Docket No. UT-040788
Exhibit MLB-4 ________
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As filed with the Securities and Exchange Commission on August 4, 2004

Registration No. 333-114472

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1
to
FORM S-4
REGISTRATION STATEMENT

Under
THE SECURITIES ACT OF 1933

Dex Media, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**14-1855759**	**2741**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**	**(Primary Standard Industrial Classification Code Number)**

198 Inverness Drive West
Englewood, Colorado 80112
(303) 784-2900
(Address, including zip code, and telephone number, including area code, of the registrant's principal executive offices)

Robert M. Neumeister, Jr.
Executive Vice President and Chief Financial Officer
Dex Media, Inc.
198 Inverness Drive West
Englewood, Colorado 80112
(303) 784-2900
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:
Gregory A. Ezring, Esq.
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885 Third Avenue, Suite 1000
New York, New York 10022
(212) 906-1200

Approximate date of commencement of proposed exchange offer: As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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BUSINESS

We are the exclusive publisher of the "official" yellow pages and white pages directories for Qwest in the following states where Qwest is the primary incumbent local exchange carrier: Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming, or collectively the "Dex States." Our contractual agreements with Qwest grant us the right to be the exclusive incumbent publisher of the "official" yellow pages and white pages directories for Qwest in the Dex States until November 2052 and prevent Qwest from competing with us in the directory products business in the Dex States until November 2042.

We seek to bring buyers together with our advertising customers through a cost-effective, bundled advertising solution that includes print, CDROM and Internet-based directories. We generate our revenues primarily through the sale of print directory advertising. For the year ended December 31, 2003, after giving pro forma effect to the Transactions, as defined below, we generated $1.63 billion in revenue, $910 million in EBITDA, and $14 million in net loss. For the three months ended March 31, 2004, after giving pro forma effect to the Transactions, we generated $411 million in revenue, $234 million in EBITDA and $7 million in net income. Our ability to generate EBITDA, along with low capital expenditure requirements and cash income taxes, allows our business to provide significant free cash flow. See "Prospectus Summary—Summary Historical and Pro Forma Financial Data."

During 2003, we published 259 directories and distributed approximately 43 million copies of these directories to business and residential customers throughout the Dex States. In addition, our Internet-based directory, DexOnline.com, which provides an integrated complement to our print directories, includes more than 15 million business listings and 200 million residential listings from across the United States. Approximately 96% of our revenue from directory services for the Combined Year 2003 came from the sale of advertising in yellow pages directories, and approximately 4% of our revenue from directory services for the same period came from the sale of advertising in white pages directories.

We believe that our advertising customers value: (i) our lower cost per usage versus other directories and higher return on investment than other forms of local advertising; (ii) our broad distribution to potential buyers of our advertisers' products and services; (iii) our ability to provide potential buyers with an authoritative reference source to search for products and services; and (iv) the quality of our client service and support. We have advertising customers across a diverse range of industries and we believe our customer retention rates exceed the averages of other incumbent publishers, or those owned by or affiliated with incumbent local exchange carriers. In 2003, we had over 400,000 local advertising accounts consisting primarily of small and medium-sized businesses and over 4,000 national advertising accounts.

Industry Overview and Outlook

Directory advertising competes with all other forms of media advertising, including television, radio, newspapers, the Internet, outdoor and direct mail. The entire U.S. advertising market was $245.5 billion in 2003, with directory advertising estimated to have captured a 5.7% share of the advertising market. Unlike other advertising, directory advertising is characterized as primarily "directional" advertising, or advertising targeted at consumers who are actively seeking information and are prepared to purchase a product or service. Historically, the U.S. directory advertising industry has been dominated by the large publishing businesses of regional bell operating companies, or "RBOCs," and other incumbent local telephone companies. Over the past few years, RBOC mergers have reduced the number of RBOC-affiliated publishers to four: SBC Directory Operations, Verizon Information Services, BellSouth Advertising & Publishing Corp. and Dex Media.

