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Dated: August 9, 2016

Shri U. K. Srivastava
Pr. Advisor (Network, Spectrum & Licensing)

Telecom Regulatory Authority of India
Mahanagar Door Sanchar Bhawan,
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New Delhi-110002

Subject: ACTO's Counter Comments to TRAI Consultation Paper No. 12/2016 dated 14th June,2016 on Review of Voice Mail/Audiotex/Unified Messaging Services License.

Dear Sir,

This is with reference to the comments filed vide by Association of Competitive Telecom Operators (ACTO) vide letter No. 100/TRAI/2016-17/ACTO dated 25th July, 2016 on TRAI's Consultation Paper No. 12/2016 dated 14th June 2016 on Review of Voice Mail/Audiotex/Unified Messaging Services License.

We have reviewed comments received from stakeholders. The comments of some companies (telecom service providers) and their associations have a view which is not in agreement with the comments submitted by ACTO.

In addition to our comments provided vide letter dated 25th July, 2016, we would like to file our counter reply to such comments for the kind consideration of Hon'ble Authority.

We hope that our counter comments (enclosed as Annexure – I) will merit consideration of the Hon'ble Authority.

Thanking you,

Respectfully submitted,

Yours sincerely,
for **Association of Competitive Telecom Operators**

Tapan K. Patra
Director
9899242273

Encl: As above

Annexure – I

ACTO's Counter Comments to TRAI Consultation Paper on Review of Voice Mail/Audiotex/Unified Messaging Services License

Summary

1. The responses from some companies (Telecom Service Providers) and associations have a opposite view of the submissions made by ACTO.
2. The opposition has been principally based on certain assumptions which have been generalized without any basis.
3. The responses have been built on the premise that all existing Audio texlicensees violate their license conditions, there is a grave security risk, arbitrage opportunities and revenue loss by the existing licensees.
4. The only solution which has been recommended by such companies and associations is that all existing licensees should be brought under Unified License and that too mandatorily when **in fact the same companies have advocated for voluntary migration to Unified License in 2012-13.**
5. Given the nature of Audio Conference service (offered via Audiotex license) which is simply a **platform based** as against a carrier based or telecom service based, there is no reason for such service to be under any license be it existing or a Unified License.
6. If a review is currently underway and given the nature of service (platform based or value added service), **it is recommended that such a service be placed under a registration similar to what exists for other services namely Infrastructure Provider – I (IP-I).**
7. We also note that such a recommendation has been made citing the key objective of NTP-2012 on “**One Nation One License**”. If this be the case then why there exists different types of authorisations in the sector. There are licenses and registrations like **Infrastructure Provider (Category – I)IP-I**. Every single authorisation should be reviewed and a formal consultation process must be initiated wherein different types of authorisation existing in the sector needs to be reviewed to be in line with the above stated objective.
8. The responses received from these companies are anti-competitive and are an attempt to disrupt the business of standalone entrepreneurs who are providing services in their respective domain. The allegations levelled against the existing licenses in their responses are without any basis and are attempt to over step the authority of licensor. By suggesting a Unified License and alleging violation under existing licenses, these companies are in a way trying to question the judgement and wisdom of telecom authority who have after careful consideration and recommendations from TRAI has suggested a license framework way back in 2000.

9. With regard to the recommendation by these companies on mandatory migration, for all existing licenses, it is submitted that:
- a. No migration can be mandated unless the term of existing license expires or on the wish of the existing licensee.
 - b. Existing licenses are duly signed contracts with the DoT and cannot be changed in between the existing term. The contracts have to be duly honoured by both the parties – DoT and Existing Licensee.
 - c. Any change in the terms and conditions of the license can be done only if it is in the interest of national security, in the consumer interest and is for the proper conduct of telegraph. **None of these is true and applicable in the current issue of consultation.**
 - d. Any migration or change in the existing license terms has to be based on principle of “**no worse off**” for existing licensees. The terms and conditions of existing licenses cannot be changed unless the criteria mentioned in cabove isproved beyond any doubt. Any legally defendable decision on migration of existing contracts / licenses has to be voluntary, with the consent of the licensees and not forced or mandated.
 - e. Existing license agreements are legally binding contracts between the licensor and licensee. Any change disrupts the investment pattern, upsets business cases, impacts service provision and will lead to a uncertain and unpredictable regulatory and investment environment.
 - f. Termination of existing contracts without consent or change in terms goes against the very principle of “ease of doing business”. Such moves create barriers and uncertainty where none exists. It goes against the basic tenets of Digital India,
10. The scope of Audio Tex license duly covers conferencing. This has been well stated under the extant TEC GRs which have been duly incorporated in the licenses.

