on CALEA whether CALEA will apply to these
15 services. After we released the NPRM, we received the
16 petition from the Justice Department, and we're moving
17 forward to consider comments on that petition right
18 now.

19 One thing that I think is very notable in
20 the NPRM, and I would commend you to take a look at it
21 if you are interested, is how we categorize these
22 services, how do you draw the line between regulated
23 and unregulated? You can do it like we indicated we
24 should do it in the Steven's report, but you can do it
25 in other ways as well. You can look at functional

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1 equivalence to regular telephony. You can look at
2 substitutability in an economic sense for a telephone
3 service. You can make your dividing line on
4 interconnection with the public switch network or you
5 can adopt more of a technical OS layer model and say,
6 "Here's the level of regulation that applies to
7 facilities, here' the level of regulation that applies
8 to services, and here's the level of regulation that
9 applies to applications." We're interested in opening
10 up everything for comment and trying to figure out
11 what the best, most coherent intellectual construct is
12 going forward.

13 So with that, please feel free to go into
14 any amount of detail that you would like on your
15 questions. I'll open it up for questions so we have
16 the most time as possible for that.

17 CHAIRPERSON ROOKER: We have this group,
18 questions for Mr. Carlisle? Larry?

19 MR. GOLDBERG: If the definition of a
20 telecommunications service is that nothing has changed
21 from one end to the other, how is that Voice over IP
22 falls under that? If it's just a voice, that's
23 exactly the same at either end.

24 MR. CARLISLE: Under our current rules,
25 there is a distinction between services that have a

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1 protocol conversion and no net protocol conversation.

2 That is, if you start out in one protocol and you end
3 up in the same protocol, that's considered a
4 telecommunications service. However, if there's a
5 protocol conversion, you've actually changed the
6 information even if the content on the other end is
7 the same, those are generally treated as enhanced
8 services. Now, we ask questions in the NPRM as to
9 whether protocol conversion continues to be relevant,
10 because frankly it may not be a distinction that we
11 can continue to rely on going forward. But under our
12 current rules, that is the rule right now.

13 MR. GOLDBERG: So if it's VoIP to IP on
14 both ends, there is no protocol conversion.

15 MR. CARLISLE: That's another issue with
16 it. And I think if you look at -- I mean there are
17 two ways of looking at the service. You can look at
18 it from a phone paradigm and say, "Look, it look likes
19 a phone call." Or you can look at it from an Internet
20 paradigm and say, "Look, all you're doing is
21 exchanging packets that happen to be a voice
22 conversation. Why are you treating those packets as
23 differently from the packets that are a music file you
24 may be exchanging or web browsing or an email? So
25 you're taking this line of packets as opposed to all

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1 these other lines that may be going over the same
2 piece of fiber or the same piece of copper and you're
3 treating them totally differently. What's the
4 rationale, the justification for that?" So we asked
5 those questions as well.

6 MR. GOLDBERG: Maybe all those IP packets
7 should also be treated as telecom services too.

8 MR. CARLISLE: We asked those questions as
9 well. I guess the policy question there would be to
10 what end; that is, email and all the other
11 applications that we use over the Internet, such as
12 access to online shopping, eBay, securities trading,
13 et cetera, et cetera. They may be regulated in
14 certain ways, such as consumer protection or they may
15 be -- for example, online gambling or the securities
16 market may be regulated, but the service as a service
17 has not been subject to the same sort of regulatory
18 overhang that we've had for telephone services. And
19 that seems to have actually worked out pretty well in
20 terms of having 200 million online subscriptions
21 within the United States, incredibly high take rate on
22 these services. And while there may be issues of
23 consumer protection, many of them seem to be able to
24 be handled by the general, sort of, state and federal
25 mechanisms for consumer protection. There may be

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1 issues that you have to change the application
2 sometimes, you have to change the context in which you
3 apply it, but I'd like to see the case made that we
4 need to start regulating email as a regulated Title 2
5 common carrier service.

6 MR. GOLDBERG: I don't think it applies on
7 disability access, though. I don't think those have
8 been -- those problems haven't been conquered in that
9 other sector.

10 MR. CARLISLE: And the IP-enabled services
11 NPRM asked questions directly about disabilities
12 access. So that's one of the sort of core social
13 issues along with universal service, 911 and COLEA
14 that we very much want to see. I think there's a
15 distinction between regulation that you apply to
16 somebody who is an overwhelming dominant monopoly
17 provider and regulation you may apply to anybody who's
18 providing a particular service, whether they're
19 dominant or non-dominant, and I think disabilities
20 access falls into the latter case.

21 MR. SNOOP: Jeff, one of the things that I
22 would like to commend your group, and the FCC as a
23 whole, and I wish you a lot of luck because what
24 you're entering into, this world that you're going
25 into with VoIP, the Internet, is it a medium we should

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1 regulate and various other things, what does it look
2 like today, what's it going to look like tomorrow,
3 it's changing so rapidly that I'm not sure that any
4 type of regulation is really going to stick. With the
5 NPRM, if it's done properly, it's going to have to be
6 something that can be updated on an ongoing basis as
7 needed in order to be effective. You guys really have
8 your hands full on this one.

9 MR. CARLISLE: Well, thank you. It's one
10 of those sort of -- you get through a whole bunch of
11 other regulation on implementing Section 251 of the
12 Act and then your prize at the end of this -- well,
13 actually, we're not at the end of it because of the
14 D.C. Circuit decision, but your prize once you start
15 getting that regime together is to do something even
16 harder, which is this.

17 I think one of the things that we're very
18 cognizant of is that regulation that we write today
19 has a time limit on it, an expiration date, if you
20 will. It's not going to last for 100 -- you know, the
21 statute, in certain ways, has been able to last 100
22 years because the network that it applied to lasted
23 essentially for about 100 years. But our regulations,
24 if they're applying to specific types of technology,
25 may only be relevant, may only have a shelf life of

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1 about five or six years. And I think that's if we get
2 to the point where we have a coherent set of rules
3 that gives everybody the clarity they need to go ahead
4 and provide services, be protected when people are
5 providing those services to them and provides the
6 investment community an ability to know what their
7 regulatory risk is when they put money into the
8 industry and that lasts for about five or six years
9 before we have to change it again, I think we will be
10 well ahead of a lot of other areas.

11 The other thing that we have to be worried
12 about on a change is internationalization of the voice
13 service. We can apply -- and I'll tell you right now,
14 I mean we can take any regulation we want, I'll take a
15 ridiculous example. We could tell every common
16 carrier in America to give out free toasters to their
17 end users, okay? Toasters are important to people.
18 If you have a common carriers you have to provide
19 them. Okay, we could do that, and assuming we were
20 upheld by the courts, it might actually stick, but the
21 problem is is that I don't have to download the VoIP
22 software from somebody in the United States. I can
23 download it from somebody in Singapore who doesn't
24 have to hand out a free toaster to me if I don't want
25 to have to pay for the cost of subsidizing that

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1 toaster.

2 So it doesn't make regulation a futile
3 exercise. Clearly, there have to be some sort of
4 minimum standards that we apply because we think there
5 are important social policies behind them. But how do
6 you reach a level of regulation that, first of all, is
7 going to keep those companies in the United States,
8 provide people who want to reach consumers in the
9 United States an incentive to do business in the --
10 you know, it's not going to give them a disincentive
11 to doing business in the United States and achieves
12 the goals you're trying to reach. And that's a big
13 trick. It's going to be interesting to see how we
14 pull this one off.