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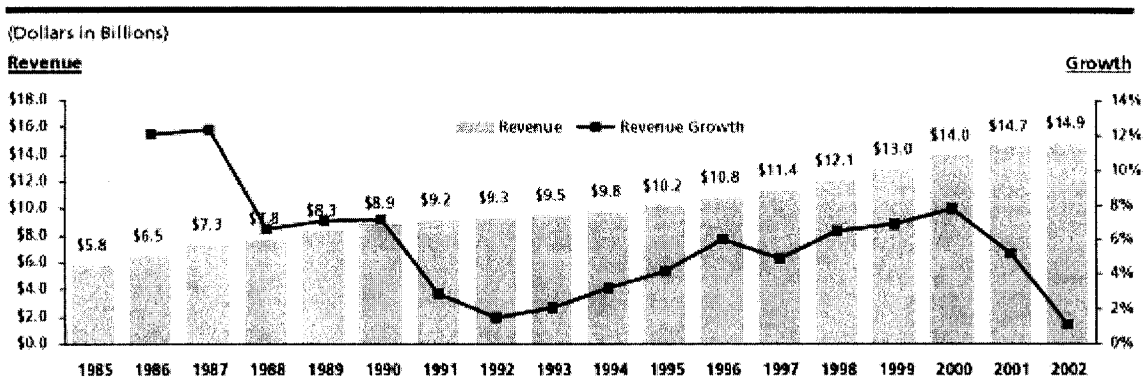
Directory Advertising Market Size

The U.S. directory advertising industry generated approximately $14 billion in revenues in 2003, with a total circulation of approximately 540 million directories. The industry is characterized by steady and consistent growth with revenue increasing at a 3.0%, 3.9% and 3.9% compounded annual growth rate in the periods 1998 to 2003, 1993 to 2003 and 1988 to 2003, respectively. The following chart depicts the estimated size and growth of the U.S. directory advertising industry since 1985.

U.S. Directory Advertising Revenue: 1985—2003



Local Versus National Advertising

While directory advertising is sold on both a local and national basis, local advertising from small and medium-sized businesses constitutes the majority of directory advertising revenue. As shown in the table below, over the last seven years local directory advertising constituted approximately 84% of total revenue for the U.S. directory advertising industry. This is consistent with our experience, where in 2003, local advertising made up approximately 82% of our directory advertising revenue, excluding the effects of purchase accounting.

Local Versus National U.S. Print Directory Advertising: 1997—2003

(Dollars in billions)	1997	% of total	1998	% of total	1999	% of total	2000	% of total	2001	% of total	2002	% of total	2003	% of total	CAGR '97-'03
Local	$ 9.7	85.1%	$ 10.1	84.2%	$10.7	84.3%	$11.1	84.1%	$11.5	84.6%	$11.7	84.8%	$11.8	84.9%	3.3%
% growth yearly	*NA*		*4.1 %*		*5.9 %*		*3.7 %*		*3.6 %*		*1.7 %*		*0.9 %*		
National	1.7	14.9%	1.9	15.8%	2.0	15.7%	2.1	15.9%	2.1	15.4%	2.1	15.2%	$ 2.1	15.1%	3.6%
% growth yearly	*NA*		*11.8 %*		*5.3 %*		*5.0 %*		*0.0 %*		*0.0 %*		*0.0 %*		
Total Print	$11.4	100.0%	$ 12.0	100.0%	$12.7	100.0%	$13.2	100.0%	$13.6	100.0%	$13.8	100.0%	$13.9	100.0%	3.4%
% growth yearly	*NA*		*5.3 %*		*5.8 %*		*3.9 %*		*3.0 %*		*1.5 %*		*0.7 %*		

Competition Within the Industry

Presently, the industry can be divided into two major groups of directory advertising publishers: incumbent publishers, which includes the directory businesses of RBOCs and other incumbent local telephone companies, and independents, such as TransWestern Publishing Company LLC and the U.S. business of Yell Group Ltd. As shown in the table below, the independents' revenues have increased over the last seven years, yet the incumbent publishers remain the dominant players, with an 86.5% share of total 2003 revenue for the U.S. directory advertising industry.

