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Via Electronic Filing

Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: GN Docket No. 09-191, Preserving the Open Internet; WC Docket No. 07-52, Broadband Industry Practices; WC Docket No. 05-75, Verizon-MCI Transfer of Control; GN Docket No. 10-127, Framework for Broadband Internet Service; WC Docket No. 03-251, Line Sharing Order and NOI, and WT Docket No. 12-4, Verizon-SpectrumCo-Cox License Assignment

Dear Ms. Dortch:

On July 19, 2012, Vonage Holdings Corp's ("Vonage") Brendan Kasper, Senior Regulatory Counsel, and the undersigned counsel met with Charles Mathias, Special Counsel to Chairman Julius Genachowski.

Vonage discussed issues consistent with its previously filed comments in the above-referenced proceedings regarding the Commission's net neutrality order and the importance of prohibiting discrimination by network operators who have the incentive and capability to engage in anticompetitive practices, especially in light of recent changes in the wireless and wireline broadband industry.

Vonage expressed its concern that the joint operating entity ("JOE") agreement among Verizon Wireless ("Verizon") and the cable companies Comcast Corp., Time Warner Cable Inc., Bright House Networks, LLC, and Cox TMI Wireless LLC ("CableCos") may allow for the development of wireless/wireline integrated products that could discriminate against over-the-top apps and services by increasing the ability of those parties to control the wireless access to the wireless/wireline broadband interface. Vonage identified particular areas of concern where unreasonable discriminatory routing practices could increase latency and result in a qualitative degradation of its voice and text messaging services stemming from (1) the use of public versus private peering points for the exchange of data traffic carrying Vonage's services, (2) the "scenic routing" of data traffic over nodes with increased latency or by selecting routes that utilize a greater number of nodes, and (3) the removal of Quality of Service tags that could alter the priority levels of Vonage's traffic.

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Another concern voiced by Vonage was that Verizon and the CableCos could relegate traffic of competing over-the-top services to broadband data plans subject to data caps or implement other use-restrictions, while at the same time classifying their collective services and associated traffic as “managed services” that are not subject to such restrictions. The result of such discrimination would be that the “cost” to a consumer to use a Vonage service would be greater than that of a competing Verizon or CableCo service. Vonage asserts that such potential misuse of the managed service exception would run counter to the Commission’s net neutrality rules and principals. Accordingly, Vonage requests that the Commission apply the same net neutrality rules to wired and wireless broadband services provided by the parties given the significant potential for unreasonable discrimination resulting from the current differences between those obligations.

Vonage also asserts that JOE-developed products could discriminate against Vonage services by preventing the transition (*i.e.*, hand-off) of Vonage associated traffic from the Verizon wireless broadband network to an integrated WiFi/wireline broadband network. The impact of inhibiting such a “handoff” would be that Vonage’s services could be dropped or that Vonage traffic would continue to ride over a wireless broadband network subject to wireless broadband data caps or restrictions. Vonage anticipates that neither Verizon’s nor the CableCos’ services would be treated in a similar fashion. Accordingly, Vonage urges the Commission to ensure that over-the-top apps riding on wireless broadband services that compete with Verizon Wireless and CableCos services are not unreasonably discriminated against.

In addition, Vonage discussed Verizon Communications’ May 6, 2012, announcement that, outside of California, it would stop offering standalone DSL services to new customers and would freeze such existing customers at their current DSL speeds. All future DSL services will require the purchasing of Verizon Communications’ wireline voice telephony services.

Vonage contends that the discontinuance of standalone DSL services will lead to increased costs to consumers for communications services. With the elimination of Verizon Communications’ standalone DSL service and the cessation of additional deployment of FiOS service, most consumers in Verizon Communications’ regions will be left with a single choice for wireline broadband services not tied to a voice telephony service -- their cable provider -- to the extent broadband is provided at all.

Vonage further notes that the timing of Verizon Communications’ decision to terminate its future standalone DSL service occurred after Verizon Wireless’ announcement to enter into several agreements with the CableCos. Vonage contends that but for those agreements, Verizon Communications would have continued to offer standalone DSL service. Tellingly, since January 2009, Verizon Communications had been permitted to take such action but had opted not to do so. For over three years after the expiration of its commitment to provide standalone DSL services -- required as part of Verizon Communications’ acquisition of MCI -- Verizon Communications had sufficient reasons

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to provide that service. Only after entering into the CableCo agreements did Verizon Communications decide to cease future service of the only other competitive wireline broadband service available to most consumers within its region. Given the nexus of those agreements and Verizon Communications' decision, Vonage respectfully suggests the Commission carefully examine the competitive impact of those actions.

In order to militate against these anticompetitive effects, Vonage proposes that the Commission institute or seek voluntary commitments from the parties for the following conditions with respect to the pending wireless license transfer proceeding:

1. Impose the Commission's existing net neutrality provisions on Verizon Wireless and the CableCos.
2. Extend all of the Commission's existing wireline net neutrality provisions to wireless broadband services offered by the Verizon Wireless and the CableCos.
3. Expressly prohibit classification by Verizon Wireless and the CableCos of their services as "managed services" under the exception to the Commission's existing net neutrality provisions.
4. Require that JOE-developed products not be used to unreasonably discriminate against a consumer's ability to obtain access to or use broadband facilities. Moreover, any WiFi technologies or protocols developed by the JOE must be made available to all third-parties at nondiscriminatory rates, terms, and conditions.
5. Prohibit Verizon Wireless and the CableCos from conditioning their provision of broadband service on the purchase of any other service, including, but not limited to, voice telephony service.
6. Require Verizon Communications to continue to provide standalone DSL within its service territories.

Respectfully submitted,

/s/
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Frank G. Lamancusa

Counsel for Vonage Holdings Corp.

cc: Charles Mathias

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