

Mitesh Thakker

To, Shri UK Srivastava,
Pr. Advisor (Networks, Spectrum and Licensing), TRAI
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**Counter Comments on:
TRAI Consultation Paper dt. 14.06. 2016 on Voice Mail / Audiotex / UMS Licence**

Dear Shri. Srivastava,

Having gone through all the comments on the paper, the concluding arguments result into either of the two :-

1. “Technological Advancements and Innovations” should not be directly Provided by Start-ups but through a Walled-Garden, on lines of Mobile VAS Services which were provided from under the hood of telecom service providers (TSP).
2. “Technological Advancements and Innovations from Start-ups” be recognized and Policy to be framed to cherish such Value Added Service Innovations good for society as OTT – On the Top of the telecom Service Providers (TSP).

Conclusion Point 1, is primarily derived from COAI comments stating that these Value Added Services are “Modus Operandi” of Start-up entities, and the comments are in line to make these service not exist by them-selves but brought under the hood of COAI Members as Mobile VAS Services once flourished.

We all know the fate of many innovations when it is forced under large telecom players, we know where the “Mobile VAS” disappeared which existed under the walled-gardens of large telecom operators, except Caller Back Ringtone, almost all other apps have not survived as it was restrictive to telco user-base, more-over the biggest problem faced by start-ups innovations then, was irrational revenue share, with virtually no audit and payments as late as six months.

While we know that the same apps (be it Gaming, Utility, Productivity, News) now outside these walled gardens have extensively flourished as a Mobile App Industry, which run ON THE TOP of the Infra laid by multitude of telecom service providers, YES it is true some of such apps like “WhatsApp” have threatened to erode the revenues of telecom giants which are foundations built at the cost of expensive infrastructure and spectrum licensing fees.

WhatsApp has disrupted how messaging is done, it has killed potential of MMS and also affected SMS Revenue and now with WhatsApp Calling is threatening basic pier to pier calling as well as Multi-party conferencing all happening over Internet.

Threat from Apps like WhatsApp, Skype is really should be concern of the government exchequer who is Revenue Share holder with heavily invested telecom operators (TSP) with-out whose infra “Digital India” dream of covering entire india with voice and internet foot-print is not possible.

Thus the need is to create balance-allowing innovations to flourish while ensuring there is no loss of business to underlying telecom infra providers.

Mitesh Thakker

Conclusion Point 2, is primarily derived from comments made by PS. Narula, N. Vittal, Acto, ISPRIT, NASSCOM and others who are pro-innovations and start-ups.

It is very well stated comment by Shri. PS Narula ji, ***“There cannot be a Licence for services which are using licensed and well regulated services as their input.”*** I am with him and appreciate his thoughts.

Innovations will come and it is known that they come from start-ups who take risks and who are nimble footed, unlike large players who try to minimize risks and take time to adapt and move.

I have also gone through Comments from Start-ups Knowlarity, Exotel, Ozonetel, Phonon, that they have innovated in the space known as “Cloud Telephony”, yes it seems that they are offering similar services to telecom like audio conference, but in a closer view they are creating disruption by making available expensive enterprise grade software to SME and other Start-ups who would not like to invest in CAPEX based on-premise telephony for call-centers but go on OPEX based model offered by Start-ups.

There is no loss of business to telecom services providers (TSP), as for providing call-audio conferencing.. Every in-bound results into out-bound and both legs earn revenue to TSP, further we all know TSP’s and the irritant Call-Drop issue, in such case these start-ups do a re-dial where two outgoing calls are conferenced (at times using resources on two TSP’s), in product terms it is known as Click-2-Call and TSP again earns 2x revenue which may have occurred for Call-Dropped. Though this disruptive services are restricted by Clause 30.6 of Audiotex, bring 2x returns in terms of business to TSP and Loss if any is only marginal that is due to business discounting for revenue of services procured in bulk. But TSP’s have to realize that this new business is brought from new segment “Cloud based Hosted call-center” resulting out of marketing investments of this Start-ups which are thriving even though the SME’s pay 2x the cost they would pay if these were hosted on their premise and directly procured from TSP’s.

Further I have cited only one use-case of “Hosted Call-Center” there are many such Innovative applications and use-cases like.

- Cash on Delivery/ COD Order Verification, Helps e-commerce to reduce COD Rejects which are bane, erodes their capital as there is no-commitment for orders unlike payment made by Credit Cards for purchases.
- Masking Number of Customer from Taxi-Driver. -Uber after an illicit rape incident has made sure that Driver only calls Masked System Number, which in turn calls the customer where the privacy is restored and Driver will not be able to contact customer after the ride is over.

Many such innovative services only build efficiency as how new-era businesses operate, these were first innovated mainly by Start-ups, Ironically they need protection from these TSP’s as this telecom operators can leverage their network strength and can provide this Two party Call-Conferencing service in the name of Call-Forwarding / routing which may NOT result into any additional toll as it will be on-network and also can pass the original Party-A Caller-id to Party-C, which this Start-ups are not able to do ; But TSP are already doing it for their products Single-Board Number (SBN) and Toll-Free where they route/forward the calls to Nearest Call-Center, only difference here is

Mitesh Thakker

the complex business call-routing logic of various SME's / Enterprises is out-side TSP's but with Start-ups who are using resources of the TSP's as a base Platform.

I strongly recommend TRAI should allow environment to growth of start-up innovations also protecting them from TSP's who can make these start-ups vanish by innovating how-ever slower but leveraging their might as infrastructure provider.

Finally, I would also like to high-light that this Innovations can help TRAI Crub the misuse of "The Telecom Commercial Communications Customer Preference Regulations, 2010." the NDNC (National Do Not Call Registry) violation menace which still persists, even though today we all know how most of the complaints of NDNC / NCCP breach are supplemented by providing web-log which cannot be properly verified and can be forged, the regulator has no option but to settle the breach in favor of the enterprise and restore their resources.

Unlike Web-logs, In-bound Calls have logs which can not-only be verified by the Application Service Provider but also by the TSP as who made the first call (Customer or Enterprise) can be correctly verified, thus the real enforcement of NDNC can be made possible, I can elaborate this process separately to TRAI as to how instead of providing weekly registry data dumps how this can be implemented using "Cloud Telephony", which will completely stop the NDNC menace.

Thus my suggestion to TRAI would be:

This "Cloud Telephony" providers should get a separate recognition, a License as simple as OSP – for Call-Centers which is necessary for Security Audit purposes, also to thrive the innovation they should be given some privileges like following:

1. Their Services are to SME's/ Enterprise, a Violation of NDNC by their clients should not result in barring of the services of the Cloud Telephony Providers as they we treated as Next Level of Infra Providers over and above TSP.
2. If these Cloud Telephony Providers procure large (max 2/3rd) portion of their resources from a single TSP, then they should get benefit of allowing Call-Forwarding / routing within that large TSP Network, which also allows caller-id transfer instead of doing audio conferencing.

The license regime should allow further innovations not restrict it, It's also important that the Value Additions of these startups and their process should be vetted by expert panel OR they should be allowed only if they have received Start-up Certificate from DIPP (Department of Industrial Policy and Promotion), a separate certificate that this innovation (Network Diagram) does not result in any Business Loss to TSP's and there is NO threat to National Security, should be mandated before providing license.

Expecting TRAI to draft a new, open and liberal licensing policy for Voicemail / Audiotex / UMS Service allowing "Cloud Telephony Innovations to co-exist with TSP's" to thrive and bring efficiency and productivity into the world we live today.

Your Sincerely,

Mitesh Thakker

Serial Entrepreneur and Technology Evangelist

Mumbai

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