and booked revenues. Published revenues are reflected in the year the directory is published, rather than amortized over the life of the directory. This means that a significant amount of revenue is recognized a year earlier than it is recognized on the financial books of Dex. Second, published revenues reflect revenues before any adjustments are reflected. Dr. Selwyn's method overstates actual booked revenues and understates booked expenses. The result is a significantly overstated allocation to Washington.

Mr. Brosch, on the other hand, adjusted the Washington allocation factor to match the portion of the business that he claims should be allocated to Washington customers. While I disagree with Mr. Brosch's inclusion of Secondary directories and non-Qwest listings, I believe that he used the correct allocation methodology. In Washington, the method for determining the directory imputation has always relied on actual booked revenues because revenue is a measure that is clearly identifiable by state while other measures are not. Dr. Selwyn's and Mr. King's ~~Lee's~~ departure from this measurement standard is not in line with the imputation standard.

**Q. IS THERE ANY PRECEDENT IN WASHINGTON TO SUPPORT THE ADJUSTMENTS THAT YOU HAVE MADE?**

A. Yes. Staff's responses to Dex Holdings Data Requests DEXH-S001 through S009 relate to Contel Corporation's 1985 sale of its directory publishing subsidiary, Leland Mast Directory Company. In these responses, particularly in Staff's