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U.S. Print Directory Market Share: 1997—2003

(Dollars in billions)	1997	% of total	1998	% of total	1999	% of total	2000	% of total	2001	% of total	2002	% of total	2003	% of total	CAGR '97-'03
Incumbent Publishers(1)	$10.6	93.0%	$ 11.0	91.7%	$ 11.5	90.6%	$ 11.8	89.7%	$12.1	89.2%	$12.2	88.2%	$ 12.0	86.5%	2.1%
% growth yearly	*NA*		*3.8 %*		*4.6 %*		*2.6 %*		*2.5 %*		*0.8 %*		(1.6)%		
Independent Publishers	0.8	7.0%	1.0	8.3%	1.2	9.4%	1.4	10.3%	1.5	10.8%	1.6	11.8%	1.9	13.5%	15.5%
% growth yearly	*NA*		*25.0 %*		*20.0 %*		*16.7 %*		*7.1 %*		*6.7 %*		*18.8 %*		
Total Print	$11.4	100.0%	$ 12.0	100.0%	$ 12.7	100.0%	$ 13.2	100.0%	$13.6	100.0%	$13.8	100.0%	$13.9	100.0%	3.4%
% growth yearly	*NA*		*5.3 %*		*5.8 %*		*3.9 %*		*3.0 %*		*1.5 %*		*0.7 %*		

(1) Includes the directory businesses of RBOCs and other incumbent local telephone companies.

As the table below illustrates, the U.S. directory advertising industry remains highly concentrated with the incumbent publishers, Dex Media, SBC, Verizon, BellSouth and Sprint, cumulatively generated approximately $12.2 billion, or 88.4%, of total U.S. directory advertising revenue in 2002. The independents segment is highly fragmented and comprised only 11.6% of total directory-related advertising revenue in 2002.

U.S. Directory Advertising Publishers: 2002

(Dollars in billions) Company	2002 Revenue	Market Share
SBC	$ 4.5	32.6%
Verizon(1)	3.8	27.6%
BellSouth(1)	1.8	13.0%
Dex Media	1.6	11.6%
Yell Group(2)	0.8	5.8%
Sprint	0.5	3.6%
TransWestern	0.3	2.2%
Others	0.5	3.6%
Total	$ 13.8	100%

(1) Represents estimates of U.S. operations only.
(2) Represents the U.S. business of the Yell Group, Ltd., including the revenues of McLeod USA Media Group Inc., which Yell Group, Ltd. acquired in early 2002.

We believe incumbents have a number of advantages over their independent competitors. Incumbents typically can deliver a better value proposition to advertisers, largely due to user perception of accuracy and completeness that comes with their affiliation with the local telecom service provider. Incumbents also benefit from established usage patterns and customer bases. The majority of incumbent sales are made on premise in local offices calling on established clients. Independents' sales are primarily made over the telephone, often through cold calling.

These factors force independents to compete on price while they build their customer bases resulting in listing rates significantly lower than those prices for equivalent products listed by incumbents. Incumbents also benefit from an established operational infrastructure. Printing, publishing, and distribution channels benefit from established long-term relationships. The existing infrastructure, scale of business, and pricing premium allow incumbents to achieve significantly higher EBITDA margins than their independent competitors.

Competition with Other Media

We believe directory advertising is the preferred form of advertising for many small and medium-sized businesses due to its relatively low cost, broad demographic and geographic distribution, enduring presence and high customer usage rates. We believe that directory advertising is attractive to our customers because consumers may view directories as a free, comprehensive, single source of information. While overall advertising tends to track an economy's business cycle, directory advertising tends to be more stable and does not fluctuate widely with economic cycles due to its frequent use by small to medium-sized businesses, often as their principal or only form of advertising. Directory advertising is also less influenced by business cycles because failure to advertise in a given directory cannot be remedied until the replacement directory is published, which is usually one year later. Moreover, most directory publishers, including us, give priority placement within a directory classification to their longest-tenured advertisers. As a result, advertisers have a strong incentive to renew their directory advertising purchases from year to year, so as not to lose their priority placement within the directory.

As the table below highlights, in the last two recessions, in 1991 and 2001, directory advertising was one of the only media segments to show revenue growth. U.S. directory advertising industry revenue increased 3.4% and 3.0% in 1991 and 2001, respectively, while other major media segments declined.

