

1 customers. The Company included the listings to assist its own customers'
2 completion of calls within their local calling areas and to meet its regulatory
3 obligations. The listings were a product for the use of its own customers, not the
4 customers of other carriers.

5 Dex, on the other hand, has expanded the scope of its business beyond the business
6 that was part of the transferred regulatory obligation. Dex does not simply include
7 the listings of other local exchange carriers in the directories it publishes and
8 delivers to QC customers, as was the policy when the operations were conducted
9 within the Company's regulated operations. Dex publishes many of these listings as
10 part of its publishing obligation to many of these local exchange carriers and
11 delivers directories to all homes and businesses located within the geographic scope
12 of their directories. This was not part of the business that was operated before 1984
13 and this portion of the business is not part of Dex's publishing agreement and
14 obligation to QC. Therefore, that portion of the gain from the Dex sale attributable
15 to the value of the business associated with non-Qwest listings should be excluded
16 from any gain sharing calculation. Non-Qwest listings are not part of the regulatory
17 obligation in which the customers of QC have an interest.

18 **Q. HOW DID THE COMPANY DELIVER ITS DIRECTORIES PRIOR TO**
19 **THE 1984 TRANSFER?**

20 A. Although the Company included the listings of adjacent incumbent local carriers in
21 its directories, the Company delivered its directories only to the Company's