Allegations being made about security risks are entirely unfounded. Such allegations also assume that security agencies and licensor who have responsibility for ensuring telecom and network security have allowed such services to be provided under authorised and legally valid licenses without a check for over 15 years. Clearly this allegation has never been acted upon since no security agency has felt that any security threat is caused due to a license that has been existence for over a decade and a half.

The issue of potential revenue loss is concerned, it is important not to club companies that have been following the legal process of paying legitimate revenue share with the entities who don't. In any event if such a concern is found valid then uniform revenue share may be applicable to all entities. However that does not necessitates the need to move audio conferencing under the broader unified licenses. Therefore imposing cost of compliance and others bank guarantees, network etc. which are bigger than the entire

revenue of such a business. This move will be anti-competitive, counter-productive and result in reduction of competition and choice to customers rather than address the issue of Government revenue.

11. We note that there is a comment on customers located outside SDCA could dial in the conference bridge which is located in another SDCA. The SDCA limit has been stated under the license from the perspective of local Vs STD/ or ISD dialling. Any person located within the SDCA can dial into the bridge by dialling a local number. Whereas any person located outside SDCA or country needs to dial a STD or ISD number to connect to the bridge.
12. These companies and associations have not provided any tangible reason why audio conference service should be part of unified license and not a registration. Except for creating fear by highlighting / alleging concerns, no specific argument has been made. There is unnecessary/baseless fear that has been raised by some of the associations regarding call patching, bridge to bridge linking, termination of DTF service outside India etc, However, they clearly forget the fact that any violation of licensing condition is subject to punitive/legal action against the licensee and all respective TERM cell(s) across the Country are very well taking care of any wrong practise by any of the licensee.
13. These companies have not even for once provided any tangible evidence how unified license will help resolve the alleged violations and arbitrage etc which have been levelled against existing licenses. We suggest that rather creating artificial fear about the Audiotex/conference licensee the existing checks in the license should be reinforced, if required.
On arbitrage issue, IP1 are also not paying any license fees and beneficiary is TSPs and if the same is brought into UL, the Government can make good revenue.
14. The audio conference license is not a license to provide any telecom service. The license only grants authorisation to set up a bridge. Unless the telecom connectivity (which is provided by telecom operators like the said companies), the bridge cannot function. So in a way this can be equated with OSPs how provide services based on the underlying telecom connectivity provided by telecom operators (those who are advocating for a unified license).
15. Audio Conference service is a platform based service which is configured in a manner to provide service based upon the underlying telecom resource provided by another telecom service provider. The entity which holds the audio conference license creates the platform which is able to ensure voice communications amongst parties which terminate on the bridge. The bridge / platform rides on the underlying telecom connectivity sourced from authorised telecom operator and not by the entity which holds the audio conference license.

Provision of Voice Mail / AudioTex / Unified Messaging Service should be under a specific registration / authorisation as done for IP-1 presently. Similar to Audiotex service providers, IP 1 operators also creates infrastructure but cannot use it until the connectivity is provided by underlying Access service providers.