Advertising Spending by Media Category: 1990—2003

(Dollars in billions)

Year	U.S. Directories	Revenue Growth	Television(1)	Revenue Growth	Radio	Revenue Growth	Newspaper	Revenue Growth
1990	$ 8.9	n/a	$ 28.4	n/a	$ 8.7	n/a	$ 32.3	n/a
1991	$ 9.2	3.4%	$ 27.4	-3.5%	$ 8.5	-2.3%	$ 30.4	-5.9%
1992	$ 9.3	1.1%	$ 29.4	7.3%	$ 8.7	2.4%	$ 30.7	1.0%
1993	$ 9.5	2.2%	$ 29.7	1.0%	$ 9.5	9.2%	$ 32.0	4.3%
1994	$ 9.8	3.2%	$ 34.2	15.2%	$10.5	10.5%	$ 34.4	7.5%
1995	$ 10.2	4.1%	$ 37.8	10.5%	$11.3	7.6%	$ 36.3	5.5%
1996	$ 10.8	5.9%	$ 42.5	12.5%	$12.3	8.8%	$ 38.4	5.8%
1997	$ 11.4	5.6%	$ 44.1	3.8%	$13.5	9.8%	$ 41.7	8.6%
1998	$ 12.0	5.3%	$ 47.5	7.7%	$15.1	11.9%	$ 44.3	6.2%
1999	$ 12.7	5.8%	$ 52.6	10.7%	$17.2	13.9%	$ 46.6	5.4%
2000	$ 13.2	3.9%	$ 60.3	14.6%	$19.3	12.2%	$ 49.0	4.9%
2001	$ 13.6	3.0%	$ 54.6	-9.5%	$17.9	-7.3%	$ 44.3	-9.6%
2002	$ 13.8	1.5%	$ 58.4	7.0%	$18.9	5.6%	$ 44.0	-0.7%
2003	$ 13.9	0.7%	$ 60.7	3.9%	$19.1	1.1%	$ 44.8	1.8%
'98-'03 CAGR		3.0%		5.0%		4.8%		0.2%

(1) Includes broadcast television and cable and satellite television; excludes barter syndication.

The Internet

Most major directory publishers, including us, operate an Internet-based directory business. The U.S. Internet directory market represented only a small portion of the total U.S. directory advertising market in 2002 with total revenue of approximately $347 million, having grown from $263 million in 2001, an increase of approximately 32%. Industry sources estimate that 70% of 2001 Internet directory revenues were generated by print publishers. Publishers have increasingly bundled online advertising with their traditional print offerings in order to enhance total usage and advertiser value. We expect Internet directory usage to continue to grow steadily in support of overall directory usage.

Competitive Strengths

While the directory advertising industry has become increasingly competitive, we believe that we possess the following strengths that will enable us to continue to compete successfully in the local advertising market:

Scale and leading market position. Dex is the fourth largest directory publisher in the United States and the exclusive directory publisher for Qwest in the Dex States. We believe that our scale and our incumbent position provide us with a substantial competitive advantage over independent directory advertising providers. During 2003, we printed and distributed approximately 43 million directories. As the incumbent directory publisher in the Dex States, our directories benefit from strong brand recognition as the "official" yellow pages and have positioned us as the preferred directory for both consumers and local advertisers, many of whom select our directories as their primary advertising medium.

Superior value proposition for our target advertisers. We believe that directory advertising provides our target advertisers, which are primarily small and medium-sized businesses, with a greater value proposition than other media. Directory advertisements enable our advertisers to reach a broad target audience, providing a permanent reference source to search for particular products and services. In addition, we believe that the "directional" nature of directory advertising is a unique attribute to our media ensuring our advertisers reach their target customers at the key time when they are actively seeking information to make a purchase. Furthermore, we believe that our directory advertising has a lower cost per usage than other directories and higher return on investment than other local advertising alternatives, including newspapers, television, radio and the Internet.

Established and experienced sales force. As of December 31, 2003, we had 1,019 sales representatives in 49 local offices who have been employed by Dex for an average of nine years. We believe that our sales force's experience, tenure and local market knowledge is a competitive advantage which has enabled us to develop longstanding relationships with our advertisers and has been a key factor in our ability to exceed the average revenue growth of the incumbent industry for the Combined Year 2003. Our revenue growth (excluding the effects of purchase accounting) for the Combined Year 2003 was 2.6%.

Attractive market demographics. In 2003, the Dex States on a percentage basis have experienced greater job creation and per capita gross state product growth than the United States as a whole. For the period 1995 through 2003, non-agricultural employment grew at an average compounded annual growth rate of 1.3% in the Dex States versus the national average of 1.2%. In addition, gross state product in the Dex States grew at an average compounded annual growth rate of 4.3% versus the national average of 3.3%. We believe our markets are economically diverse, limiting our exposure to economic downturns in specific sectors of the economy.