15 MR. JAMES: Jeff, I've got a question.

16 MR. CARLISLE: Sure.

17 MR. JAMES: My name is Vernon James, and
18 I'm with the San Carlos Apache Telecommunications
19 Utility, Incorporated. It's nice to be a service
20 provider, and we are a service provider as well as one
21 of the many service providers in this country. The
22 question I have is if there's a service provider on
23 the west coast that wants to provide a service by
24 transporting this data packet across the country to
25 the east coast, say, in Washington, D.C., that data

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1 packet still travels over an infrastructure that was
2 put in place by various numbers of business-providing
3 services.

4 There is continued cost to provide that
5 infrastructure -- operational, maintenance costs --
6 and yet that data packet travels over this
7 infrastructure but doesn't contribute to that
8 operational and maintenance costs of that
9 infrastructure. I just don't think that's fair
10 because in the long end of it it's the consumer who
11 pays the price in some for or fashion.

12 MR. CARLISLE: Well, I guess --

13 MR. JAMES: How do we deal with that?

14 MR. CARLISLE: I guess the question is --
15 I mean this is not a new question. I mean if we're
16 going to raise the question as to whether -- how you
17 support the infrastructure -- email, anybody who hooks
18 a server up to the Internet, eBay, Amazon -- these
19 guys don't pay a dime towards support of the
20 infrastructure except to the extent they may as
21 telecommunications users pay universal service.

22 So it's a much larger question than VoIP
23 what you're asking. What you're asking is is that how
24 do we ensure down the road that you've got a robust
25 telecommunications infrastructure that still provides

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1 affordable service to end users? You can do that
2 through charging people who access it to provide
3 services. You can do that sort of applying the access
4 charge concept, as successful as that's been, to the
5 Internet, so anybody who hooks up to it to provide a
6 service to end users has to pay some amount. How you
7 enforce that, how you structure that is another
8 question. I think the other way to do it is to look
9 to end user charges and subsidies at that point. So
10 there are a lot of different ways of structuring it
11 but you're asking a question that goes way beyond
12 VoIP.

13 MR. JAMES: The consumers that we provide
14 a service to is out in rural America where the income
15 level is less than 50 percent are working. And so it
16 doesn't seem to be fair.

17 MR. CARLISLE: Yes.

18 MR. JAMES: And yet there's no regulations
19 that provide or lend itself to the support of that
20 infrastructure to provide that low-income customer
21 service.

22 MR. CARLISLE: Well, I think you know at
23 some point you have to start thinking about how does
24 this play out on sort of a big think macroeconomic
25 level, and I'm not an economist, I just play one in

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1 the Bureau. But I think the issue on that is do you
2 want a subsidized network that provides an acceptable
3 level of quality of service to people which may be
4 where you want to go. You may want to have some sort
5 of explicit subsidy mechanism, and I'll be interested
6 to see what Congress does with the Telecommunications
7 Act. Or do you want to let the market continue to try
8 to develop technological solutions to this?

9 For example, if you have that subsidized
10 network, you may make it harder for the next person
11 who wants to come in to do, say, a wireless
12 application within that community who might have been
13 able to provide the service for cheaper than you can
14 over a wireline infrastructure. Well, you just made
15 it harder for them to do it because now the end users
16 are paying a subsidized rate for the service. So at
17 some point these decisions are going to have to be
18 made in Congress as to what they think is -- how they
19 achieve that balance of ensuring you've got innovation
20 and people interested in bringing service out to these
21 areas with new technological concepts as opposed to
22 making sure people actually get the service in the
23 first place.

24 Sometimes it's almost a chicken and the
25 egg problem. But I hear you on it, and it's an

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1 intractable problem that we've been trying to deal
2 with for a number of years. So far we've largely
3 relied on market mechanisms to try to push the
4 infrastructure out there, and Congress has clearly
5 stated an intention of taking a look at all that over
6 the next few years.

7 CHAIRPERSON ROOKER: We have time for one
8 more question if we have another question. I have a
9 question. Can you substitute a microwave for the
10 toaster?

11 (Laughter.)

12 MR. CARLISLE: Well, you see, that's
13 exactly the kind of thing the D.C. Circuit would
14 overrule us on.

15 (Laughter.)

16 MR. CARLISLE: But, yes.

17 CHAIRPERSON ROOKER: Why not, right?

18 MR. CARLISLE: Knock yourselves out. Or a
19 convection oven.

20 CHAIRPERSON ROOKER: All right.

21 PARTICIPANT: Jeff, you did a great job of
22 making a complex thing very understandable. Thank
23 you.

24 CHAIRPERSON ROOKER: Yes. That's great.

25 MR. CARLISLE: You're welcome.

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1 (Applause.)

2 CHAIRPERSON ROOKER: Thanks so much.

3 MR. CARLISLE: Thank you very much. And
4 did you get copies of the slides, by the way? My
5 contact information is on the front page, and I really
6 do have an open door policy. So if you have any
7 question at all or you think we're doing something
8 totally crazy or have heard something that doesn't
9 compute, just send me an email or call me.

10 CHAIRPERSON ROOKER: Thank you, Jeff. As
11 usual, it's greta to see you.

12 MR. CARLISLE: Good to see you.

13 CHAIRPERSON ROOKER: Okay. We're going to
14 take a break. If you'll be back here at 2:45, we'll
15 continue our program.

16 Just a couple of reminders, if you want
17 agenda items for the next meeting, you need to get it
18 to us at least six weeks before the meeting,
19 preferably before that, because the agenda tends to
20 fill up. So keep that in mind, folks.

21 Be back here at quarter of three, no
22 later.

23 (Whereupon, the foregoing matter went off
24 the record at 2:26 p.m. and went back on
25 the record at 2:49 p.m.)

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1 CHAIRPERSON ROOKER: If I could have your
2 attention, we have an excellent panel for presentation
3 this afternoon. I am very pleased with the people who
4 are joining us. I am going to let Debra introduce
5 them to you.

6 You all know Debra, Debra Berlyn. She is
7 on our Consumer Outreach, that long-titled committee.

8 By the number of e-mails I get from Debra, she has
9 done a lot of work.

10 So, Debra, we will turn it over to you.
11 Thank you.

12 MODERATOR BERLYN: Thank you, Shirley.
13 Let me just start out by thanking Shirley and Scott
14 for giving us the time this afternoon to have this
15 discussion.

16 I am chairing another one of those sub
17 working groups, the Consumer Complaints Outreach and
18 Education Working Group. Our subgroup is taking a
19 look at consumer outreach and education issues.

20 As part of that, we have been working
21 closely with a division of the Consumer Affairs
22 Bureau, the Outreach Division. And this afternoon's
23 panel is going to tackle an issue that we thought
24 would be a good place for us to start. And that is
25 the relationship between the FCC and the other state

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1 and local offices that also deal with consumer issues.

2 So what we have done is we have put
3 together a panel this afternoon of representatives
4 from each of those levels to talk about partnering,
5 developing better communications or improving
6 communications, coming up with new ideas on how to
7 reach out to consumers, how to resolve complaints, to
8 talk about issues and work responsibilities that
9 overlap, and to talk about how we as the Consumer
10 Advisory Committee can better advise the FCC on that
11 whole partnering process.

12 So we have an excellent panel of
13 discussion leaders here. We were going to go from my
14 right, your left. Let me just introduce everyone
15 first. And then I will tell you we are going to start
16 with Louis Sigalos, who is Chief of the Consumer
17 Affairs and Outreach Division. Then we will hear from
18 Betty Noel, who is People's Counsel for the District
19 of Columbia. Chrys Wilson next to her is Manager of
20 External Affairs for the Maryland Public Commission
21 and Jane Lawton, who is Cable Communications
22 Administrator in my county, Montgomery County,
23 Maryland.

24 So welcome to all of you. We look forward
25 to your remarks. We will have hopefully plenty of

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1 time for questions at the end of all of the
2 presentations. So if you could hold your questions
3 until that time?

