

imposition of discriminatory and onerous terms for the use of such access by non-owning companies. Terminal Railroad, 224 U.S. at 405-409.

Pacific's possession and control of the most complete, comprehensive and up-to-date subscriber listing database exerts a similar grip upon local competition. CLCs, third-party database vendors and directory publishers cannot compete freely under Pacific's current policies for the use of and access to the listings database. Pacific seeks not merely to be the sole provider of the most complete and current database but to extract monopoly profit, like the Terminal Association, by arbitrarily charging competitors per use for providing directory assistance at rates substantially above their costs. If this Commission does not find LEC provision of subscriber listings to be an essential service, Pacific and the other LECs will be able to continue restraining local competition through their abuse of access to subscriber listings.

The urgency of the Commission finding that the provision of subscriber listings data is an "essential service" is made apparent by Pacific's attempts to "make facts on the ground" by filing its DALIS ("Directory Assistance Listing Information Service") tariff as a Category III, competitive service. Pacific Advice Letter 18443. As AT&T pointed out in its protest of the Advice Letter, Pacific has not shown – and cannot show – that this service meets the criteria for a Category III service. Moreover, DALIS is merely a re-packaging of the pre-existing Directory Assistance Service; this Commission has found,

We do not intend to allow the local exchange carriers to introduce repackaged versions of existing services simply to end run the adopted classifications. We see no public benefit of such actions and do not wish

to encourage or monitor the possibility of discriminatory or anticompetitive price squeezes which could result.

D.89-10-031 (New Regulatory Framework ["NRF"]) (October 12, 1989), 33 CCPUC 2d 43, 125-126.

Nonetheless, the Director of the Telecommunications Division let the DALIS tariff become effective without investigation. This not only makes a mockery of the service categorization process established in the New Regulatory Framework,<sup>4</sup> but unfairly and incorrectly pre-judges the question that the Commission has under consideration in this case.

In Decision 97-01-042, the Commission found, in Conclusion of Law 16, "Resolution of the dispute over whether a neutral directory-database administrator is warranted relates to the issue of whether LEC directory listings constitute essential facilities." So long as Pacific, or any other LEC, insists on non-cost-based charges for access to subscriber listings and/or maintains discriminatory terms regarding access to information in the listing database, it is clear that it holds monopoly power over such information. After all, were there a ready means available to avoid its control over the information, the presence of 60 announced competitors and an unknown number of additional potential competitors (including LECs that serve territories outside California) would

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<sup>4</sup> In D.89-10-031, the Commission specifically found, "Since we would want to review and evaluate market conditions to ensure that customers and/or the competitive market are not harmed by classification changes, Pacific or GTEC must make any such requests through the application process..." 33 CCPUC 2d at 127. Thus, Pacific's filing of the DALIS tariff as a Category III service (even though it is merely a re-packaging of a previously-existing service) through an advice letter, rather than as an application to reclassify directory listing service under NRF, specifically violates the Commission's NRF rules. In this docket, the Commission should correct its error in permitting the tariff to become effective through the

undoubtedly result in another source of timely, up-to-date subscriber listings data. There is neither such a source, nor is there any prospect of one developing so long as incumbent LECs maintain a stranglehold on the information and this Commission does not force them to provide non-discriminatory access at cost-based rates. Classically in economics, it is the ability to charge non-cost-based rates and successfully maintain discriminatory terms of access that identifies a monopoly service. Since these were the very aspects that condemned the actions of the Terminal Association in Terminal Railroad, supra, and since that case is the origin of the "essential facilities" doctrine in antitrust law, it is clear that the provision of subscriber listings is an "essential service," as the Commission used that term in D. 97-01-042.

Accordingly, this Commission should not only find that the provision of subscriber listings is an "essential service," but should immediately order Pacific and the other LECs to make available the latest, comprehensive subscriber listing data to all competitors at rates no higher than their costs and on non-discriminatory terms. This would require withdrawal of Pacific's DALIS tariff and its replacement with one that conforms to these requirements. In the alternative, the Commission could order the creation of a neutral, third-party administrator of subscriber listing data to which all LECs, incumbents and CLCs alike, would be obliged to submit complete information on all their subscribers. In either event, the Commission should immediately investigate the effectiveness of the DALIS tariff, lift its Category III designation and require

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Advice Letter process without requiring Pacific to file a recategorization application under NRF.

