

28 February, 2011

Honorable Betty Ann Kane
Chairman, North American Numbering Council
District of Columbia Public Service Commission
1333 H Street NW, West Tower 7th Floor
Washington, DC 20005

Subject Toll Free numbers

Dear Betty

My name is Gavin Scholes. I am CEO and founder of 1300Australia (established 1996), Australia's largest Vanity PhoneWord company. I lobbied the Australian Government for eight years to change the number allocation process which was restrictive and cumbersome to say the least. The laws were finally changed in 2002 and, in 2004 the Government commenced their first online auction of these numbers.

There were many positive outcomes from the auctions:-

- Companies were able to secure the number or word they required
- Free market created a new revenue stream for the Australian Government (tens of millions of dollars from the sales and ongoing taxes that companies such as 1300Australia deliver)
- Most importantly, it created an industry that had many flow-on effects. The Vanity number industry in Australia now employs over 100 people and more importantly, the flow-on effects to other industries such as advertising, printing, marketing, radio and television has helped the Australian economy. Putting this to scale, Australia has 20 million people. By extrapolating, based on USA population, this is a billion dollar industry which as in Australia, has been held back by out dated laws. A Vanity PhoneWord should be viewed as a domain address. People and businesses should be able to own the I.P. they invest heavily in and, as businesses grow based around great I.P, the Government gain the long term flow-on effects.
- Online transparent auctions allow everyone from start-up businesses to fortune 500 companies to secure the I.P. they require.

At this stage and under current circumstances, 1300Australia is not interested in participating in this process, however this could change in the future. A free market always creates competitiveness, which then flows into creating employment, wealth and new revenue streams for Governments who embrace this type of thinking.

Betty in conclusion, I would be more than happy to discuss or advise you further on this matter. For 14 years I have lived and breathed this industry and witnessed firsthand the results it delivers to all stakeholders.

Yours Sincerely

Gavin Scholes
CEO