4 Louis?

5 MR. SIGALOS: Thank you, Debra.

6 As you mentioned, I am Louis Sigalos. I
7 am Chief of the Consumer Affairs and Outreach
8 Division, which is located within the Consumer and
9 Governmental Affairs Bureau. I would like to start by
10 going into some of our bureaucratic talk and
11 specifically to give you a mission statement, to give
12 you a flavor of what it is at our core.

13 Our mission is: first, the development
14 and implementation of consumer outreach and education
15 policies, goals, and objectives to ensure that the
16 commission has the benefit of a wide spectrum of
17 information and viewpoints on its decision-making
18 processes.

19 Our mission is also to coordinate with all
20 FCC bureaus and offices by establishing liaisons for
21 information-sharing purposes on all consumer outreach
22 projects. And our mission is to develop and maintain
23 special databases for disseminating information and
24 materials to groups affected by commission actions.

25 I know that is pretty much of a mouthful.

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1 And it is a whole lot of mission to accomplish. By
2 no means will I be representing here today that that
3 is something that has been accomplished at this point.

4 I can say that the mission is underway and that we
5 can see the road ahead.

6 I want to cover four topics for you today.

7 First is how are we organized; secondly, what we have
8 accomplished thus far. Third is our vision for the
9 future. And four is our thoughts on partnering the
10 state and local governments, organizations, and
11 associations.

12 First, how we are organized. Basically
13 our division has organized itself by a stakeholder
14 concept. Basically the stakeholder concept has
15 allowed us to assign individual staff members to work
16 with specific constituencies, on specific initiatives,
17 to assign liaison roles to staff along with
18 partnerships. And, finally, it allows us to dedicate
19 staff to operations and support, which includes
20 supporting the tools of our trade.

21 Some of those tools include a contacts
22 database, media services, outreach coordination and
23 program management, the creation of outreach programs
24 and proposals, exhibit booth, budgeting, brochures,
25 and fact sheets, mass mailings and e-mailings, forms

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1 and summits.

2 Okay. What we have accomplished. As part
3 of the goal, some of the things we have done to give
4 you a sense of some of the things we have done, this
5 is basically within the last year and is by no means
6 fully comprehensive.

7 For seniors, we have been to AARP. We had
8 an exhibit booth. We had a presentation. We have
9 been to California, worked with their PUC to give a
10 consumer forum to seniors. We have been to the
11 Shepherd Center in Richmond for a senior event. We
12 have done more Walker events. And we have
13 participated in several consumer roundtable in the
14 State of Pennsylvania in conjunction with the
15 Pennsylvania PUC.

16 We hosted a black college forum in
17 February. We have gone to School Without Walls, to
18 Benjamin Banneker, to T. C. Williams. We have worked
19 with the Hispanic community. We have been to La Raza,
20 which is their big convention; the disability
21 community.

22 We have been to Deaf History Day. We
23 presented at the Registry of Interpreters for the
24 Deaf. We have been to the World Congress and
25 Exposition on Disabilities, the Potomac Chapter also

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1 of Registry of Interpreters for the Deaf; state and
2 local.

3 We have been to National Association of
4 Consumer Agency Administrators, NACAA. We had a booth
5 there. We have done some networking, Consumer
6 Federation of America just this past month or earlier
7 this month, that led us to many potential further
8 follow-up events.

9 Our role, we have done a lot of work
10 recently. And it is also a role that is a good
11 example of liaison work that we do in working with
12 other bureaus within the commission. We worked with
13 the International Bureau when they did their World
14 Satellite Forum. We worked with the Wideline
15 Competition Bureau and their telemedicine events. We
16 have been to the world telecom, broadband conference,
17 where we had a booth, multiple events.

18 We did a consumer forum in Reno, Nevada.
19 I would also like to point out that this was something
20 where we worked with our intergovernmental affairs
21 group, where they were conducting an Indian
22 telecommunications initiative that we helped support
23 on the coordination logistics. We took that
24 opportunity since we were there to conduct a consumer
25 forum.

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1 We worked on the public recognition week
2 here in D.C. We had a booth. We have been to the
3 B.Y. Utility Day in Philadelphia. We have done the
4 D.C. Office of People's Counsel. We work with them.
5 We have done Congressional Caucus meetings from the
6 African American to the Hispanic to the federal,
7 Asian, and Pacific Islander.

8 Just a few of the initiatives that we
9 supported through program management, logistical
10 support, mass mailings include localism hearings. We
11 have staff that are working on the localism hearings
12 that are being conducted by the chairman and
13 commissioners throughout the United States.

14 TCPA, National Do Not Call Registry, the
15 National Consumer Protection Week, Hearing Aid
16 Compatibility Outreach, I can go on and on with the
17 things that we have helped support, throughout the
18 commission the initiatives that we have helped
19 support. The list really is exhaustive.

20 I did want to mention one last item that
21 we worked on in conjunction with many other bureaus.
22 That was the local number portability outreach
23 campaign.

24 For this outreach, we conducted a
25 satellite media tour. We arranged to have the

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1 chairman conduct satellite interviews in a local
2 broadcast facility, where we were linked with TV
3 stations throughout the country.

4 These interviews were the kickoff of the
5 local number portability campaign, and we were able to
6 reach more than 25 stations. There were 129 confirmed
7 broadcasts and over 11 million viewers.

8 I would like to show you what it looked
9 like here on channel 9. Let's go to the videotape.

10 (Whereupon, a videotape was played.)

11 MR. SIGALOS: Of course, it helps when we
12 do this type of outreach that we have a chairman who
13 is an excellent public speaker and quick on his feet.

14 So we hope to do more of that type of work in the
15 future.

16 That leads me to the next topic. And that
17 is, what is our vision for the future? That is, we do
18 want to build on the foundation we are currently
19 creating today.

20 Some of the specific areas we want to
21 focus our attention on include -- well, let me just go
22 into what's on tap. Kids' page. There is a kids'
23 page that you will be seeing debut shortly. It is an
24 internet page that is dedicated to kids and what they
25 would find applicable in our world of communications.

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1 An outreach program that we are putting
2 together in cosponsorship with our internet support
3 personnel will be coming soon. We hope to kick that
4 off with the chairman when he is outside the Beltway.

5 We are going to be at the internet service
6 providers' conference shortly here in D.C. We will
7 have representatives at the National Association of
8 Broadcasters. We will assist on an E911 summit.

9 We will be there Public Service
10 Recognition Week. We will assist with the
11 Disabilities Access Solution Summit. We will react
12 with the Rehabilitating Engineering Research Center
13 State of Technology Conference in Atlanta in May.

14 We will be at the Registry of Interpreters
15 for the Deaf in Puerto Rico in May. We hope to
16 conduct a consumer forum in Rapid City, actually a
17 consumer forum along with our involvement with the
18 Registry of Interpreters for the Deaf. We hope to do
19 localism. We hope to piggyback on the localism
20 hearing in Rapid City and do a consumer forum because
21 we are going to have the chairman and commissioners
22 out there.

23 What else do we have? An interagency
24 forum we are looking to conduct in June to work with
25 other federal agencies, specifically the consumer

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1 groups.

2 We are going to be out in California
3 working with them on some senior citizen consumer
4 forums. We will be at the American Library
5 Association Conference with an exhibit book hoping to
6 create networking and opportunities to use their
7 systems to distribute our information. We will be at
8 NACAA, at La Raza. National Association for the Deaf
9 we hope to be at also.

10 I could go on and on. I just wanted to
11 give you a flavor there. I just had to do that
12 because we are going to be working real hard.