Pacific to meet the cost-based standards set by the FCC for essential network services such as the provision of directory listing information.<sup>5</sup>

**WHEREFORE**, for the reasons stated above, AT&T urges the Commission (1) to find that LEC provision of subscriber listings is an "essential service"; (2) to impose on all LECs the duty to provide timely and comprehensive subscriber listing data to all competitors at rates not exceeding the cost of the medium used to transfer the data, and on non-discriminatory terms; or, in the alternative, (3) to order the creation of a neutral, third-party administrator of directory-listings information and databases to which all LECs, incumbents and CLCs alike, would be obliged to provide timely and comprehensive listings information at no charge.

Respectfully submitted,



Glenn Stover

Attorney for  
AT&T Communications  
of California, Inc.

795 Folsom Street  
San Francisco, CA 94107  
(415) 442-5550

Dated: August 15, 1997

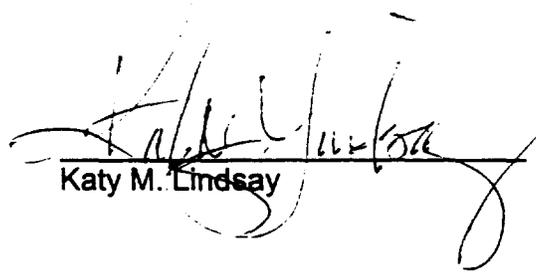
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<sup>5</sup> The Act defines directory listings and databases as "network elements." 47 U.S.C. §153 (45). The Act also requires that the rates for network elements be "based on cost..." 47 USC §252(d)(1)(a)(i). By contrast, when Pacific filed its DALIS tariff, it specifically noted that its rates were based on market considerations, rather than cost. This makes clear – and renders urgent – the need in this docket for the Commission to rescind its earlier action in allowing the DALIS tariff to become effective without conforming it to the Act's requirements.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a copy of **Comments of AT&T Communications of California, Inc. on the Appropriate Regulatory Treatment of Subscriber Listings Data** to all known parties to **R.95-04-043/I.95-04-044** by mailing a properly addressed copy by first class-mail with postage prepaid to each party named in the official service list.

Executed on August 15, 1997 at San Francisco, California.



Katy M. Lindsay



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's )  
Own Motion into Competition for Local Exchange )  
Service. )

R. 95-04-043  
(Filed April 26, 1995)

Order Instituting Investigation on the Commission's )  
Own Motion into Competition for Local Exchange )  
Service. )

R.95-04-044  
(Filed April 26, 1995)

**PACIFIC BELL'S (U 1001 C) COMMENTS IN RESPONSE TO  
ALJ'S RULING SOLICITING COMMENTS OF  
DIRECTORY LISTINGS ISSUE**

Pacific Bell ("Pacific") submits these comments in response to the ALJ's Ruling of July 21, 1997, seeking comments on whether the ILEC's existing directory access rates should be made provisional, and whether a memorandum account should be established for purposes of a true-up.

**I. Pacific's Directory Listing Access Rates Are Appropriate.**

The Commission has already approved our tariffs for access to directory listings. These tariffs are in effect and we are providing and selling services to customers under each.

Several parties contend that Pacific's tariffed rates for access to its directory listings are too high because they are not set at Pacific's incremental costs for providing such access, as purportedly required by the Act and the FCC's rules promulgated thereunder. **Nothing in the Act** requires Pacific's tariff rates to be set at our cost. Moreover, the Eighth Circuit's recent decision on the FCC's First Interconnection Order vacates the FCC pricing rules requiring cost-based pricing. The Eighth Circuit concluded that the FCC had no jurisdiction to promulgate such rules.

There is no reason to presuppose that Pacific's directory listing access rates will be rejected.

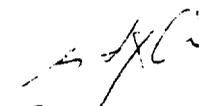
**II. The Commission Should Adopt A Consistent Policy On True-Ups.**

Pacific agrees to maintain a memorandum account to keep track of billings for access to its directory databases, in the event that the Commission orders a true-up. However, because the Commission has declined to impose a true-up in other similar contexts (e.g., D.97-04-090, OP 3, denying Pacific's request for a true-up on the 17% resale discount), Pacific objects to the imposition of a true-up for directory listing access charges.