16. These services should not be placed under the Unified License. Unlike other licensees under the Indian Telegraph Act, 1885 a holder of Voice Mail / Audio Tex / Unified Messaging license does not provide the underlying telecom connectivity under its said license. For which it has to depend upon either customer provided access as well as telco provided access which enable termination of calls Entities desirous of providing Audio Conference service are provided the said license.
17. The users of audio conferencing service are primarily enterprise customers who need to communicate both domestically as well as globally using the underlying telecom resources sourced from authorised telecom operators. Therefore the regulations should encourage simplicity and permit all kinds of calls/traffic to be converged on the conferencing platform.
18. Various third parties and analysts have predicted that the Conference services market is set to grow. Conferencing services will evolve from “one and done” virtual meetings to persistent and intelligent workspaces that close the loop on meeting lifecycles to enable smarter and connected workstyles. Conferencing services will leverage mobile, cloud, social, analytics, automation technologies to drive growth. Conferencing services will increasingly leverage business models such as consumerization of IT, and unbundling of products and services. Conference service providers will look to add new and high-value features, capabilities, and integrations to combat commoditization of conferencing services. Such providers will pursue growth opportunities both up-market (vertical and horizontal specialized solutions) as well as down-market (simplified and unbundled applications).

In the enterprise communications and collaboration market as a whole, growth is driven by converged tools, mobility, cloud services, analytics, and richer integrations. The scope and market of conference service as a whole in view of technological developments have expanded manifold. The total market can be segregated between Audio Conference, Managed Video conferencing, Hosted Video and Hosted Web Conferencing services.

In view of the immense growth opportunities, TRAI should consider supporting this growth trajectory through its regulations in creating an environment which fosters innovation while embracing technology.

19. There should not be any license fee and entry fee for providing such audio conferencing service as is the case presently.
20. Such entities cannot be compared to a telecom licensee/operator who have the right to create infrastructure and provide telecom service under their single license. The existing license for Voice Mail / Audio Conference / Audio Tex / Unified Messaging only permits creation of infrastructure/platform or bridge. For provision of telecom service there is a dependency on existing telecom operators to provide the said connectivity to the infrastructure thus created. Unless the connectivity is sourced separately, the infrastructure created is not of much significance as it is unable to provide any service to the customer. This is similar to the OSP registration where the OSPs are required to source telecom connectivity from authorised telecom service provider.

21. This is similar to an IP-I registration where the infrastructure can be created but the transmission bandwidth / connectivity is provided by another operator.
22. Accordingly, the providers of standalone audio conference services should be accorded the same treatment from policy perspective.
23. The scope of service area needs to be expanded from SDCA to SSA or Circle level. The call routing in such case should continue to be permitted for local, domestic long distance and international long distance (both incoming and outgoing).
24. Since a audio conference license holder is mandate to secure telecom connectivity from authorised telecom service provider, the current prohibition a single service provider for making both outgoing and incoming calls need to be removed.
25. The conference bridge/platform should be technology neutral and need to be permitted for termination of IP and PSTN calls. Regulations should be devised to enable and encourage such interconnections.
26. The key objective of the prestigious “Digital India” programme is to transform, our country into a digitally empowered society and knowledge economy. One of the way this is possible if the underlying regulatory and policy framework should enable proliferation of services and use of technology without any restrictions. The customer should be able to make legitimate use of technology / services which help advance its objective and business.
27. The current restrictions relating to a audio conference bridge emanating from being treated as a public network need to be reviewed to allow seamless interconnection between IP and PSTN. This will empower users to make and derive full use of technology. The bridge should be technology neutral.
28. The first vision of the prestigious “Digital India” programme is on Digital Infrastructure as a utility to every citizen. Therefore the use of said Digital infrastructure need to keep pace with the technology and should not have any restriction on what kind of traffic rides on it. So long as it is for the benefit of consumer it should be encouraged. Similar philosophy should be followed for the platform created to offer audio conference service.
29. TRAI has treated the Audiotex/UMS as a content/application provider. TRAI in its recommendations on “Growth of Value Added Services and Regulatory Issues” dated 13th February 2009 and Application services recommendation of May 14, 2012 had recommended Audiotex as content service. Therefore there should not be a case for continuing such services under section 4 of Indian Telegraph Act, 1885.
30. It is important to have a separate standalone license for both Voicemail / Audiotex / Unified Messaging service. This is an independent platform based service which does not require any network deployment in terms of bandwidth / telecom resources as part of its terms and conditions.
31. As per TRAI recommendations on Licensing issues relating to Voice Mail and Audio Tex services dated 29th December, 2000 has duly noted:

- a. **The Voicemail/ Audiotex service provider is essentially a Content Provider.** It depends upon the public carrier such as PSTN, PLMN etc for subscribers to reach its server. The Voice Mail service enables the subscribers to record their messages in a computer memory area called a 'Mail Box'. Its recorded message can be retrieved by the recipient by dialing a telephone number. Audiotex is a generic term for interactive voice response equipment and services. Audiotex to a telephone instrument is what data processing is to a data terminal.
- b. **Both the services are essentially content services and not carriage services.**
- c. As per the guidelines for Value Added Services, the Audiotex equipment shall provide a range of interactive facilities to enable callers to respond to audio prompts within the service like:
“Conferencing (enabling two or more callers to speak to each other, or to listen to others speaking)”.(Emphasis supplied)

It further stated that as per the internet policy, pure Content Services are not to be licensed at all. The Authority is of the view that for all kinds of content services i.e., whether they are provided on the Internet or other Public Network platforms such as PSTN/PLMN etc., identical policy should be followed.

- d. No Revenue sharing for Content Services is being recommended as therevenue share should be charged only from telecommunication carriage service providers or network operators and not from content application service providers such as Voice Mail/ Audiotex.
32. The migration to Unified License regime should not be made **mandatory** and the License holder should be allowed to serve its complete term of 20 years (15 years + 5 years extension).
 33. Over the years the concept of conferencing has evolved. Today the technology has changed the basic paradigm of how conference is being done. There are numerous conferencing products available in the market which provides a seamless service while providing multiple features.
 34. The Hon'ble Authority should frame regulations which encourages emerging technologies for a seamless conferencing experience.
 35. Today with the help of a smart phone a user is able to initiate a conference call with multiple parties and is no more dependent on 1800 number or a specific provider for the conferencing requirements. Therefore the regulation should take note of these developments and the emerging technologies and services and then take a decision in a manner that promotes conferencing in a seamless way.
 36. Audio conference service should have never required a license. It may be recalled that the STD-PCO centres which were quite prevalent from 2000 – 2006 used to provide conferencing facility. Did they ever took a license for the same. Absolutely not. Then why

there is a need to continue with a license when the role of Audio conference licensee cannot be equated with a telecom service provider.

37. The regulations on audio conferencing service should be light touch and should be such which encourages more people to people communication. Given the user base of conferencing is largely enterprise customers, the regulations should permit interconnection between bridges located domestic and worldwide. TRAI should consider the TEC GR dated March 2009 (as attached) relating to Audio Conferencing Services in this regard. This is certainly subject to ensuring the compliance requirements being met and the underlying connectivity is sourced from authorised telecom operators to protect exchequer's revenue and prevent any toll bypass.
38. There should not be any entry fee for securing authorisation to provide audio conference services. The regulatory framework should encourage entrepreneurs to come forward and become niche providers of services as against taking licenses which may at times be non-viable from commercial / business stand point given high entry and recurring financial out go in the form of license fee.

Conclusion:

- We recommend that Audiotex/Voicemail service should continue to be treated as Content service and there should be an OSP/IP-1like Registration process for these services rather than having a requirement to sign a separate license agreement. In an event the existing framework on having separate standalone license should continue.
- There is also a need to rename this License to include the word "Audio conferencing" service appropriately. The current license is titled "Voice Mail / Audio Tex / Unified Messaging Service". Any entity desirous of providing Audio Conferencing service is accorded the said license. It is necessary that the words "Audio Conferencing" be added specifically to avoid any ambiguity.
- We believe that it is necessary to have a separate standalone license for both VMS and Audiotex service. Voice Mail Service is an independent platform based service which does not require any network deployment. In such a case, any entrepreneur who wishes to offer only Voice Mail Service should have option to offer standalone service. Secondly, VMS is also used in combination with Audiotex services. As per TRAI recommendations on the subject dated 29th December, 2000 Voice mail service has got wide range of applications: as given below, some of which are in combination with Audiotex services and are relevant even today.