13 What else is in our vision is to increase
14 our staff and our budget. That is critically
15 important. All of these things I mentioned, we have
16 to talk with everybody to do anything we do. We can't
17 staff all of these things ourselves. We do the work
18 better on our coordination within the FCC working with
19 the other bureaus to make sure that when there is an
20 initiative with the commission, that all bureaus are
21 touched, whether it be the International Bureau, the
22 Wireline Bureau, the Wireless Bureau, they all come
23 together so that we could provide one common message
24 to the consumer because they are aware that this rule
25 may be within wireless, this may be within wireline.

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1 They just need one comprehensive solution to many of
2 their needs. We hope to be better at coordinating
3 throughout the FCC.

4 We are going to work harder on our context
5 database and on media services. Specifically we want
6 to try to use more radio and TV to get our message
7 out. Examples will include that satellite media tour.

8 We hope to do video news releases, public
9 service announcements. We also hope down the road to
10 write articles or a weekly column for newspapers. It
11 would be great to have a network of local and rural
12 newspapers that look forward to a column from us on a
13 regular basis.

14 Finally, we would like to do some
15 strategic partnering. Part of that includes federal,
16 state, and local governments as well as consumer
17 organizations nationwide. That brings us to our final
18 topic and my final topic, which is partnering with
19 state and local government organizations and
20 associations.

21 We consider it extremely important that we
22 partner, especially with this group. It is my belief
23 that through these relationships networking and
24 partnerships with state and local governments,
25 organizations, and associations, we will be able to

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1 achieve our many goals in the most cost and
2 resource-efficient manner.

3 We also believe that these partnerships
4 will assist those that work with us in demystifying
5 the FCC. These partnerships will open an avenue of
6 communications for ideas and feedback to filter back
7 regarding the regulations and policies that we pursue.

8 What we have done so far, we have built a
9 database. And we are continuing to do so. We know
10 when we pursue targeted outreach through this
11 constituency. However, we have found that we have
12 gotten ahead of ourselves in many cases.

13 We are ready to put out a mailing and
14 saying, "We would like to work with all of you." The
15 problem is, what if you say, "Yes"? That is one of
16 our issues.

17 We need to be able to be responsive. One
18 thing we don't want to do is say to all of you, "Let's
19 work together. You say, "Yes." And then we say,
20 "Well, we don't have the time, the staff, the money."

21 So we are trying to figure how to basically measure
22 out an approach to working with states and local
23 organizations.

24 Finally, I just wanted to mention one
25 thing that we are doing right now. That is working

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1 with our subcommittee. That would be exploring many
2 other ways that we can work together.

3 One thing that we did do and that we will
4 be passing around right now is a premium brochure.
5 This is a draft brochure. Basically we wanted to have
6 some fact sheet or brochure that you could bring back
7 with you that would be a resource so that when you had
8 questions or concerns, you will know exactly where to
9 go within the FCC to get the information you need.

10 You have got a hard copy there through the
11 sub working group. If you can provide any feedback,
12 we will gladly make these changes. And when it is
13 completed, we will get it to you either in an
14 electronic or hard copy format.

15 I know I have spoken far too long. And I
16 apologize. But thank you for the time.

17 MODERATOR BERLYN: Thank you, Louis.

18 (Applause.)

19 MODERATOR BERLYN: I know that our sub
20 working group has had the opportunity to meet with
21 Louis and get that full feel of the tremendous work
22 that his division is doing. And, as you can tell from
23 the long list of the type of outreach activities that
24 they are doing, Louis has brought a lot of energy to
25 that office. So we are very pleased to work with him

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1 on this.

2 We are trying to meet with his division as
3 often as possible. And I believe a report of our
4 working group, Scott, was either sent electronically
5 or part of the packet. Okay. It was sent
6 electronically to all of you. You might want to check
7 that out.

8 But that does summarize the last meeting
9 that we did have with the Outreach Division. So his
10 remarks are an excellent introduction to the rest of
11 our panel, who will be talking about from the state
12 and local perspective what they do and how they can
13 partner.

14 Betty?

15 MS. NOEL: Thank you.

16 Hello. Well, good afternoon. I am
17 Elizabeth Noel, Betty to my friends. And I am the
18 People's Counsel for the District of Columbia. I
19 bring you greetings from the 570,000 consumers that I
20 represent. I represent consumers with respect to
21 natural gas, energy, and most relevantly today
22 telecommunications services.

23 Debbie, it is always a privilege to be on
24 any panel that you are a part of. I would also like
25 to extend thank you to Dane Snowden, the Chief of the

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1 FCC's Consumer and Governmental Bureau; and to you,
2 Shirley. I think the last time I was at the FCC I was
3 on a panel that you chaired. It is always a privilege
4 to be on a panel with you.

5 I would like to take this opportunity to
6 applaud FCC Commissioner Copps on his new consumer
7 initiative, the Always On Campaign for Consumers
8 announced on March 11th. I am particularly thrilled
9 about three of his initiatives. One is to protect
10 consumers from false and confusing line items on
11 bills; two, to make phone rates transparent and
12 comparable; and, third, to give wireless consumers the
13 power to comparison shop. I think he articulated five
14 points, but those are the things that bring joy to my
15 heart.

16 This is my first formal invitation to
17 appear here at the FCC in quite a while. A lot has
18 happened since last I was here. I can tell you that
19 30 percent of all of the complaints that we receive at
20 the Office of People's Counsel pertain to
21 telecommunications services, 30 percent. I should at
22 least preface by saying half of what I do as People's
23 Counsel is advocacy before the FCC, FERC, and our
24 local commission. I am a lawyer. That is what we do.

25 The other half of what I do is education

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1 and outreach. I take that part of the job
2 extraordinarily seriously. Obviously there are
3 politics involved. You have to be in tune with the
4 people.

5 And if you say you represent the people,
6 it is good if the people know who you are. And it is
7 also good if you know the people and know what
8 concerns them. You do that through education and
9 outreach.

10 You can't do that from your desk. So that
11 means that all 33 members of my staff are out in the
12 community meeting real people at civic associations,
13 community meetings, senior citizens organizations, and
14 so on and so on.

15 So we know the people. I can tell you
16 that when I go to Giant to shop, -- that is our local
17 grocery store -- my consumers who see me on cable
18 television will come over to me and say, "Ms. Noel, I
19 saw you on cable. And I am really concerned about"
20 this or that. "I really don't like" this or this or
21 whatever my issues are.

22 So the comments that I make come not
23 really because I am the People's Counsel, not really
24 because I am a lawyer, but I actually have hands on
25 with the people. So accountability has a whole new

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1 definition for me.

2 We have been lucky because here in D.C.,
3 we can come over to the FCC and we can reach out and
4 touch. And I think that we have tried to connect with
5 the FCC.

6 We are very appreciative to Pat Chu and
7 Dan Remeld in the FCC's Consumer Outreach Division.
8 They have partnered with my office on different local
9 experiences, such as Joint Utility Discount Day or
10 Energy Expo, which, even though we are educating about
11 energy, the FCC is always pleased to have a table and
12 educate about their issues. They have come out with
13 us to senior citizens' organizations or to discuss the
14 Do Not Call Registry, et cetera. So we are
15 appreciative of that.

16 We are also appreciative to Martha Conti,
17 the head of the Consumer Inquiries and Complaints
18 Division. She coordinates with our office.

19 I will tell you that our jurisdiction is
20 limited to those issues that concern our local market,
21 so the locally derived budget we spend on representing
22 local consumers about things that affect them locally.

23 The complaints that we get at OPC in
24 telecom, however, extend quite beyond local. And that
25 is where the need for FCC involvement comes in.

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1 When a consumer has a problem with a
2 cellular provider or with a long distance company,
3 they call OPC D.C. for assistance. Because I am
4 accountable to these people and if I don't help them,
5 they will stop me at Giant, I can't say to a consumer,
6 "I'm sorry. These are locally derived funds, and I
7 can't talk to you about your cellular bill and I can't
8 talk to you about long distance." I can't do that.