The Commission should adopt a general rule of either allowing or disallowing true-ups. But to allow true-ups in only certain situations, without any well-reasoned basis for deviating from recent similar instances where true-ups were not allowed, is arbitrary and unfair.

Respectfully submitted,

PACIFIC BELL



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ED KOLTO-WINGER

140 New Montgomery Street, Rm. 1322  
San Francisco, California 94105  
(415) 545-9422

Its Attorneys

Date: August 15, 1997

**CERTIFICATE OF SERVICE**

I, Lila Tam, certify that the following is true and correct:

I am a citizen of the United States, State of California, am over eighteen years of age, and am not a party to the within cause.

My business address is 140 New Montgomery Street, San Francisco, California 94105.

On August 15, 1997, I served the PACIFIC BELL'S (U 2001 C) COMMENTS IN RESPONSE TO ALJ'S RULING SOLICITING COMMENTS OF DIRECTORY LISTINGS ISSUE in R. 95-04-043 and I. 95-04-044 by placing true copies thereof in envelopes addressed to the parties in the attached list, which envelopes, with postage thereon fully prepaid, I then sealed and deposited in a mailbox regularly maintained by the United States Government in the City and County of San Francisco, State of California.

Executed this 15th day of August, 1997, at San Francisco, California.

PACIFIC BELL  
140 New Montgomery Street  
San Francisco, CA 94105

By: \_\_\_\_\_

  
Lila Tam





AGREEMENT FOR PROVISION OF  
TELEPHONE DIRECTORY WHITE PAGES LISTING INFORMATION

This Agreement, dated for reference \_\_\_\_\_, is made by and between the GTE telephone companies listed in Attachment 1 (subsequently referred to as "Telephone Company"), acting through the GTE National Directory Center, RR 3, Box 40, Walnut Road, Warsaw, Virginia 22572, and

Publisher Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(subsequently referred to as "Publisher")

**1. Provision of Listings.** Telephone Company agrees to supply Publisher a current white pages listing of the names, addresses and telephone numbers of Telephone Company subscribers contained in Telephone Company's current directory listings database, for locations requested by Publisher ("Listing Information"). Listing Information shall not include (i) information concerning subscribers who have requested non-listed, non-published or similar service intended to prevent publication of the subscriber's information in telephone directories or (ii) information concerning a subscriber's purchase of white pages advertising such as bold face printing.

**2. Scope and Term.** This Agreement covers provision of Listing Information for any of the GTE telephone companies listed in Attachment 1 for the term of this Agreement. The term of this Agreement is one year from the date referenced above. Unless terminated, the term shall renew automatically for subsequent one-year terms. This Agreement may be terminated by either party upon giving written notice to the other at least 90 days prior to the end of the applicable term. This Agreement shall automatically terminate at the end of the initial term or any renewal term if Publisher does not request Listing Information be provided during the applicable term. Telephone Company may terminate this Agreement if Publisher does not comply with this Agreement and does not cure the failure within 30 days of written notice.

**3. Exchanges and Medium.** Listing Information is available by Telephone Company exchange (3-digit NXX prefix) and is supplied in either magnetic tape or hard copy print-out, as selected by Publisher.

**4. Fees.** The charge for Listing Information is 35 cents per listing, plus applicable sales tax. No separate administrative fee, reproduction charge or other charges apply. Fees may be increased with 180 days written notice, and decreased upon notice. Telephone Company will invoice Publisher subsequent to provision of the Listing Information. Publisher agrees to pay the fees within 45 days of receipt of invoice.

**5. Requests for Listing Information.** Listing Information must be requested in writing (facsimile acceptable), on the Telephone Company order form or correspondence containing equivalent information, at least 45 days in advance of the desired date for the information. The request must specify the date the Listing Information should be pulled from the directory listings database, the communities/exchanges desired, the medium for provision of the Listing Information, and the address for delivery of the Listing Information. Requests for Listing Information should be sent to GTE National Directory Center, RR 3, Box 40, Walnut Road, Warsaw, Virginia 22572. Requests may be sent by fax to (804) 333-0280. Additional information may be obtained by phone at (804) 333-8100. Order forms are available from the Directory Center.

