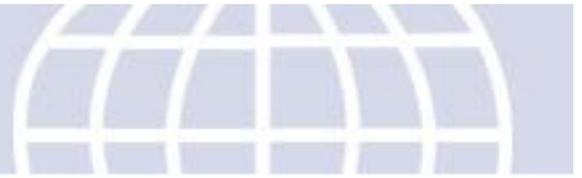




Association of Directory Publishers



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President & CEO

May 26, 2010

## Update #6: Legislative Reality in California

To: **ALL MEMBERS PUBLISHING IN CALIFORNIA – FOR IMMEDIATE ACTION**  
All Other U.S. Members - For Information

Fr: Larry

Re: California Senate Bill 920

This advisory is necessarily lengthy. Please read it all.

The steering group for our coordinated strategy in opposition to SB 920 met late this morning by conference call to finalize the plan of action.

Before I lay out the plan, let me begin with a brief overview of what has transpired to date.

Senator Yee originally positioned his bill as addressing environmental issues created by the obsolescence of print Yellow Pages. Assumedly in large measure because of the efforts of ADP and YPA members publishing in California, Mr. Yee has amended his bill to position himself now as the protector of small business in the state by reducing competition.

His only problem is that his evolving premise is both flawed and counterintuitive.

It is flawed because the premise on which Mr. Yee and his Legislative Director are attempting to justify the bill is the false assertion that directory publishers' advertising rates are based on the number of directories delivered. They persist in this position in spite of advertiser statements that they determine the ROI on their Yellow Pages investment on the number of times their phones ring and doors open, not on the number of books delivered. Mr. Yee's contention is that the delivery of fewer phonebooks will decrease directory advertising rates.

It is counterintuitive because the assertion flies in the face of the time-proven axiom that it is competition that improves quality and lowers price, as the U.S. Congress recognized in enacting Section 222(e) of the Telecommunications Act of 1996.

SB 920 has gotten to the Senate floor as the result of “courtesy votes” in the policy and fiscal committees. Our lobbyists inform us that consideration on the floor often reflects a more “merit-based” approach.

They also tell us that there is a relatively large number of party-line nays and yeas in the Senate chamber unlikely to change and that our efforts to defeat this bill most effectively should be focused on Senate Democrats who may be considered “swing votes” based on their past support of business on contested issues such as SB 920.

Those Senators are:

Ron Calderon, 30<sup>th</sup> District  
Gil Cedillo, 22<sup>nd</sup> District (Chair, Hispanic Caucus)  
Lou Correa, 34<sup>th</sup> District  
Denise Ducheny, 40<sup>th</sup> District  
Carroll Lui, 21<sup>st</sup> District  
Gloria Negrete McLeod, 32<sup>nd</sup> District  
Curren Price, 26<sup>th</sup> District

In addition, we must reinforce the no votes in committee of these Senators:

Dean Florez, 16<sup>th</sup> District  
Roderick Wright, 25<sup>th</sup> District.

Contact information for each is included at the end of this advisory.

I understand that none of the top seven Senators has been involved in committee work on the bill. Accordingly, we have a bit of remedial work to be done.

### Required Action: Step 1

Publishers are asked to e-mail or fax each of the above Senators by whom they are represented and/or with whom they have influence and:

- Tell them in a cover comment that you oppose SB 920 and that the amendments of May 26 to the bill have done nothing to change your opposition
- Tell them that you are attaching letters previously sent to committee members in opposition to the bill

Attachment of previous letters is suggested simply to save you work. New letters are encouraged if you have the time or have not written earlier.

To Senators Florez and Wright, also thank them for their NO vote in committee.

## Required Action: Step 2

Publishers are further asked to recruit selected advertisers to e-mail or fax each of the above Senators by whom they are represented and/or with whom they have influence and:

- Tell them that they oppose SB920
- Tell them that their business has a critical partnership with the Yellow Pages medium
- Tell them that the Yellow Pages provides them an attractive, measurable ROI proposition and that that is what they base their buying decisions on, not the number of books delivered
- Tell them that legislation like SB 920 would have a chilling effect on their established use of the Yellow Pages advertising medium and would be bad for their business.

The influence of advertisers may be the trump card that will tip the floor fight in our favor. Contact those advertisers you know will help you and help them contact these “swing” Senators. It’s crunch time. We need everyone’s involvement.

Do it right. Do it now. Thank you.

<u>Contact Information*</u>	<u>E-Mail</u>	<u>Fax</u>
Calderon	<a href="mailto:senator.calderon@sen.ca.gov">senator.calderon@sen.ca.gov</a>	916.327.8755
Cedillo	<a href="mailto:senator.cedillo@sen.ca.gov">senator.cedillo@sen.ca.gov</a>	None Listed
Correa	<a href="mailto:senator.correa@sen.ca.gov">senator.correa@sen.ca.gov</a>	None Listed
Ducheny	<a href="mailto:senator.ducheny@sen.ca.gov">senator.ducheny@sen.ca.gov</a>	916.327.3522
Florez	<a href="mailto:senator.florez@sen.ca.gov">senator.florez@sen.ca.gov</a>	None Listed
Lui	<a href="mailto:senator.lui@sen.ca.gov">senator.lui@sen.ca.gov</a>	916.324.7543
McLeod	<a href="mailto:senator.mcleod@sen.ca.gov">senator.mcleod@sen.ca.gov</a>	916.445.0128
Price	<a href="mailto:senator.price@sen.ca.gov">senator.price@sen.ca.gov</a>	916.445.8899
Wright	<a href="mailto:senator.wright@sen.ca.gov">senator.wright@sen.ca.gov</a>	None Listed

\*Information obtained from the official California State Senate web site.