9 So it puts us in a quagmire of using local
10 monies to help local consumers on issues over which I
11 don't have jurisdiction but about which they are
12 concerned. That is a problem that we have.

13 Even though I think that we have done some
14 things to coordinate with the FCC, it is very clear to
15 me that consumers need more confidence that when they
16 reach into the FCC, they can get more hands-on
17 assistance and consumer complaint resolution in these
18 areas. That is what they are talking about.

19 The cellular issue is of concern to them.
20 I don't know about you, and it could be that I am
21 just getting older, but I can't read half the
22 advertisements that they put out.

23 Now, I will just tell you that has a
24 particular concern to our consumers. They not only
25 want to be able to read it. They want to understand

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1 it. We are spending local money explaining to them
2 how to make effective choice in telecommunications.

3 Now, I say that on television. I am sure
4 I am going to hear from some council member eventually
5 asking me why I am spending local money on this issue
6 because it affects our consumers. So that is an
7 issue.

8 I think sometimes on those kinds of
9 issues, consumers feel that they really cannot reach
10 into the FCC. The brochure, the cellular
11 communications brochure, is a beautiful brochure, but
12 consumers need hands-on help about choice. And that
13 is very, very important as cellular takes on more and
14 more importance in the lives of our consumers.

15 So I know that the FCC has done much and
16 you have detailed a lot about what they are doing, but
17 I do think that there is a need to understand that at
18 the local level, not just in D.C., but there are 44
19 members of our national organization. So that means
20 consumers in 44 states, I would think, that are trying
21 to tap into the resources here at the FCC to get
22 information, consumer complaint resolution on issues
23 that their local advocate doesn't have jurisdiction
24 and that they're looking for the FCC's assistance.

25 So those are my comments to you. I know

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1 there are some questions you want to ask me. So I
2 won't --

3 MODERATOR BERLYN: We'll wait for Q&A.

4 MS. NOEL: I like to anticipate those
5 areas, but that is my message.

6 MODERATOR BERLYN: Thank you very much,
7 Betty.

8 (Applause.)

9 MODERATOR BERLYN: Chrys Wilson with the
10 Maryland Public Service Commission.

11 MS. WILSON: Good afternoon. Thank you,
12 Debbie and Scott, for the invitation to begin to build
13 a partnership.

14 One of the things I want to address first
15 is the responsibility our office at the commission,
16 which is Office of External Relations, Consumer
17 Affairs, how they resolve consumer issues.

18 OER investigates and responds to thousands
19 of consumer complaints regarding both regulated and
20 deregulated gas and electric industries as well as
21 private water companies.

22 OER investigates telecommunications
23 disputes, including, but not limited to, local
24 telephone rates and service, interstate telephone
25 rates and service, slamming local and long distance,

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1 terminations of service, billing disputes, deceptive
2 practices.

3 I brought along with me a handout. Feel
4 free to take one with you. It is on the table in the
5 back. It has step by step our dispute process. I
6 won't spend the time today to go through this dispute
7 process, but it is back there on the back table.

8 OER's workload is continuing to grow, just
9 like everybody else's. In 2001, we had 35,503
10 telephone inquiries. We investigated 7,824
11 complaints. In 2002, we had 42,604 telephone
12 inquiries. We investigated 6,465. In 2003, we had
13 43,000. And, as you see, it keeps going up, 528. And
14 we investigated 6,818.

15 The spike in the consumer complaints in
16 2001 was directly attributed to the implementation of
17 electric restructuring and merling. And, by the way,
18 to date, from January to today's March 26th, we have
19 already investigated approximately 2,500 complaints.
20 So we are sort of swamped with complaints. And it is
21 becoming a major issue.

22 OER's mission is to ensure compliance with
23 the rules and regulations, to assist consumers in
24 avoiding terminations of service, to ensure
25 cooperation among utilities and suppliers in resolving

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1 consumer complaints, to inform consumers of choice
2 options, to educate consumers about rights to monitor
3 service quality.

4 What type of information could the FCC
5 provide that would help with the work we do for
6 consumers? One of the things that we would like to
7 see is a concise statement clarifying jurisdiction
8 over certain types of complaints, such as wireless
9 versus land line, voice over internet protocol.

10 Another issue is updated FCC informational
11 brochures. That would be very helpful for us,
12 up-to-date information on fees affecting users; that
13 is, federal subscriber fees charge, universal service
14 charge, et cetera; updates on any other decisions that
15 affect telephone users.

16 Information is very valuable. The more
17 information a consumer has, the better off all of us
18 will be, updates on FCC investigations of specific
19 companies and/or specific issues; that is, ABC
20 company, questionable verification procedures.
21 States' PUC can then begin tracking similar
22 complaints, up-to-date FCC contact lists for proper
23 referral of complaints and asking questions.

24 Many times if we just had a contact list,
25 it would just make things a lot easier, a lot

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1 smoother. Consumers wouldn't bother us as much. They
2 wouldn't complain as much. We just need to know who
3 to direct folks to. And maybe there possibly could be
4 a contact list for consumers and a contact list for
5 the commission.

6 How should state and local consumers'
7 offices coordinator their efforts to resolve consumer
8 complaints and other concerns? A list of agencies
9 would be very helpful, contact persons, and
10 jurisdiction, which is mostly important for proper
11 channeling of consumer complaints; that is, cable TV,
12 municipal water, landlord-tenant. E-mail contacts for
13 exchanging information, let's keep the dialogue going,
14 very important.

15 Do you have questions? Do you have
16 suggestions for ways to improve the exchange of
17 information between our office and the FCC, e-mail
18 accessibility to FCC contact persons? Many times we
19 just don't know who to contact to get a problem
20 resolved.

21 Links from our PSC Web site to the FCC Web
22 site direct to various FCC supports, such as, example,
23 Consumer Advisory Committee status reports or tracking
24 reports of wireless/wire line CLACs; consolidated
25 reports showing the cause and effect between tracking

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1 systems; FCC statistics on complaints against specific
2 companies or specific issues to allow mapping trends.

3 Thank you very much. I hope this will
4 begin a great partnership.

5 (Applause.)

6 MODERATOR BERLYN: Thank you, Chrys.

7 Next speaker is Jane Lawton.

8 MS. LAWTON: I'm going to stand up because
9 these folks over here can't even see me. And also
10 since I am the last speaker, I figure I have to wake
11 you up a little bit.

12 I am very happy to be here to speak about
13 partnering, particularly because my own background
14 causes me to believe in it very strongly. I started
15 out in my career coming from Oklahoma with the Speaker
16 of the House as a legislative person and spent 10
17 years there and then spent 14 years home with my
18 children on my local city council doing what you are,
19 responding at the very local level and served as mayor
20 in my town for a little while. Now I'm in the county
21 government. And I have been there 12 years.

22 So I really feel like I know how important
23 it is to consumers to have a partnership from the
24 various levels of government. I have a handout. You
25 can follow along if you want to, but I think I won't

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1 use the PowerPoint.

2 Cable Communications Administration,
3 Montgomery County has a broader function than just
4 riding herd on cable companies. We negotiate,
5 monitor, administer both cable and telecom franchises,
6 and we receive all of the local complaints. We
7 monitor the system construction, the signal quality.

8 I chair and my staff supports the
9 committee that approves wireless sites. We also
10 administer the cable fund. All of the money that
11 comes into us for franchises we turn back to telecom,
12 to cable. We support the peg channels with that
13 funding. We manage the county peg channel. We fund
14 the institutional network and special telecom
15 projects.

16 And we monitor and participate, just like
17 this, in federal, state, and local legislative things.

18 This is one of the most important things to my staff,
19 to learn about federal, state, and local law and
20 regulations for those things we have jurisdiction
21 over.