**6. Right to Use Listings.** Publisher may copy and print Listing Information in any of Publisher's printed telephone directories. Publisher agrees not to distribute or sell the Listing Information to any third party in the medium or format provided to Publisher by Telephone Company, and agrees not to sublicense or assign any right acquired by Publisher under this Agreement. No right or license is granted or implied under any proprietary rights of Telephone Company or Telephone Company affiliate that subsist in portions of directories distributed by or for Telephone Company other than Listing Information.

**7. Indemnification.** Publisher assumes all responsibility concerning publication and use of the Listing Information. Publisher shall indemnify, hold harmless, and defend Telephone Company from any claim, demand, damage, action, cause of action or liability which may arise based on any use of Listing Information supplied to Publisher, including publication of Listing Information in Publisher's telephone directories.

**8. Separate Identities.** Publisher shall not represent any of its directories to users, advertisers or others as an official directory of Telephone Company. This Agreement shall not establish, be interpreted as establishing, or be used by either party to represent the relationship of Telephone Company and Publisher as any form of agency, partnership or joint venture. The parties shall conduct their respective businesses to avoid confusion by users of Listing Information, by advertisers, or others as to the separate and independent identity of their directories and of their activities concerning sale of directory advertising and other matters pertaining to publication of telephone directories. Neither party shall represent, expressly or impliedly, in writing or orally, that the parties are affiliated or associated in any way, or that either is an agent, contractor, joint-venturer or partner with the other. Nothing in this Agreement shall grant, suggest or imply any authority for one party to use the trademarks, service marks or trade names of the other.

**9. Compliance with Law and Regulation.** The parties shall comply with applicable federal and state laws and regulations pertaining to provision, publication and use of Listing Information, to include the state statutes and the regulations and orders of the public utilities regulatory commission for the relevant jurisdictions from which Telephone Company supplies Publisher with Listing Information.

**10. Applicable Law.** This Agreement is governed by and construed in accordance with the domestic laws of the State of Virginia.

**11. Limitation of Liability.** Neither party shall be liable to the other for any indirect, special or consequential damage, even if notified in advance of the possibility of such damages. Telephone Company shall have no liability to Publisher, and Publisher shall have no right against Telephone Company, for deviations between Listing Information as provided to Publisher and Listing Information as appearing in white page directories distributed by Telephone Company.

**12. Force Majeure.** If circumstances beyond the reasonable control of a party prevent, restrict or interfere with performance of any obligation under this Agreement, that party shall be excused from such performance to the extent of such prevention, restriction, or interference (and the other party shall likewise be excused from performance of its obligations) until the delay, restriction or interference has ceased; provided, however, that the party affected shall use reasonable efforts to avoid or remove such causes of nonperformance, and both parties shall proceed whenever such causes are removed or cease.

**13. Entire Agreement.** This Agreement constitutes the entire agreement of the parties pertaining to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements, negotiations, proposals and representations, whether written or oral, concerning such subject matter. No representations, understandings, agreements or warranties, expressed or implied, have been made or relied upon in the making of this Agreement other than those specifically set forth.

**LISTING INFORMATION IS SUPPLIED AS IS. TELEPHONE COMPANY MAKES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective when signed by both.

Telephone Company  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Publisher  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

AGREEMENT FOR PROVISION OF  
TELEPHONE DIRECTORY WHITE PAGES LISTING INFORMATION

Attachment 1  
GTE Telephone Companies

GTE Arkansas Incorporated  
GTE Florida Incorporated  
GTE Midwest Incorporated  
GTE North Incorporated  
GTE Northwest Incorporated  
GTE South Incorporated  
GTE Southwest Incorporated  
Contel of Kentucky, Inc. d/b/a GTE Kentucky  
Contel of Minnesota, Inc. d/b/a GTE Minnesota  
Contel of North Carolina, Inc. d/b/a GTE North Carolina  
Contel of South Carolina, Inc. d/b/a GTE South Carolina  
Contel of Texas, Inc. d/b/a GTE Texas  
Contel of the South, Inc. d/b/a GTE Systems of the South  
Contel of the West, Inc. d/b/a GTE West  
Contel of Virginia, Inc. d/b/a GTE Virginia

