

Docket Number: TC15-069
Subject Matter: Second Data Request
Request to: Qwest Corporation d/b/a CenturyLink QC and Dex Media, Inc.
Request from: South Dakota Public Utilities Commission Staff
Date of Request: January 7, 2016
Responses Due: January 14, 2016

2-2. If CenturyLink and Dex Media were allowed to fulfill their statutory and contractual obligations through an online directory and an upon request (opt-in) program; what are the challenges created for the companies by a standing order requirement?

RESPONSE:

There are several. First, the directory industry knows from experience that usage of basic name and number directories is low and continuing to decline. Moreover, the experience in states switching to upon request without a standing order requirement has been a very steep decline in the requests for directories after the first year. Even though the process to request a printed directory is quick and easy, customers who are forced to consider the usefulness are quickly realizing they no longer use paper directories for basic number lookups as often as they may have initially thought. What this means is that the standing order requirement inevitably results in production, tracking, and delivery of many more paper directories than are really needed or than would be requested if customers were asked to renew their request annually. This, in turn, imposes needless costs on Dex Media to print, warehouse, track, handle, and mail literally tons of books that, in the vast majority of cases, are not really needed and may not even be opened after the first year of a request.

In addition to the out of pocket plus soft costs of maintaining standing orders, there is the resource cost of producing and delivering what are likely to become unused and unwanted books after the first year of a request. This is most noticeable when a customer moves without notifying Dex Media (in nearly all cases) and the book is returned, delivered to the wrong person, or simply discarded. While production of books that are desired and used is useful, the production of unwanted and unused books is wasteful and to be discouraged and avoided where reasonably possible.

Finally, there is the cost and damage to goodwill of putting tons of unwanted and unused paper in customers' mailboxes and the waste stream of municipalities. Dex Media's goal is to match as closely as possible its deliveries of paper directories to the need or desire for such directories. Standing orders fail to do that and instead mandate delivery with little regard for whether or not the demand for them continues to exist with the customer and address in the initial order.