Authority has always treated Audiotex/Voice Mail as a content service and the same is attested by TRAI recommendations in the past. Here we draw the attention of the Authority to its earlier Recommendations on Licensing Issues relating to Voice mail and Audiotex service dated 29th December 2000 wherein the Authority had stated that:

*"The **voicemail/Audiotex service provider was essentially a content provider. He depends upon the public carrier such as PSTN, PLMN etc for subscribers to reach his server....."***

- Additionally, TRAI in its Recommendations on "Growth of Value Added Services and Regulatory Issues" dated 13th February 2009 and Recommendations on Application

Services dated May 14, 2012 had maintained its position of treating Audiotex/voicemail as a content service.

- In light of above, there are enough precedence in the past wherein the Hon'ble Authority and DoT had treated Audiotex/Voicemail as a content service, which are dependent on the public carrier such as PSTN, PLMN network for the subscriber to reach its bridge / server.
- Thus, Audiotex/voicemail service is not different to the “**Other Service Providers**” (OSP) which are dependent on the resources like PRI etc from Access service provider to reach out to their customers. The current license cannot be compared with other full-fledged licenses which authorises an entity to create the necessary telecom infrastructure as well as to provide telecom service. An audio conference licensee instead just has a right to create the necessary infrastructure (installation of bridge). In order to make it functional it has to buy telecom resources from any of the authorised telecom licensee in India so that all calls dialled into the Conferencing Bridge are duly connected. If the said underlying connectivity is not available, the licensee will be unable to service its customers. This is similar to an OSP who can set up the necessary infrastructure but will not be able to serve or utilise the infrastructure unless the underlying telecom connectivity is sourced from an authorised telecom service provider.
- We therefore urge to the Authority to continue with its earlier stand of treating Audiotex/Voicemail as a content service and recommend for **IP – Ilike** Registration process for Audiotex license/Voicemail service which includes Audio Conference service. Additionally the existing framework of separate standalone licenses should continue.
- Further, there is a requirement to appropriately rename this license to include the word “**Audio conferencing /Multi-party conferencing**”, this will surely bring more clarity and avoid any misperception, if any. To elaborate, TEC in its service requirement No SR/ATS-01/02 May 2003 (which supersedes Sep' 1994 SR) for Audiotex service dated May 2003 has clearly captured the scope of the Audiotex license which includes **multiparty conferencing** i.e. enabling two or more callers to speak to each other, as one of the prime service to be provided by the Audiotex licensee.
- It is worthy to mention here that in part IV of the Audiotex license i.e. under the Technical conditions Clause 19.2 DOT has stated that :

*19.2 TEC specification number V/VMS-01/02. September, 1994 defines the parameter of the Voice Mail Service, **scope of service** its key element its interface specification, service description and quality of service to be, by a LICENSEE.*

- Thus, DoT has included above mentioned TEC Service Requirement as scope of the Audiotex license allowing Audio conferencing under the scope of this license. Moreover, DoT has followed a practise of issuing Audiotex license to all the eligible applicants who have applied for only the audio conferencing service. It is therefore pertinent to rename this license and include audioconferencing word as the identity of this agreement.
- Audio conferencing service architecture has advanced over the years. Most importantly, audio conferencing services now encompass both traditional TDM and VOIP network

architecture. Furthermore, with the proliferation of personal smart devices (e.g., Smart phones, tablets, Smart TV, etc), audio conferencing can be conducted over a wide variety of devices and geographical boundaries. Corporate users, in particular, very often require global and ubiquitous access across national boundaries. It is therefore important that TRAI does not impose any technological (TDM or IP) restriction on how audio conferencing service is implemented in India nor how the service is interconnected with similar services worldwide. The technical specification should be left open to the service provider as long as a Facilities Based Operator provides the underlying transport facilities.

- a. The existing Audiotex/Voicemail service (which also allows provision of audio conference service) to be treated as Content service and there should be an IP – I or OSP like Registration process for these services rather having a requirement to sign a separate license agreement.
- b. Further the current nomenclature for Voice Mail / Audiotex / Unified Messaging Service license should name should be reworded to include Audio-conferencing as a leading service under its scope. Here is sufficient scope of co-existence of standalone licence and other full-fledgedlicense to provide these services under their licenses. An Audiotex/Voicemail service should continue to be treated as Content service and facilitating license be available for small time player and new operators to co-exist. It would also be good to change the nomenclature from Audiotex to Audio conferencing, Audiotex is no longer a service that is offered by operators