22 Our customer complaints are trending up.
23 Why? First of all, it's because of the new advance
24 services and customers' expectations about them.
25 Technology is really complex. So both the provider

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1 and the receiver of the services sometimes have a
2 learning curve.

3 Bundled services are marketed
4 aggressively. And, yet, it is confusing to customers.

5 And particularly as companies begin to market on a
6 regional basis, people don't know if it is available
7 here or there or there.

8 Reliability of the services is mixed. It
9 is not totally reliable yet. As the provokers merge
10 and get larger, they appear to be less focused on the
11 individual customers, but throughout all of this, the
12 people who take the calls on a daily basis are the
13 local jurisdiction. Local customers expect local
14 answers. So, no matter who is in charge, we get to
15 answer.

16 Some of the issues that come to us, cable
17 modem issues, reliability, repair, customer privacy
18 rates, billing, service contracts, accurate and timely
19 notification of price changes, choice, these are all
20 of them.

21 Montgomery County complaints -- and if you
22 will look at your chart, you'll see it. I'm sorry.
23 I'm not at that. In 1998, we had only 228 escalated
24 complaints in our office. It goes up sharply in 2000
25 to 1,306 complaints and in 2003. And then it went to

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1 1,283 then, 1,435, then 1,342. It is exactly the time
2 that Comcast came in.

3 Now, do I think it's Comcast? No. No, I
4 don't. But it is when they started building for their
5 advance services and when customers started to have
6 different kinds of complaints than they did when their
7 television was just an entertainment center in their
8 home.

9 I used to think it would go back down once
10 the services are out. Now I don't think so because of
11 all of the reasons I just told you. The Montgomery
12 County cable office is small. And I said to my staff,
13 "We have to do something ourselves. We can't control
14 what the providers do."

15 So we ourselves put in great improvements.
16 We started an electronic tracking system. We
17 increased our coordination with providers, even though
18 sometimes that is a struggle and tough.

19 We have new customer service forms that
20 are simple and easier. We have improved reporting
21 from our operators. We streamlined our monitoring
22 process. We give regular process reports to elected
23 officials.

24 And we generate automatic customer
25 satisfaction surveys that go out to our customers. We

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1 get a 35 percent return rate, and it's 96 to 98
2 percent satisfaction with my staff. I am proud of
3 that.

4 We also strengthen our oversight and
5 enforcement. I'm not saying we started a heavier
6 handed regulation. We did not. However, we saw the
7 need to clarify the requirements that providers had
8 and to let customers understand what was the federal
9 government, what was the state government, what were
10 us and which ones we could do something about and
11 which ones we couldn't do something about.

12 We share a compliance checkup chart with
13 providers that has all of the FCC requirements and our
14 requirements. And we say, "You're in compliance,"
15 "not in compliance," "in compliance," "not in
16 compliance."

17 We established a new Cable Compliance
18 Commission, which listens to individual complaints
19 that are escalated and that we have handled or that
20 the cable company has handled, not us, for over 30
21 days, has come to our office, and is not resolved to
22 the satisfaction of the customer. They can go to this
23 commission and get individual relief.

24 This is in addition to a Cable Compliance
25 Commission that we have that advises us about citizen

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1 issues. Claude Stout sits on that commission. I'm
2 very proud of him.

3 We have a Web-based complaint filing.
4 Right now we are looking at a customer bill of rights
5 to be able to show our customers what they should be
6 able to expect in the way of service. Seattle has
7 one. Chicago has one. We're looking at those.

8 We have used technology to address our
9 customers' needs. We have video and audio streaming
10 of our government channel. We have closed captioning
11 of all of our government programming. We have video
12 in demand and archiving.

13 We have an improved Web site and e-mail.
14 We have increased our programming diversity, including
15 we are looking into language, more language,
16 programming and getting translated programming. We
17 have community programming and surveys ongoing. And
18 we have interactive town meetings now.

19 How can we, the local, state, and federal
20 government, help each other help customers? First of
21 all and most important, we can respect each other. We
22 can respect our different roles, not try to replicate
23 our different roles. The federal government doesn't
24 need to be the local answer, but they need to be
25 respectful of us and they need to support us when we

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1 are answering consumers' questions.

2 In order to do that, they need to know
3 about our regulatory structure and we need to know
4 about theirs. And that includes both of us knowing
5 about the state regulations. And we need to put the
6 customer first in that.

7 We need to learn our systems of reporting
8 complaints. We need to establish points of contact
9 that are effective and that are knowledgeable. We
10 need to establish a system to identify and learn about
11 customer issues as they are coming in.

12 I have had some staff callers call the FCC
13 recently about a couple of local complaints that are
14 FCC authority. They were not answered knowledgeably.

15 You need to know what is coming in to us, and you
16 need to know how to answer it.

17 They didn't even know it was your
18 jurisdiction. And I can tell you what those are. We
19 need a system for feedback among our governments. And
20 we need to have information and resource-sharing for
21 local, state, and federal consumer offices.

22 The last thing I want to say is I believe
23 the FCC itself can utilize resources, local government
24 resources, that are already available to you,
25 liaisoning with national associations but not just

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1 attending conventions but really utilizing what
2 national associations are doing, their resources.
3 NATOA, the National Association of Telecommunications
4 Officers and Advisers, right now is doing a customer
5 service report based on best practices from
6 jurisdictions across the country.

7 Places that are upholding FCC customer
8 service requirements, things that look like they're
9 the best, the most streamlined, the national
10 association meetings. And I only tell you two, and I
11 close. The NATOA legal seminar, which is coming up
12 right here in D.C. April 22nd and 23rd, and NATOA's
13 annual conference in San Francisco in September. I
14 invite you to request to be on panels and to visit
15 with us at those times.

16 In the meantime, I thank you for having
17 the opportunity to tell you my thoughts.

18 (Applause.)

19 MODERATOR BERLYN: Thank you, Jane. Thank
20 you to all of the panelists, great thoughts there. I
21 know Louis has been writing notes vigorously here.
22 Really, all of those suggestions that have been voiced
23 here on this panel discussion are an excellent start.

24 I now would like to in a moment turn to
25 all of you for additional discussion about this topic.

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1 I know that one of the things that we also want to
2 help the FCC with is because we know our sub working
3 group in meeting and brainstorming does recognize the
4 limited financial resources that the FCC has.

5 And so it is always helpful to think about
6 ways in which the FCC can have some initiatives to
7 help that don't add to the long financial list of
8 expenses but, rather, ideas that many of you have
9 mentioned of things that can be implemented within the
10 structure that already exists.

11 So, with that, I would like to open it up
12 to questions from all of you. Susan?

13 MEMBER PALMER-MAZRUI: I'm glad that they
14 are not aware of the resource limitation that they
15 have because they do a whole lot, probably beyond what
16 most of us would think is possible. I was very
17 impressed with the meeting.

18 One of the things, one of the ways that we
19 can help out is I am part of a group through the
20 Alliance for Telecommunication Industry Solutions.
21 What we have been working on is outreach down the road
22 for hearing aid compatibility. Part of our working
23 group has developed a database of consumer and
24 professional organizations around hearing loss and
25 language and will be doing outreach materials.

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1 We would love to invite someone from your
2 group to participate. We are trying to avoid
3 redundancies and really utilize our community's
4 expertise and knowledge. I think that would be a
5 logical fit and really do appreciate all you have
6 done.

7 MODERATOR BERLYN: Yes, Ron?

8 MEMBER MALLARD: First of all, I would
9 like to congratulate Jane on running an excellent
10 office in Montgomery affairs that is approaching the
11 level of efficiency and success that we have in
12 Fairfax. She does an excellent job.