Stable and recurring revenue. Our business produces stable and recurring revenue because of our large diversified customer base, high account retention and renewal rates and limited exposure to national advertising. In addition, the pre-sold nature of directory advertising provides significant revenue and cash flow visibility as advertisers typically enter into one-year contracts and pay on a monthly basis. As of December 31, 2003, we had over 400,000 local advertising accounts, consisting primarily of small and medium-sized businesses. These local accounts generated approximately 82% of our revenue, excluding effects of purchase accounting, and, in many cases, use yellow pages directories as their primary form of advertising. Our account renewal rate was 91% in 2003. For the Combined Year 2003, no single account contributed more than 0.3% of our total revenue (other than Qwest, which accounted for 1.6% of our total revenue), with our top 10 customers (excluding Qwest) representing less than 1.5% of total revenue. In addition, no single directory heading contributed more than 2.8% of total revenue, with the top 10 directory headings accounting for 15.1% of total revenue.

Strong financial profile generates significant free cash flow. Our business generates significant free cash flow due to its recurring revenue combined with the high margins associated with our incumbent position, low capital expenditures and favorable tax position. For example, for the three months ended March 31, 2004, we generated $130 million in cash provided by operating activities and $103 million in free cash flow. For the year ended December 31, 2003, on a pro forma basis giving effect to the Transactions, we generated $910 million in EBITDA and $32 million in net loss from $1.63 billion of revenue. Over the past three years ending December 31, 2003, we have invested an average of $37.5 million per year in capital expenditures on a combined basis, including capitalized software development costs. We also benefit from the favorable income tax treatment associated with the $6.8 billion step-up in the tax basis of our assets from the Acquisitions, as defined below, which is amortized for tax purposes on a straight-line basis for 15 years. In 2003 and for the three months ended March 31, 2004, our free cash flow allowed us to repay $405 million and $105 million, respectively, of our indebtedness.

Experienced management team. We have assembled a strong and experienced senior management team across all areas of our organization, including sales, finance, operations, marketing and customer service. Our senior management team has an average of approximately 20 years of public and private company experience in their respective areas of expertise.

Business Strategy

We intend to leverage our incumbent position and strong brand while maintaining an entrepreneurial culture that encourages our employees to identify and capitalize on new opportunities to enhance our position in the Dex States. We believe that our directory advertisements enable our customers to connect with potential buyers in a very cost effective manner, which, when combined with our competitive strengths, will allow us to grow our revenues and cash flows. The principal elements of our business strategy include:

Introducing new products that enhance the value proposition for our customers. We have a history of introducing and selling new products, product extensions and other innovations that offer creative opportunities for our advertisers to find new customers and generate additional revenue for their products and services. As the incumbent directory publisher in the Dex States, we have a large number of existing advertisers to whom we can effectively market our new products to generate additional revenue. In 2002 and 2003, we introduced the following new products: (i) targeted segment products within existing directories (local dining guides, golf guides and Spanish Yellow Pages), (ii) a new directory in Lincoln, Nebraska, (iii) two additional white pages directory products (repeating corner advertisement and color offerings) and (iv) limited inventory products (e.g. leader advertisements and front cover gate folds). We believe that our ability to innovate our product line will continue to serve as a competitive advantage.

Increasing revenue and customer growth through segmented pricing. Historically, the directory advertising industry has utilized a simplified approach to pricing, with set rates based upon the size and features (e.g., use of color, graphics, etc.) of the advertisement regardless of heading category. We are now instituting a more sophisticated pricing strategy, which prices advertisements by heading category. We believe that implementing this strategy will improve advertiser retention and help drive revenue growth by allowing us to respond to the different demand characteristics of various heading categories and to better align our pricing with our customers' perceptions of value.