**MIDWEST DIRECTORIES, INC.**

P.O. BOX 944  
BELOIT, WISCONSIN 53512-0944  
PHONE 608-362-2672

October 21, 1997

Larry Angove  
ADP President  
78 South Street  
P.O. Box 157  
Wrentham, MA. 02093

Dear Mr. Angove:

We at Midwest Directories Inc., have serious concerns that impact our ability to competitively operate. These issues range from what we feel to be abusive, anti-competitive, and/or discriminatory policies on the part of SLI providers.

A specific case in point provides Directory Assistance listing information to Telcos and CLEC's at no more than .08 cents per listing, while the SLI sets a rate of .13 cents per listing for the very same data. The only difference is that one source is under the "guise" of directory assistance, and the other subscriber listing information. The Telco claims this is the reason for price difference (administration).

We have also attached a copy of our licensing agreement with Ameritech. Although uniformity in agreements exists amongst publishers who purchase Ameritech data, this still is grossly unfair when you discover that it is actually fractions of a penny to update and maintain this data base. Markups on the product need to be subject to rule making by the FCC to end these abuses. Our internal estimates suggest greater than 1000% markup on the product.

Additionally we also have serious concerns about how CLEC data will be handled by non Telco publishers, if the FCC does not set a standard. This could also create a "unlevel playing field" in favor of the Telco's.

Good luck with expressing our concerns.

Sincerely,



Jon Bodnar  
General Manager





A Utah and Alaska Corporation  
P.O. Box 887 Provo, UT 84603-0887  
(801) 225-0801 • FAX (801) 225-0991

10/23/97

Larry Angove, President  
Association of Directory Publishers  
PO Box 157  
Wrentham, MA 02093

via Fax (508) 384-0837

Larry:

We agree that the FCC must move forward on this issue. We have included several of our contacts in the mailing of this information. Some of the telco's are refusing to sell white pages listings, however, the two that said they would sell listings asked for outrageous amounts of money per listing plus large set up fees.

From the telcos that will sell listings we have been able to receive name, address, number and business classification. The listings costs we are paying now are BCTel-.08¢. Interior Telephone in Anchorage Alaska-\$4.80. MUS-55¢. GTE/Contel-45¢. PTI-75¢. GTE-Alaska listings are 70¢. USWest listings are 21¢, USWest is the only telco that will sell updates and they are 57¢ per listing. We cannot get information on address changes for distribution purposes. Listings are available on an unbundled basis in some of the areas. We are required to license for listings for an entire exchange even if we only put part.

There has been an impact on our abilities to do business competitively in our areas. We are forced to publish our directories after the utility book has been published which might not be the right time to publish in that certain area. Our directories are accused of not having up-to-date listings and are always missing new connects that have occurred during the three months previous to their publications. The great expense is too much to spend and keep our cost of advertising down.

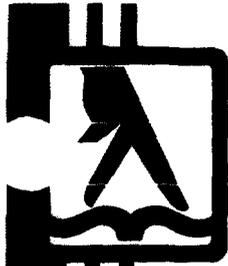
You will be receiving all this by mail, if you should have any questions please call and I will try to clarify.

Sincerely,

  
Lee Ann Moorman

**YPPA**  
Directory Publishers Association





## ***EZ to Use Directories***

P.O. Box 312, Somerset, Pa., 15501

**Phone (814) 443-6984**

**Fax (814) 445-7739**

**Toll Free 1-888-314-8866 (EZ 4 U TOO)**

Bill Hammack  
Chairman, Legal Affairs Committee  
c/o Association of Directory Publishers  
78 South Street, P.O. Box 157  
Wrentham, MA 02093

11/3/97

Dear Mr. Chairman

This letter is to inform you of the challenges and difficulties we have had in competing with the telephone companies in publishing telephone directories. Overall, our main concern has been the ability to access accurate and complete listing information on a timely basis. We have also had some problems getting Remote Call Forwarding with Usage Sensitive Service.

