

R. Lawrence Angove
President & Chief Executive Officer

San Francisco Update:

Mayor Signs Opt-In Ordinance Into Law

May 26, 2011

To: All ADP Members

Fr: Larry

Re: Constitutionality To Be Challenged by Industry

Yesterday, San Francisco Mayor Edwin Lee signed the city's controversial optin ordinance into law.

Please find following a copy of the coalition press release addressing the signing which went out on the wire last evening.

The industry will challenge the constitutionality of the ordinance in federal court.

FOR IMMEDIATE RELEASE

Yellow Pages Publishers Plan Effort to Overturn Phone Book Ban Before It Kills San Francisco Jobs and Businesses

Industry Remains Committed to Delivering Only to Consumers Who Want a Phone Book Through Consumer Choice site at www.yellowpagesoptout.com

SAN FRANCISCO – May 25, 2011 – Yellow Pages publishers said today they plan legal action against the City of San Francisco after Mayor Edwin Lee signed into law a Yellow Pages delivery ban that threatens to kill local jobs, disenfranchise seniors and ethnic communities and hurt small businesses.

City leaders ignored the hundreds of small businesses that rely on print Yellow Pages who expressed their strong opposition to the ban via in-person meetings, letters, e-mails, petitions, video testimonials, and a rally in front of City Hall. The ban was justified by city leaders as an act of environmental stewardship and a source of cost reduction, but publishers say those arguments relied on questionable data and a highly flawed economic study designed only to support the ban.

Publishers will seek to overturn the law as an unconstitutional violation of the First Amendment, which guarantees the right to free speech, and also will seek to have the city pay attorney fees.

"From day one, we committed to addressing the city's waste reduction goals, but neither the Supervisors nor the Mayor would let us be part of the process," said Neg Norton, president, Local Search Association. "What's most frustrating is that, behind closed doors, many in the city government admit that the arguments and statistics used to support this ban were questionable at best, but for political reasons, did not feel they could oppose it. This leaves us little choice but to pursue legal remedies to this harmful ordinance."

Mayor Lee signed the bill even after concerns were raised that it will put hundreds of San Francisco residents out of work, restrict small businesses' ability to reach customers and disenfranchise seniors, as well as Hispanic, Chinese and LGBT communities.

"To ban an entire industry based solely on myths about its environmental impact, production processes, financial impact on the community, advertiser return on investment and usage statistics is irresponsible of our trusted civic leaders," said Larry Angove, president and CEO, Association of Directory

Publishers. "We absolutely respect consumer choice, and provide an easy-to use system to stop delivery through www.yellowpagesoptout.com."

Yellow Pages companies have taken proactive steps to provide consumers with the ability to choose which phone books they want or to reduce or stop delivery of phone books. The industry's official site at www.yellowpagesoptout.com offers a single, centralized hub for consumers nationwide to submit delivery requests.

Immediate negative impacts of the ban in San Francisco include:

- Small businesses' ability to use print Yellow Pages to generate new customers and sales will be harmed, putting storefronts and workers at risk. Many businesses do not have an online presence, or find that Internet advertising isn't the only solution to drive traffic.
- Directories oriented to targeted markets including Spanish-speaking, Chinese-speaking, and LGBT communities – would be limited in the distribution models available to them.
- The business of publishing and distributing Yellow Pages employs thousands of people in and around San Francisco. These jobs are now at risk during a period of high unemployment.
- Onerous opt-in requirements make the cost of home distribution nearly impossible for publishers, eliminating the availability of directories to anyone that wants them and increasing the difficulty of obtaining a directory for those who need them.
- A significant inconvenience to the seven in 10 adults who used print directories last year.

During the ordinance's review, the Board of Supervisors failed to provide the public with accurate information on potential tax and revenue losses to the city as a result of the legislation, including the decrease in recycling revenues from the city's curbside recycling program or the cost to taxpayers of a court battle over the constitutionality of such a law.

About the Local Search Association

Formerly the Yellow Pages Association, the Local Search Association (www.localsearchassociation.org) is the largest trade organization of print, digital, mobile and social media that help local businesses get found and selected by ready-to-buy consumers. Association members include U.S. and international Yellow Pages companies, search engines, online listings and review sites, digital advertising agencies and mobile search providers. The Association has members in 29 countries.

Read the Local Search Association blog at www.localsearchinsider.com and follow @LocalSearchAssn on Twitter. To learn more about Yellow Pages advertising, visit www.buyyellow.com. To choose which phone books you receive, or stop delivery of all directories, visit www.yellowpagesoptout.com.

About the Association of Directory Publishers

The Association of Directory Publishers (ADP) (http://www.adp.org), founded in 1898, is the oldest trade association in North America representing the interests of directory publishers and the companies whose products and service support the industry.

Larry Angove is president and chief executive officer of ADP. Danny Bills, owner of ATD - Austin, is chairman of its Board of Directors. ADP Board member companies include Bridgerland Phone Book, Downey Publishing, Hagadone Directories, Lakeview Publishing, Names and Numbers, SunShine Pages, Tahoe Telephone Directories, Texas Publishing, Valley Yellow Pages, Yellowbook, and the National Marketing Division of Local Search Association.

The Association of Directory Publishers is a Massachusetts not-for-profit corporation.