Further penetrating our addressable markets through enhanced sales force productivity. We believe a significant opportunity exists for our established local sales force to further penetrate the addressable markets that we serve and increase the sales of our services to existing customers. Over the past year, we have taken a number of steps to improve sales force effectiveness including:

(i) servicing our customers on a more cost-effective means based on the revenue generated by such customers;

(ii) rescheduling the launch and duration of sales campaigns to maximize available selling days by allowing our salespeople to more efficiently allocate their time over a broader customer base during the publishing cycle; and

(iii) implementing standardized sales practices and procedures across all markets, including the introduction of "PrepSmart," our proprietary sales preparation tool. "PrepSmart" provides critical account history and advertisement effectiveness to our salespeople, which can be shared with our customers to demonstrate the value of our product and the benefits of enhancements such as colored or larger sized advertisements. We expect our salespeople to offer our existing customers a more consultative approach to their marketing needs by using tools such as "PrepSmart," thereby enhancing their relationships and increasing the sales of existing services.

Increasing the value proposition for our customers through a content-driven Internet strategy. We currently provide an Internet-based directory, DexOnline.com, which includes fully searchable content derived from more than 240,000 yellow pages advertisements from our directories. DexOnline.com includes more than 15 million business listings and more than 200 million residential listings from across the United States. The site incorporates free text search capabilities, with a single search box that is similar in design and functionality to popular search engines. We believe that the competitive advantage of DexOnline.com versus search engines is that our content is structured to deliver information from our printed directories on local services and products within the Dex States. We are also reviewing opportunities to expand our electronic product line in appropriately structured and cost-effective relationships with other Internet directory providers, portals and search engines. We are committed to developing these opportunities in a manner that will benefit us, and at a scale which is justified by usage and utility to our advertisers.

Strengthen our competitive position by aggressively promoting our superior value proposition. We are investing in brand awareness campaigns that reinforce the benefits that our directories and DexOnline.com offer to advertisers and consumers. Our marketing plan highlights the advantages we enjoy as an incumbent publisher by positioning us as the "official" directory with the broad distribution, high usage and low cost per usage, which are attributes that advertisers require.

Enhancing our operational efficiency by converting to the Amdocs software system. We are in the process of migrating from our legacy process management infrastructure to Amdocs, an industry-standard software system, that will allow us to better manage every aspect of our production cycle from initial sales call through distribution of our directories. The Amdocs system will enable us to: (i) consolidate our software systems and associated hardware; (ii) maintain a single customer database; (iii) implement a coordinated billing, credit and collection system; (iv) provide new mobile technology for the sales force; (v) automate the entering of customer orders; and (vi) implement our segmented pricing strategy. Upon completion of the Amdocs implementation, we will have reduced the number of process management systems from 54 to 13. We expect the implementation of this system will allow us to improve our operational efficiency and benefit from the associated cost savings.

You should also consider the many risks we face that could limit our ability to implement our business strategies, including:

- our inability to introduce new products in the future could adversely affect our ability to generate additional revenue;
- if we do not successfully implement our new segmented pricing strategy, we may not fully realize the expected growth of our revenues;
- if we experience a significant turnover of our sales force, we will incur additional costs in the hiring and training of new sales force personnel;
- the ability of other search engines to provide local products and services content in a cost-effective manner could adversely affect our Internet strategy;
- a significant decline in consumer usage could adversely affect our business; and
- our failure to utilize the capabilities of the Amdocs software system could adversely affect our planned operational efficiencies.

In addition, while we may implement individual elements of our strategies, the benefits derived from such implementation may be mitigated in part, or in whole, if we suffer from one or more of the risks described in this prospectus. See "Risk Factors" and "Cautionary Notice Regarding Forward-Looking Statements."

Markets

For the Combined Year 2003, we published 259 directories, including white pages, yellow pages and other specialty directories, and distributed approximately 43 million copies of these directories to business and residential consumers in metropolitan areas and local communities in the Dex States. Our directories are generally well-established in their communities and cover contiguous geographic areas to create a strong local market presence and to achieve selling efficiencies. The following table shows the percentage of directory services revenue and other data for the Combined Year 2003 for our directories in each state in which we operate:

(Circulation in millions) State	Percentage of directory services revenue(1)	Published directories	Total circulation
Washington	17.7%	23	5.0
Colorado	17.5%	34	6.7
Arizona	16.6%	26	10.6
Minnesota	12.5%	40	5.7
Oregon	9.3%	22	3.3
Utah	6.6%	14	2.7
New Mexico	5.0%	18	2.1
Iowa	4.4%	29	2.3
Idaho	3.0%	8	0.4
Nebraska	2.6%	11	1.6
Montana	1.8%	9	0.8
South Dakota	1.1%	7	0.6
Wyoming	1.1%	10	0.5
North Dakota	0.8%	8	0.6
Total	100.0%	259	42.9

(1) Excludes non-print related directory services revenue and includes revenue from affiliates.

