

S. B. No. 315

AN ACT CONCERNING THE DELIVERY OF TELEPHONE DIRECTORIES TO CONSUMERS

To reduce the number of unused telephone directories

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Yellow Pages Association

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Co-Chairs Colapietro and Shapiro, Ranking Members Witkos and Bacchiochi and members of the General Law Committee:

My name is Amy Healy and I am the director of public policy for the Yellow Pages Association (YPA). YPA is the largest trade association representing directory publishers and suppliers in the U.S. Association members include Yellow Pages publishers, who produce products that account for almost 90 percent of the Yellow Pages revenue generated in the U.S. and Canada. Members also include the industry's national and local sales forces, and associate members, a group of industry stakeholders that include Yellow Pages advertisers, vendors and suppliers such as printing and paper companies. The Association has members in 29 countries. On behalf of its members, YPA respectfully opposes S. B. 315.

For nearly 130 years, the Yellow Pages Industry has shared a commitment to provide quick and accurate local search information to consumers and millions of small businesses. As an active member of local communities across the country, our members also share a commitment to bring environmental, social, and economic benefits to the places where they live and work.

S. B. 315 calls for the "general statutes [to] be amended to require that companies providing delivery of telephone directories to residential customers allow such customers an opportunity to opt out of unwanted deliveries." Yellow Pages publishers already have opt-out systems in place to do just that. Our members are committed to providing customers a choice as to the number of directories they receive – or none at all. Delivering a directory to a consumer that doesn't want one creates no value for the advertiser, the directory publisher or the consumer.

In 2008, four states considered directory opt-out legislation. Legislators were not motivated to move the legislation forward once they were made aware of the self-regulatory efforts of the Yellow Pages Industry, the reliance of millions of small businesses on directory advertising to grow their businesses, and the thousands of good local jobs provided by the directory publishing industry and its suppliers.

Industry Environmental Guidelines

As part of the industry's commitment to consumer choice and the environment, YPA has engaged in an aggressive environmental stewardship program that includes the following:

Throughout 2007, YPA worked with the Association of Directory Publishers (ADP), a trade association representing primarily Yellow Pages publishers not affiliated with telecommunications companies, to implement Joint Environmental Guidelines for the Yellow Pages industry. The Guidelines, adopted by the boards of YPA and ADP in January 2008, commit all signatories to implement directory distribution policies that allow people to choose not to receive a Yellow Pages directory. The Guidelines also commit to supporting local recycling efforts and environmentally sound production methods (e.g., use of vegetable-based vs. petroleum-based inks, extensive use of post-consumer pulp and wood waste products). As a result of the Industry's sound environmental stewardship, virtually no trees are cut down to produce directories. Publishers representing well over 90% of U.S. distribution are signatories to the Guidelines. For more information, please visit www.yellowisgreen.org and click on Guidelines.

Directories are the Super Bowl Ads for Small Business

Publishers don't make any money simply by distributing phone books. The Yellow Pages economic model is that advertisers buy ads in the printed yellow pages for exposure to consumers who use it as a resource when they're ready to buy. So it's in our best interest to get directory products into the hands of consumers who will actually use them. Advertising rates are based on usage of the directory – not the number of books distributed. Yellow Pages products continue to provide a high return-on-investment for advertisers.

Consumer Choice

For more than a year, the Yellow Pages industry has partnered with environmental and government groups such as the Product Stewardship Institute, a national environmental organization representing approximately 90 state, local and private environmental groups, the U.S. Environmental Protection Agency, and several state government agencies to

develop and implement the Yellow Pages industry's Consumer Choice program. This collaboration led to the recent launch of the Industry's web site www.yellowpagesoptout.com. At this site, consumers can enter their zip code to find opt-out information for every publishers delivering to their area. YPA continues to work with our environmental and government partners on enhancements to the industry's consumer choice program.

Recycling

YPA members commit large amounts of funding to recycling efforts. As a result, the U.S. Environmental Protection Agency says that Yellow Pages directories represent just 0.3 percent of the municipal solid waste stream. Newspapers and standard mail, on the other hand, make up 24 times that amount (4.9 percent and 2.4 percent, respectively).

YPA and its members AT&T Yellow Pages and RR Donnelley, among others such as Waste Management Inc., are founding members of the Recycle As You Shop (RAYS)SM program. RAYS, which launched in the fall of 2008 is a pilot recycling program that encourages consumers and small businesses to be responsible stewards of the environment by dropping off their phone directories and other paper recyclables at Office Depot stores in Maryland. For more information about the RAYS program please visit www.recycleasyoushop.com.

Conclusion

Finally, it is important to note that the fact is people DO use the printed product. Our research shows adults referenced the printed Yellow Pages approximately 13.4 billion times in 2007 with nearly half of all adults referencing the print product on a weekly basis.¹ Despite this reliance on directory products by consumers and small businesses, our members certainly want their products to be welcomed into people's homes. The Yellow Pages industry will continue to work with government agencies and environmental groups to improve the manner in which it provides local search information to consumers.

However, based on the aforementioned, YPA respectfully requests that SB 315 be rejected by the committee.

Thank you for the opportunity to testify on this measure.

¹ 2007 Yellow Pages Association Industry Usage Study conducted by KN/SRI.