Currently, we mainly compete against GTE and Bell Atlantic and must purchase listings from both companies. Our dealings with Bell Atlantic have been minimal to date, and have met reasonable expectations. The bulk of this letter will concern our dealings with GTE.

The cost of the listings from GTE is \$0.35 per listing. It is my understanding that this is far higher than the price they charge other companies that buy listings, such as Dickman and Crisscross. Dickman and Crisscross provide services to marketing companies, they do not publish standard telephone directories or compete directly with the utility companies. In other words there may be two different price schedules for the same information, one for directory publishers and one for other types of companies. I would think this situation should be investigated. If there is a price difference, depending on the type of company purchasing the information, this would seem to me to be an unfair business practice.

Currently we purchase the complete white pages database for each publication every year. As our company grows, and with the coming of competition in local service providers, we are looking at maintaining our own database for white pages publication. Maintaining our own database will be

quite a savings to our company and is instrumental to further growth. We currently spend approximately \$25,000 per year for about 70,000 listings. We intend to grow to the point of publishing approximately 200,000 listings per year over the next two years. You can see the potential cost savings of only buying updates since less than 20% of the listings change each year.

To date, we have not received from GTE a comprehensive plan and price schedule for purchasing listing updates. We need this information to assist in developing our plan for maintaining an accurate listings database. We are aware that other telephone companies are providing this service and that GTE is capable of it. We have not seen a document telling us what we can get, how we will get it, and what it will cost.

I would now like to overview some of the problems we have had with the actual listing purchases made over the last three years. Are they coincidences or is there a pattern of malice?

Our first directory was published in April of 1995. To my knowledge there were no problems with this listings database.

Our next publication was in December of 1995. When our white pages magnetic tape was downloaded, we found that we only had the listings from A to C. We follow a tight production schedule to have the most updated information in our white pages. We had to have GTE download another tape and sent us, causing a three day delay. Fortunately, the company that produces our white pages was able to adapt their schedule to accommodate for this delay.

This three day delay could have been disastrous. In the yellow pages publishing industry there are many deadlines that must be met. By missing a crucial deadline a book may miss it's scheduled press run. Press schedules are set about a year in advance. Missing a press run can push a distribution date back by as much as two months. To a small company just starting in the business and trying to establish credibility, a two month delayed distribution could be the last distribution.

Our next publication was scheduled for delivery in May 1996. The white pages data base did not arrive on the scheduled date. When it did not arrive the following day I contacted GTE and was informed that our order had been misplaced and the database had not been pulled. This time a total of four production days were missed, schedules had to be changed and deadlines were barely met.

Our next publication was for November 1996. I can not recall any serious problems with this database.

Our fifth publication was scheduled for distribution in May of 1997. This white pages listing count

has been historically around 34,000. Our white pages producer called us after downloading the data and starting to set up the pages. They informed us that the listing count was 82,000. GTE had once again given us a bad database. The white pages producers had to take additional steps to eliminate the excess listings, and our production schedule once again had to be changed to accommodate for this error. If this error had not been caught, the entire white pages proofing process would have to have been redone, and we would have missed our print date.

We have a publication due for distribution this month. We did not have any problems with this white pages listings database.

We have published six telephone books. Have have had serious problems with three of the databases we purchased from GTE. Was there intentional malice on the side of GTE? I do not know but the pattern is disturbing.

Our white pages listings for every book we have published have had general problems throughout. We have received calls from people saying that we published their unlisted phone number. We have also received calls for incorrect address information. In most instances the unlisted numbers and incorrect addresses are not in the GTE publication. Additionally, when proofing the white pages prior to pagination, many odd listings occur such as cross references for number that are listed, multiple listings for the same business etc. etc. etc. Again, I ask how do these anomalies occur?

Another serious problem we are facing is with the institution of 911 address changes. As many as 50% of the listings in our directories had RD addresses. This past year all RD addresses we deliver to were changed over to street addresses. This occurred both through the 911 emergency system and the United States Postal Service and was completed in December of 1996. The database we purchased for our May publication had only about 50% of the RD addresses updated. The rest of the RD addresses are still showing up on the listings database. The RD addresses listed are for people who are receiving their GTE bills addressed to their new street addresses.