We derive a significant portion of our printed revenue from the sale of directory advertising to businesses in large metropolitan areas. For the Combined Year 2003, 45.5% and 61.8% of our directory services revenue was from the sale of directory advertising in our 5 and 10 largest geographic markets, respectively.

Products

Our main product is printed directories, which generated approximately 97% of our total revenue, excluding the effects of purchase accounting, for the Combined Year 2003. We also operate an Internet-based telephone directory and provide direct and database marketing services.

Printed Directories

For the Combined Year 2003, we published 259 printed directories, consisting of:

- 231 directories that contained both white and yellow pages;
- 11 directories that contained only yellow pages, which contains a listing of businesses by various directory headings as well as display and other paid advertisements;

- 12 directories that contained only white pages, which contains a listing of the names, addresses and phone numbers of residences and businesses in the area served, as well as display and other paid advertisements; and
- 5 specialty "On the Go" directories, which are yellow pages directory editions that are designed for use in the car.

Whenever practicable, we combine the white and yellow pages sections into one volume.

Our directories are designed to meet the advertising needs of local and national businesses and the informational needs of consumers. The diversity of our advertising options enables us to create customized advertising programs that are responsive to specific customer needs and financial resources. Our yellow pages and white pages directories are also efficient sources of information for consumers, featuring a comprehensive list of businesses in the local market that are conveniently organized under approximately 4,400 directory headings.

Yellow Pages Directories. We offer businesses a basic listing at no charge in the relevant edition of our yellow pages directories. This listing includes the name, address and telephone number of the business and is included in alphabetical order in the relevant heading.

For the Combined Year 2003, we derived approximately 96% of our directory services revenue, excluding the effects of purchase accounting, from the sale of advertising in our yellow pages directories. A range of paid advertising options is available in our yellow pages directories, as set forth below:

- *Listing Options.* An advertiser may enhance its complimentary listing in several ways. It may pay to have its listing placed in additional headings, highlighted or printed in bold or superbold text, which increases the visibility of the listing. An advertiser may also purchase extra lines of text to convey information such as hours of operation or a more detailed description of its business.
- *In-column Advertising Options.* For greater prominence on a page, an advertiser may expand its basic alphabetical listing by purchasing advertising space in the column in which the listing appears. The cost of in-column advertising depends on the size and type of the advertisement purchased. In-column advertisements may include such features as bolding, special fonts, color and graphics.
- *Display Advertising Options.* A display advertisement allows businesses to include a wide range of information, illustrations, photographs and logos. The cost of display advertisements depends on the size and type of advertisement purchased. Display advertisements usually are placed at the front of a heading, and are ordered first by size and then by advertiser seniority. This process of ordering provides a strong incentive to advertisers to increase the size of their advertisements and to renew their advertising purchases from year to year to ensure that their advertisements receive priority placement. Display advertisements range in size from a quarter column to as large as two pages (a "double truck" advertisement) and three pages (a "triple truck" advertisement).
- *Awareness Products.* Our line of "awareness products" allows businesses to advertise in a variety of high-visibility locations on or in a directory. Each directory has a limited inventory of awareness products, which provide high value to advertisers and are priced at a premium to in-column and display advertisements. Our new awareness products include ink jet edge advertisements and front cover gate folds. Our other awareness products include:
    - *Cover.* Premium location advertisements are available on the front cover, inside front and back cover and the inside and outside back cover of a directory.
    - *Spine.* Premium location advertisements are available on the spine of yellow and white pages directories.
    - *Tabs.* A full-page, double-sided, hardstock, full-color insert that is bound inside and that separates key sections of the directory. These inserts enable advertisers to achieve prominence and increase the amount of information displayed to directory users.

- *Tip-On*. Removable paper or magnet coupon placed on the front cover of the directory.
- *Banners*. An ad sold at the bottom of any page in the Community or Government sections of the print directory.
- *Delivery Bag*. Used in the delivery of hand-delivered print directories. Between one and three advertisers per bag.