13 I was wondering if the FCC and Jane would
14 comment on how they handle cable modem-related
15 complaints from citizens.

16 MR. SIGALOS: I'll let you go first. I
17 know that is a question better answered to Martha I
18 see over there, who is part of our Consumer Inquiry
19 and Complaints Division.

20 I don't know, Martha, if you wanted to
21 help us out here and, Jane, if you wanted to go first.

22 MS. CONTI: Thank you. I am pleased to
23 answer that question.

24 When we get questions on cable modem
25 complaints, we take the complaint. And we analyze it.

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1 And we contact the local franchising authority and
2 also the cable company if we are able to define the
3 complaint exactly where the jurisdiction is, but in
4 most cases, when the consumer calls, we don't have all
5 of that information. So our goal is to resolve the
6 complaint and help the consumer that may hold and
7 working sometimes with the LSA to get that done.

8 So if I had a little bit more specifics, I
9 could help you, but that is what we do. We don't just
10 leave them lurking idle or saying, "It is not our
11 jurisdiction" because in many cases, we don't know
12 from the initial complaints that come in.

13 MEMBER MALLARD: And if I can just ask a
14 little bit further on that question, in your area of
15 responsibility, is there an understanding of what the
16 FCC is empowered to do to correct problems, citizen
17 problems, with services regarding cable modem service?

18 MS. CONTI: Yes. Yes, there is. If there
19 is an area that is a little gray or murky, then we do
20 work with that. Again, we just don't leave the
21 consumer hanging and not knowing or bounce them back
22 to the state or to us.

23 I am not answering your question.

24 MS. LAWTON: Well, I did have a person who
25 called yesterday about cable modem services. You are

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1 correct. They were referred to the LSA. And they
2 persisted by saying they had already called the LSA
3 and that they understood it was reclassified as an
4 information service. And that was beyond the
5 understanding of the person answering the phone.

6 I only say that, and I hesitate to because
7 I have people who answer the phone. And I deal with
8 the cable company that answers. You never know
9 exactly who got it or what the answer is or how it
10 was.

11 All I can say is I do believe it is an
12 area where we could understand each other better.
13 That issue and one called about consumer buy-through,
14 recently we called about because it was definitely a
15 requirement of the federal government. The office did
16 not understand the issue at all.

17 And so all I am saying is I think it
18 behooves us to educate the people who are indeed
19 exactly as you say, the first line with the public.
20 That is what we are.

21 We take cable modem complaints. And we
22 made that decision specifically, even after the FCC
23 reclassified it as an information service. It is the
24 highest ranking thing for complaints, it and billing,
25 most recently in most recent months and before that

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1 reception and cable modem. So it is not that people
2 aren't always pleased with it, but they are much more
3 upset when their cable modem service goes down.

4 We have legislation that was passed by our
5 county council directing our county executive to
6 specifically do executive regulations that had to do
7 with the consumer standards, to broaden them, having
8 to do with cable modem.

9 What the customers who testified wanted
10 were some technical standards, which we know we don't
11 have at the federal level.

12 Our county executive decided, I think
13 quite appropriately, not to go that route. We did not
14 do any technical or any kind of speeds or reliability.

15 But what we did was we took the regular customer
16 service standards, a telephone answering the repairs,
17 the technical assistance, et cetera. And we applied
18 them to cable modem services.

19 We even, in deference to the cable
20 company, dropped a couple of the requirements for
21 turnaround time and for response time to a much lower
22 percentage, recognizing that they are technical
23 answers that take longer to answer and longer
24 sometimes to repair.

25 So those executive regulations have been

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1 drafted and will be heard at our county council later
2 this month. We don't know whether they will be
3 accepted or rejected, but we feel comfortable because
4 our customers we think are best served when we do
5 answer their questions.

6 So we do record and try to help with cable
7 modem service calls. And we interact with the cable
8 company, and they respond to them. If push came to
9 shove, I think they might be able to say to us, "You
10 don't have jurisdiction."

11 Right now we cooperate and do that.

12 MS. CONTI: We have Thomas Wyatt here, who
13 is the deputy bureau chief, who is going to speak to
14 that issue also.

15 MR. WYATT: We had a number of discussions
16 with our counterparts about cable modem complaints.
17 What we were trying to accomplish was to make sure
18 that we were not bouncing consumers around.

19 So the short of the agreement we struck is
20 that if we receive a cable modem complaint, we don't
21 send that complaint to the LSA. We try to resolve it
22 and work with the consumer.

23 Likewise, if the LSA receives one, they
24 don't send it to us. We try to help the consumer so
25 the consumer is not bounced between agencies. That

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1 was our goal. I think it is working pretty well. We
2 still don't receive a great many in that area. But to
3 the extent that we do, we try to work with the cable
4 operators to resolve them.

5 I think we have had some success based on
6 what I have seen. We have seen the companies be very
7 responsive. It sounds like our counterparts are doing
8 the same thing at the LSAs as well.

9 I just wanted to clarify that we force
10 that understanding with the goal of not bouncing
11 consumers' choices.

12 MS. LAWTON: I don't think all LSAs feel
13 -- well, it is not that they don't feel compelled. It
14 is a tough place to be as an LSA because we do not
15 have the muscle as we do in video issues anymore to
16 enforce.

17 MR. WYATT: I think that's why it is
18 important for us to keep dialoguing. To the extent
19 that consumers aren't getting answers, then we want to
20 figure out a way of addressing that. To the extent
21 that LSAs don't feel that they can do what is
22 necessary to help the consumer, then we want to do
23 what we can. So it is really important for us to keep
24 dialoguing and making sure that the consumers aren't
25 bouncing around and being left in the lurch.

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1 So I apologize for just rushing down, but
2 I wanted to come and clarify that because I spent a
3 lot of time talking about this issue with some of the
4 LSA members.

5 Our goal, as I said earlier, was to make
6 sure that we were taking care of consumers and not
7 leaving them in the lurch.

8 MODERATOR BERLYN: Thank you. Thank you
9 for coming down and participating in that discussion.

10 One of the issues that seems to be present
11 in several of the working groups that I was in this
12 morning as well as in this panel is taking steps to
13 make sure, especially with new technologies and
14 changing regulations, that no consumer concerns fall
15 into these loopholes that are created by the changes
16 in regulations and the development of new
17 technologies.

18 So that perhaps may be one of the things
19 that we will want to consider and work closely with
20 the Outreach Division and the complaints folks about
21 as well.

22 I see that we are just about out of time.
23 Thank you very much, panelists, for your excellent
24 job in sharing your expertise on the state and local
25 and federal levels with us. Thank you.

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1 (Applause.)

2 CHAIRPERSON ROOKER: Let me just second
3 that, Debra. It was an excellent presentation.
4 Louis, Betty, Chrys, and Jane, we really appreciate
5 your taking the time and coming to be with us. And we
6 look forward to working with you in the future. So I
7 think it's a very exciting dialogue, absolutely.
8 Debra, thank you for your work in putting it together.
9 We appreciate it. It was really, really excellent.

10 CHAIRPERSON ROOKER: Just a couple of
11 things that I need to say before we go to the public
12 comment section of the meeting. That is I want to
13 encourage you again to fill out your GAO survey. They
14 go into a big pool to see how the federal advisory
15 committees are doing. So be sure you do that.

16 I want to make sure I have gotten the
17 emergency contact information from everyone. That is
18 very important. We need that. If you haven't done
19 it, please do it before you leave here today. We are
20 going to lock you in the room.

21 Thirdly, just a reminder. Our next
22 meeting is set for the 18th of June, which is a
23 Friday. I hope you have got it on your calendar. We
24 expect to see you here.

