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**Purple Communications, Inc. Refutes FCC Allegations**  
*FCC Action is Unwarranted and Unjustified, Company Says*

Rocklin, Calif., May 5, 2014 — Purple Communications, Inc. is a leading provider of innovative communications and an advocate for people who are deaf and hard of hearing. IP Relay is a form of Telecommunications Relay Service (TRS) provided by Purple Communications. Purple is extremely disappointed with the FCC’s false and misleading allegations that it should be penalized based on the process it used to verify new users of its IP Relay Service. Purple’s verification system dramatically exceeded what the FCC’s rules required and its billings to the TRS Fund were appropriate. Purple refutes any claims that it violated FCC rules and remains dedicated to protecting the TRS Fund and providing deaf and hard-of-hearing Americans with the communication access they deserve.

“Purple takes regulatory compliance very seriously,” said John Ferron, Chief Executive Officer at Purple. “Our top priority is ensuring that those who are deaf or hard of hearing have access to the communications technologies and services they need. We are extremely proud of our industry-leading verification systems and processes and our track record of protecting the Fund from waste, fraud and abuse. Any allegations that we improperly billed the Fund are false.”

**Purple maintained the most comprehensive, aggressive and effective user verification system and processes in the industry**, which far exceeded – both in scope and effectiveness – those required by the FCC’s rules. The FCC required that “TRS providers implement a reasonable means of verifying registration.” Purple’s robust verification system included screening known illegitimate users, providing access to valid registrants and rejecting illegitimate accounts – usually within 24 hours of registration. Purple proactively discussed its verification process with FCC staff and sought confirmation that its system met the Commission’s standard of reasonableness. The Commission never responded to this request.

**The access of IP-Relay services by unauthorized users during the time in question – for which the FCC now wishes to fine Purple – was the direct result of Purple’s adherence to the FCC’s own rules.** In 2009, at the urging of consumer groups, the FCC required that that all TRS providers grant all users immediate access to text relay services (IP-Relay) under a “guest access” policy, and then verify registration data. Because all TRS providers were prohibited by the FCC from pre-screening registrants, Purple implemented a verification system that effectively identified and deregistered the vast majority of unauthorized users in a matter of hours and days after registration. Many of the users that the FCC refers to as “gibberish, random keystrokes, vulgarities, or otherwise self-evidently false names,” were names provided by actual

and legitimate deaf consumers in need of IP-Relay services. In fact, many of the names in question were simply non-traditional names or were screen/user names of legitimate TRS users.

“The effectiveness of our verification system is even more evident when contrasted with those of other TRS providers,” Ferron added. “After three other TRS providers exited the text relay market, we processed their users through Purple’s verification system, resulting in the elimination of nearly all of the migrated call volume within the first 90 days. TRS users that were verified by other TRS providers could not pass Purple’s more stringent verification requirements.”

Despite Purple’s compelling track record of successfully combating misuse of text relay services, the FCC has summarily ignored Purple’s efforts and programs. Instead, and after the period in question, the FCC invented a new, unpublished standard for “reasonable” verification – one that was never shared previously with providers. **And it appears that the FCC has ignored their own “guest access” rule, implemented specifically at the urging of deaf consumer groups, which mandated that providers allow users to make calls *before* completion of the verification process.** Moreover, the FCC has never established any rule that imposes on providers the duties for which it now seeks to penalize Purple.

“It is both unfortunate and ironic that the FCC’s move on Friday to fine Purple is essentially an admission of the failure of its own rules, and an attempt to cast blame for that failure on the industry’s leading provider with best-in-class operating practices,” said John Goodman, Chief Legal Officer at Purple. “In any event, we plan to work with the FCC to achieve the best outcome for everyone involved, but most importantly for the deaf and hard-of-hearing consumers we serve on a daily basis.”

### **About Purple Communications, Inc.**

IP-Relay, a text relay service for the deaf and hard-of-hearing community, is a subsidiary of Purple Communications. Text relay is a free service for deaf and hard-of-hearing customers who use sign language to communicate via texting and a communications assistant (CA). The CA voices/texts the conversation in real-time to both deaf and hearing individuals.

Purple’s portfolio of solutions spans across Video Relay Services (VRS), telephone captioning services, text relay services, on-site interpreting services and video relay interpreting (VRI) delivering a wide array of options to meet the varied communication needs of businesses and customers, collectively make communicating with both the deaf world and the hearing world accessible to all. For more information, visit [www.purple.us](http://www.purple.us).

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