

R. Lawrence Angove
President & Chief Executive Officer

## Update: San Francisco

March 22, 2011

To: All ADP Members

Fr: Larry Angove

Re: San Francisco Update

As we reported last week, the City Board of Supervisors held its hearing today and the Yellow Pages Coalition attended in force. Representatives from IBEW, TURN, Seccion Amarilla, the Chinese Yellow Pages, Valley Yellow Pages, AT&T Advertising Solutions, YPA and ADP, as well as a number of loyal Yellow Pages advertisers took their turn at the podium to make their voices heard.

Industry representatives spoke to the many "misrepresentations" that have been promulgated by Supervisor Chiu, successfully countering each with third-party research and facts.

As each representative spoke in turn, attempting to keep their jobs safe and their small businesses viable, the Yellow Pages value story was clear. With 7 out of 10 US adults using the YP, small businesses continue to rely on our products to reach consumers who are ready to buy.

After listening to the concerned Coalition speakers, it should have been clear to the Supervisors that the industry has no desire to deliver a directory to those who don't use them, and the speakers repeatedly referenced the industry optout site as the solution for those San Francisco residents.

It has become clear to all involved that Supervisor Chiu, in his quest for higher office, has used every political tactic at his disposal to ensure that our Coalition would not receive a fair hearing today. From last minute changes in the date of the vote - to orchestrating a carefully planned parade of city government

officials and "big government" advocates, even insinuating that our Association is "scaring" publishers into participating in our efforts, Supervisor Chiu is demonstrating the very worst of our democratic system. Indeed, even when confronted with the low opt-out rates in San Francisco thus far, he seemed to assume that the problem was on our part, rather than the possibility that he has woefully overestimated consumer interest in the subject.

And so, even in the face of overwhelming facts, and despite the jeopardy to jobs and small businesses, the amended proposal (the amendment stipulates that the legislation will not take effect until May 1, 2012) was passed out of committee. The industry coalition will be working diligently over the next week to influence the other members of the board of supervisors in advance of an expected full board vote on Tuesday, March 29." We will continue to keep our members posted of the Coalition's efforts on behalf of the industry.

If you have any questions contact ADP Headquarters at 800.267.9002 or <a href="https://hqwadp.org">hqwadp.org</a>.