November 4, 2009

## **VIA ECFS**

Marlene Dortch, Secretary Federal Communications Commission 445 12th St., SW Washington, DC 20554

Re: A True Fix — Google Voice Call Blocking; WC Docket Nos. 07-135 and 07-52

Dear Ms. Dortch:

Free Conferencing Corporation ("Free Conferencing"), through its President, addresses the October 28, 2009 Response of Google, Inc. to the Wireline Competition Bureau's October 9, 2009 inquiry into Google Voice's call blocking practices.<sup>1</sup>

I appreciate Google's honesty and transparency in recent filings and interviews. I am pleased to see Google offer actual figures in an attempt to explain why Google decided to block calls.

Google has laid out some important numbers in three different factoids:

- 1. Google pays up to <u>39 cents</u> a minute for the calls they are blocking.
- 2. <u>1.1% of traffic</u> accounts for <u>26.2% of cost</u> of Google's free service.
- 3. An acceptable rate is between <u>one-half cent and 3 cents</u> but Google is charged 12, 14 and even 25 cents per minute for these "high-cost" locations.

I agree with Google that these rates seem shockingly high. So I looked at current wholesale rate decks and found that there are rates available between 2 and 3 cents to most if not all of the "less than 100 numbers" that Google is choosing to block calls to. Therefore, by Google's own admission in filings and interviews, Google essentially states they are paying 10 to 20 times too much for routes to so called "high-cost" areas, based on the rates I discovered that are available to those areas. If Google needs help finding the lower rate carriers, then Google

Letter from Richard S. Whitt, Washington Telecom and Media Counsel, Google Inc., to Sharon Gillett, Chief, Wireline Competition Bureau, FCC, DA-09-2210 (October 28, 2009) ("Response").

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should call me (877-482-5838). If the FCC would like to confirm these lower rates, I am happy to disclose the sources.

The fact that Google is paying 10 to 20 times too much should not serve as a defense to Google's illegal act of blocking calls. Google's revelation that it would have to pay as much as 39 cents to some areas, if Google completed calls to those areas, demonstrates that there is considerable mark-up passed on from the intermediate carrier(s) that Google has chosen to contract with. This mark-up accounts for 90% to 95% of Google's cost to the "high-cost" areas.

Now let's take a closer look at factoid #2. Google states that  $\underline{1.1\%}$  of traffic =  $\underline{26.2\%}$  of cost. Consider that the  $\underline{26.2\%}$  is 10 to 20 times higher than it should be.  $\underline{1.1\%}$  of traffic SHOULD EQUAL  $\underline{1.3\%}$  to  $\underline{2.6\%}$  of Google's cost, using prices available to Google in the marketplace today.

I find it unbelievable that Google uses these "ludicrously high" prices from their wholesaler(s) as a basis and rationale for their "self help", selectively blocking calls. We should at the very least require that Google check to see if Google can get a lower rate from another vendor. Using Google's own argument, if Google can achieve lower rates, then Google should have no reason to block *any* calls.

I find it Un-Google-like, and a little unbelievable, that Google has focused on blocking calls (to its conferencing competitors I might add) rather than find a "**True Fix**", a legal solution, that involves obtaining proper pricing at Google's stated target rate of between <u>one-half cent</u> <u>and 3 cents</u>. That rate exists today!

The idea that Google's pricing problems (inadequate research?) should fall upon the FCC to fix is a bit too much to ask. We need to enforce the rules and laws that are in place, and Google needs to stop acting like silence from the FCC means Google can do whatever it likes.

Respectfully submitted,

David Erickson,

President, Free Conferencing Corporation