

New report examines domination of ASL interpreter service market by private equity firms Blackstone, Kinderhook, Carlyle

Hundreds of millions of taxpayer dollars intended for increasing interpreter wages potentially being diverted into substantial debt payments, marketing costs

MINNESOTA, UNITED STATES, August 7, 2024 /EINPresswire.com/ -- Today, the Private Equity Stakeholder Project (PESP) released [a report detailing](#) the private equity duopoly that dominates the FCC-funded Video Relay Service (VRS), a critical translation tool for Deaf and hard-of-hearing individuals provided by the federal government, used for facilitating communication with family, medical providers, emergency services, and others. "Lost in Interpretation: Private equity's capture of a vital sign language translation tool" examines the risks created by private equity ownership of two of the three total VRS companies in the United States – Sorenson Communications, owned by Ariel Alternatives and The Blackstone Group, and ZP Better Together, owned by Kinderhook Industries and backed by The Carlyle Group.

ASL interpreters working with VRS companies have reported difficult working conditions: workers experience high levels of muscular strain, distress, and burnout, leading to high turnover, interpreter shortages and job dissatisfaction. While the FCC increased its reimbursement rates to VRS companies for interpreters to "revitalize" the industry in October 2023, workers at Sorenson and ZP Better Together report that they have not seen that reflected in wages.

On August 2, an unfair labor practice was filed against ZP Better Together alleging the company illegally closed its Minnesota call centers following unionization efforts by interpreters there. Despite evidence of previous union-busting in the industry, 83% of respondents of a survey created by the Office and Professional Employees International Union (OPEIU) respondents support forming a union for VRS interpreters.

"Corporate is out of touch with what we do on the phone calls," said Micahjane Draeger, a former ZP Better Together employee. "The few that fight for us get left out of important decisions, such as closing down call centers. Many of them have business degrees and nothing else. They didn't have to learn the art of ASL/ENG Interpreting. The history of our profession and the history of the Deaf Community. They know how to make money, that's it."

The report calls for PE-owned VRS companies to agree to meet with OPEIU to guarantee the right

to organize without fear of retaliation and to reopen the call centers closed in the wake of unionization efforts. The report also includes calls for the FCC to institute enforcement measures to ensure that reimbursement rate increases intended to lift interpreter pay are actually tied to increased wages as well as an enforcement plan to ensure that VRS providers are not using compensation to pay down debt load.

“VRS interpreters provide an essential service to the Deaf and hard-of-hearing community, but the private equity owners of ZP Better Together and Sorenson Communications act as if they do not,” said Justin Flores, Director of Labor-Jobs at PESP. “These private equity-backed companies are profiting from the FCC's increased reimbursement rates while they underpay and overwork interpreters. The FCC should implement these increased rates only with enforceable ties to actual wage increases.”

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