GTE claims they maintain two databases, one for billing and one for listings. They said they had been updating the listings database when people changed their billing address. They discontinued this policy. Now they only update the listings database when a person specifically requests the phone book listing to be changed. This will be an additional cost to us when we start maintaining our own white pages database because we will be charged for each address change from and RD listing to a street listing. What was their true intentions when they discontinued the policy of changing both databases at the same time?

Another problem that we have had is with purchasing Remote Call Forwarding (RCF) numbers with Usage Sensitive Service. This service became available early in 1997. We can use this service to prove to advertisers the call volume they are receiving from the ads they place in our directories. We set up five RCF ads in our May 1997 publication. When we we received our first phone bills for the RCF numbers there was no call report which is generated through the Usage Sensitive Service. Over a period of three months and so called "oversights" and "errors" by GTE, the usage sensitive service was finally installed. I was never given a complete answer from GTE as to why these "errors" occurred. By not having the call report information to use as a sales aid, an unknown amount of sales were lost for the publication due for distribution this month. Again, simple errors or a pattern of malice?

In conclusion, GTE has been difficult at best to deal with. Their problems and errors have caused us undue delays, added overtime, scheduling problems, and potential lost sales. At this point, I do not feel that there is a level playing field. Congressional oversight would be greatly appreciated.

Sincerely



Dennis Kozak  
General Manager



Tim Van Sichel  
Project Manager



ALLTEL 50¢/listing

**ADVERTISING & PUBLISHING, INC.**

October 10, 1997

Larry Angove  
President  
Association of Directory Publishers  
78 South Street  
P.O. Box 157  
Wrentham, MA 02093

Dear Larry:

A couple of comments to follow up on our telephone conversation of earlier today.

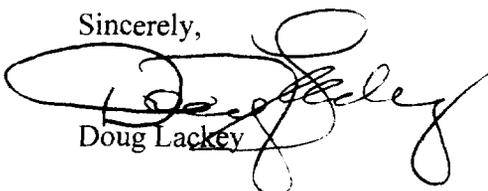
All the other things the telephone companies have done through the years to independent directory publishers aside, the most important service that the ADP can perform for its members is to ensure that the reasonable pricing promised in the Telecommunications Act becomes a reality.

We're still paying exorbitant prices for listings. AllTel is probably the worst in our service areas at \$.50 a listing. Even BellSouth, whose \$.04 a listing might sound good to some, extracts a margin approaching something like 1,200%. Imagine how ludicrous that makes AllTel's price. As you know, every telephone company has to maintain its listing information for its primary telephone business. They shouldn't be allowed to continue to double charge for maintaining the same database, then add some huge margin on top of it, too.

It frustrates me to know that if we were charged a fair cost by the telephone companies that we order listings from, I could use the thousands of dollars in overcharges to compete more effectively with the big companies I current go against or even compete in other areas where we presently don't do directories. This is as true for our Four books in South Carolina as it is for Ohio where we have more titles.

If there's anything I can do to support ADP's efforts on pricing, please call me, personally. The marketplace, not inflated listings prices or other impediments to true competition, should determine who succeeds.

Sincerely,



Doug Lackey

# THE TALKING PHONE BOOK.

11/3/97

Mr. Larry Angove  
Association of Directory Publishers  
78 South Street  
P O Box 157  
Wrentham, Massachusetts 02093

Dear Larry:

As we discussed earlier today, I have furnished many items regarding our various telco dealings to both Mike Finn and Ted Whitehouse over the last 18 to 20 months.

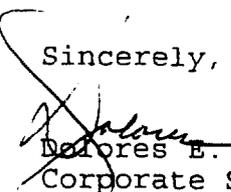
In most cases we have found that the rates charged for listings, although still far above the rates that should be charged, have been on the decrease. Most who would not provide updates are beginning to make some type of an offering.

I want to call to your attention, however, the problems that we have encountered with Mebtel Communication of Mebane, North Carolina. I did refer all of this information to Ted Whitehouse early in 1997. The situation with Mebtel has not changed. They charge a flat fee of \$9,000. for their listings which results in an average cost with the 3rd party vendor fees of \$1.67 per listing.