25 Let me see. I don't know if we have other

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1 housekeeping items to talk about, Scott, or not. Do
2 we? Okay. Then we would like to go. Does the
3 committee have any other comments that they need to
4 make before we go to the public section, public
5 comments? Andrea?

6 MEMBER WILLIAMS: I just want to take this
7 opportunity to thank Debra again for putting together
8 such a great panel. Debra, I am complimenting you.
9 And she is busy.

10 I was just saying I wanted to thank you
11 personally again for putting this panel together. It
12 was an excellent, excellent panel.

13 CHAIRPERSON ROOKER: Yes. Amen, amen,
14 absolutely.

15 (Applause.)

16 CHAIRPERSON ROOKER: Thank you, Andrea.

17 Okay. We go to our public comments
18 section. Al?

19 MR. SUNENSTRAL (Via interpreter): Hello.
20 My name is Al Sunenstral. I live in Montgomery
21 County. And because of Jane, it is awesome that I
22 live there. So I just want to thank Jane for that.

23 Many of you don't know me, but I was
24 involved with the FCC 12 short years ago. And there
25 was nothing for the disabled community at that point,

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1 no captioning. There were no TTYs. There were no
2 interpreters. I remember that I had to bring my own
3 interpreter with me, and I had to pay for the
4 interpreter myself to be able to communicate with the
5 FCC staff. Today I just want to say I am happy to see
6 all of the accommodations set up for the disability
7 community.

8 And the things I heard yesterday, there
9 were some concerns about a lack of captioning for deaf
10 people during the days of the sniper shootings here.
11 And the Enforcement Bureau made a very bad decision in
12 saying that it wasn't an emergency because it wasn't
13 defined clearly.

14 I understood that Dane Snowden yesterday
15 was very proud of the reorganization of the FCC,
16 centralizing everything within the FCC. And maybe
17 that has been a good idea. However, the Enforcement
18 Bureau mentioned that the reason the mistake was made
19 was based on a certain staff member's decision and
20 there had to be an appeal process that went through to
21 get an adequate answer.

22 Now I am looking around this room, and I
23 don't see 2,000 employees in the FCC here. I see the
24 Disability Rights Office people here, who are very
25 familiar with our situation, but I am sure that those

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1 other 2,000 employees in the FCC aren't familiar with
2 our particular situation.

3 And so I strongly, and I would like to
4 reemphasize strongly, recommend that any determination
5 made in relation to disabilities, the disability
6 community, must go through the DRO initially so that
7 the FCC will minimize the mistakes in the future.

8 That was just my comment. I would like to
9 have you reopen your meeting and make a recommendation
10 that all disability-related issues go through the DRO.

11 Thank you.

12 CHAIRPERSON ROOKER: Thank you, Al.

13 Scott, what is appropriate? Let me have
14 Scott answer that, please.

15 MEMBER MARSHALL: Hi, Al. It's good that
16 you're here.

17 I think the folks around the table have
18 heard you. In order to make that formal
19 recommendation from CAC, it would have to be on our
20 next meeting agenda because recommendations that are
21 not noticed in the Federal Register have to wait until
22 the next meeting. That is one of our public access
23 requirements.

24 I think one of our working groups
25 certainly could suggest that as a recommendation. And

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1 then we would consider it at the June meeting. There
2 are several FCC people here. I am sure we have all
3 heard your concern.

4 CHAIRPERSON ROOKER: Thank you, Scott.

5 Does that answer? I think that probably
6 answers for Al. Is that okay?

7 MR. SUNENSTRAL: If that's the way it
8 works, I have no choice. So we will just have to get
9 used to how the federal bureaucracy works.

10 CHAIRPERSON ROOKER: Yes. That is the way
11 it works, Al. I'm sorry. It's a public notice issue
12 requirement.

13 So perhaps we can ask, Claude, if your
14 group would be willing to bring this up at the next
15 meeting so that we can get recognition for Al's
16 request?

17 MEMBER STOUT: Okay.

18 CHAIRPERSON ROOKER: Okay? That would be
19 great. That would be great. Thank you both very
20 much.

21 Now, additional comments from the public?

22 I believe we have someone here who has asked to be
23 recognized. David Kline?

24 MR. KLINE: Members of the FCC Consumer
25 Advisory Committee, fellow citizens, guests, thank you

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1 for giving me the opportunity to speak here today.

2 My name is David Kline. I stand here
3 today as a concerned citizen. I am very worried about
4 the erosion of our free speech rights that has
5 occurred in the past three months.

6 There are two major objections that I have
7 to the current activity being taken by the FCC's
8 Enforcement Division. First, it is appalling that the
9 FCC has spent so much time focusing on and singling
10 out one broadcaster for special persecution to the
11 vast exclusion of others.

12 How can this administrative bureaucracy of
13 the Executive believe that it is upholding the
14 Constitution of this country by fining, admonishing,
15 and attempting to exile a single broadcaster, Howard
16 Stern, while not raising a finger against others with
17 similar objectionable material?

18 How is Oprah Winfrey's humorous discussion
19 of oral sex on March 18th, 2004 any less objectionable
20 than anything on the Howard Stern Show? Similar
21 content is shown daily on the Jerry Springer Show.

22 By far, the most objectionable material I
23 have ever heard is the regular humiliation the Maury
24 Povich Show broadcasts when it parades men and women
25 through a television circus in order to find out the

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1 parentage of the women's children.

2 What makes people afraid of Howard Stern's
3 voice is also what makes his voice so important. The
4 best themes in his broadcasts are hypocrisy of
5 celebrity, hypocrisy in the news media, and hypocrisy
6 in our government.

7 The most significant reason any government
8 would not want someone like Howard Stern to broadcast
9 is that his valuable incisive questions are exactly
10 what many would like to have answered.

11 It is precisely for this reason that not
12 only should the persecution cease but our government
13 should protect his First Amendment rights. While some
14 may not like or agree with all of what is said on his
15 show, we must be willing to protect his right to say
16 it.

17 My second objection is about the process
18 of FCC enforcement. Did you know that I have more due
19 process Sixth Amendment rights when I get a parking
20 ticket than when a broadcaster gets fined by the FCC?

21 If I get a parking ticket, I can check a
22 box on that ticket and request a trial to decide if I
23 really parked illegally. I have that right guaranteed
24 just for a \$30 parking ticket.

25 However, if a broadcaster gets fined

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1 thousands of dollars by the FCC, not only do they not
2 have the right to a trial. They don't even have a
3 right to lodge a complaint about it.

4 When was this commission given the right
5 to be judge, jury, and executioner? How can we live
6 with a system that allows a small number of appointees
7 to make the enormous subjective decision about what is
8 right and wrong to say?

9 By far, what makes the United States of
10 America, the greatest country in the world, is the
11 protection of the five freedoms of the First
12 Amendment. The war on terrorism pales in comparison
13 to the war on the five freedoms. How can we as a
14 nation set an example for the world if we do not live
15 by, uphold, and defend human liberties?

16 I am honored to have the unabridged and
17 constitutionally protected fundamental human right to
18 free speech. God bless the United States of America.

19 Thank you.

20 CHAIRPERSON ROOKER: Thank you, David.

21 Do we have other comments from the public?

22 Any other public comments?

23 (No response.)

24 CHAIRPERSON ROOKER: Do we have any other
25 questions or whatever? We have ordered cabs. They

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1 should be here at 4:00 o'clock. Other than that, then
2 I guess all I can say is let's go enjoy what is
3 supposed to be a beautiful day outside, but I haven't
4 seen it yet. Also, Scott has a CD of David's handout
5 if anyone would like that.

6 So, anyway, I thank all of you for your
7 time and hard work. We will see you in June. Thank
8 you.

9 (Whereupon, at 3:55 p.m., the foregoing
10 matter was adjourned.)
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