The only arrangement that they will offer on updates is a monthly flat service fee of \$1,332., regardless of how many of their 5,600 total listings might be affected. The sample they furnished to me indicated that 112 listings had been updated between 2/9/97 and 6/18/97. With the monthly update fee arrangement, we would be expected to pay a little over \$47. for each of those 112 updated listings.

If you need any additional information on this please let me know.

Sincerely,

  
Dolores E. Wagner  
Corporate Services Manager

**WHITE DIRECTORY PUBLISHERS, INC.**

Corporate Office - 1945 Sheridan Drive - Buffalo, New York 14223  
(716) 875-9100

Fax: (716) 874-4585 EMail: white@etpb.com Website: www.etpb.com

RE: MEBTEL COMMUNICATIONS

Enclosed are the documents that we discussed re: Mebtel Communications.

In addition 1/13/97 I placed a call to Paul Feight to say that I had received the new license agreement for 1997 and was shocked not to find a price reduction.

I told him that he was 68% higher than anyone else that we dealt with and was in fact 320% higher than the average of all the telcos I dealt with. I also advised him that almost all of the others either had or were in the process of lowering their rates.

He said that they had discussed the Telecommunications Act with their lawyers and their lawyers had advised them that they "are squeaky clean". Therefore, they are planning no rate reductions.

I advised him inasmuch as we needed the listing to publish our book he left me no choice but to sign again for \$9,000.

I've also enclosed the Berry invoice showing the 3rd party vendor cost for the listings & verifying 5,678 listing were sent on the order. At a total of \$9,586.00, we paid \$1.67 per listing.

If you need any additional information please don't hesitate to call me at (716) 875-9100 Ext 177.

Thank you,

Dolores Wagner

# PIGEON TELEPHONE COMPANY

517-453-4321 • 1-800-292-0614

Business Office  
11 South Main Street  
Pigeon, Michigan 48755-0650  
Fax: 517-453-3321

Corporate Headquarters  
7585 West Pigeon Road  
Pigeon, Michigan 48755-0650  
Fax: 517-453-3322

## LICENSE AGREEMENT

This Agreement, made as of the 21st day of May, 1997, by and between Pigeon Telephone Company, a Michigan corporation, hereinafter referred to as "Telephone Company," ~~and Community Directory Publishing Service, Inc., a corporation, hereinafter referred to as "Publisher."~~ See Amend 'A'

WHEREAS, Publisher plans to prepare and publish a directory in the general area of Gaylord-Grayling, MI, hereinafter referred to as "Publisher's Directory," containing listings of the names, telephone numbers, and addresses of certain Telephone Company subscribers located in its Alba/Lakes of the North exchanges, and who are listed in the Telephone Company's Alba/Lakes of the North, MI directory.

WHEREAS, Publisher wishes to obtain data base listing information for use in publishing Publisher's Directory consisting of names, addresses, and telephone numbers of Telephone Company subscribers contained in the "White Page" section of Telephone Company's directory;

WHEREAS, the Telephone Company is willing to permit the Publisher to use such listing information for the above described subscriber listing purpose, subject to the terms and conditions set forth herein;

NOW THEREFORE, it is agreed by and between the parties as follows:

1. Subject to the provisions of this Agreement, Telephone Company grants to the Publisher, during the period this Agreement is effective, a nonexclusive license to use in a single issue Publisher's Directory, name, address and telephone number information of Telephone Company's customers as contained in its White Page data base.
2. Publisher agrees to pay to Telephone Company, upon delivery, a license fee of \$.60 for each subscriber listing, (i.e., name, address and telephone number), provided. Payment of the above license fee of \$.60 per listing shall entitle the Publisher to publish each listing only once and only in one edition of the Publisher's Directory for Charlevoix-Emmet County, MI. A separate license fee of \$.60 per listing will apply should Publisher desire to publish any subscriber listings in more than one edition of Publisher's Directory.
3. Within 60 days after receipt by the Telephone Company of a written request and an acceptable and fully executed license agreement from the Publisher, Telephone Company will supply the Telephone Company's listings that are available for use from the white page data base and which are current by standards maintained for the data base.
4. Payment for the subscriber listings shall be due from Publisher to the Telephone Company upon, or prior to, delivery of Telephone Company's listings to Publisher.

Serving: Pigeon, Twining, Alba, & Lakes of the North