White Pages Directories. State public utilities commissions require Qwest, as the local exchange carrier in its local service area, to have white pages directories published to serve the local service areas. Qwest has contracted with us to publish these directories until November 7, 2052. By virtue of this agreement, we provide a white pages listing to every residence and business in a given area that sets forth the name, address and phone number of the residence or business in question unless they have requested to be a non-published or non-listed customer.

For the Combined Year 2003, we derived approximately 4% of our directory services revenue, excluding the effects of purchase accounting, from the sale of advertising in our white pages directories. Advertising options include bolding and highlighting for added visibility, extra lines for the inclusion of supplemental information and in-column and display advertisements. With a renewed focus on selling white pages advertising for the Combined Year 2003, we more than doubled our white pages revenue growth rate over the prior year. We still believe there is an untapped market for selling white pages advertising and intend to continue to pursue our opportunities with innovative new products such as the repeating corner ad and color offerings.

Internet-based Directory and Electronic Products

Although we remain primarily focused on our printed directories, we also market an Internet-based directory service, DexOnline.com (formerly Qwestdex.com), to our advertisers. All of the listings in our printed directories also appear in our Internet-based directory, which is available in real time to users and at no additional charge to our advertisers. We began to post the proprietary display advertisements we create for our printed directories on DexOnline.com in April 2003. We believe these proprietary display advertisements cannot currently be replicated by other Internet-based directories.

In January 2004, we introduced significant new search capabilities. DexOnline.com now includes fully searchable content from our more than 240,000 Yellow Pages advertisements. It also includes more than 15 million business listings and more than 200 million residential listings from across the United States. The new site incorporates free text search capability, with a single search box that is similar in its design and functionality to popular search engines. In addition, we have incorporated intelligence capabilities such as "spell check" and "thesaurus." Users can now refine their searches using important selection criteria that include such things as specific product and brand names, hours of operation, payment options and locations.

We view our Internet-based directory as an integrated complement to our printed directories through expanded distribution capability rather than as a stand-alone business. We believe that increased usage of Internet-based directories, such as DexOnline.com, will serve to enhance overall Yellow Pages advertising usage thereby lowering our advertisers' cost per thousand uses ("CPMU") despite some growth in advertising rates.

To promote usage of our Internet-based directories, we have bundled some of our Internet products to enhance completeness with our print advertising products. We believe bundling will drive-up our usage rates, which will in turn increase the customer value proposition. As in our printed directories, businesses may pay to enhance their listings on DexOnline.com and for other premium advertising products. Options that are available include extra lines, replica advertisements, website and email link, pop-up windows, priority placement and banners.

Direct Marketing Services

We sell comprehensive direct marketing lists of residents and businesses within the Dex States that allow our customers to purchase accurate lists for their direct mail and telemarketing activities. We also have an extensive New Mover list that provides businesses access to the most current new business and/or residence lists in the Dex States. We are able to overlay demographic data that is purchased through third-party providers so that our customers can identify certain information about the residents in the Dex States, including age, income and household size. The lists we sell comply with do-not-call and do-not-mail requirements for the industry. While we provide customer names, addresses and telephone numbers to outside companies, this information does not include any private, non-published or non-listed information.

We also have insert programs through which we help businesses deliver messages and promotional offers to our customers in conjunction with directories delivered right to the mailbox or doorstep. Customers can choose between Total Market Coverage inserts in directories going to nearly every household and business within the Dex States, or New Mover Delivery inserts reaching the lucrative market of new movers within a few days of their new phone service connection.

Sales and Marketing

The marketing of directory advertisements is primarily a direct sales effort that requires both maintaining existing customers and developing new customers. Renewing customers comprise our core advertiser base, and a large number of these customers have advertised in our directories for many years. For the Combined Year 2003, we retained approximately 91% of our local advertising accounts from the previous year. This high renewal rate reflects the importance of our directories to our local customers, for whom yellow pages directory advertising is, in many cases, the primary form of advertising. Larger national companies also use advertising in our directories as an integral part of their national advertising strategy.

We believe that we have one of the most experienced sales forces in the U.S. directory advertising industry. We believe this experience has enabled our sales representatives to develop long-term relationships with our advertisers, which we believe promotes a high level of renewal among our customers.

Local Sales Force

As of December 31, 2003, our locally-based sales force was comprised of 1,019 quota-bearing sales representatives who average approximately nine years of employment with us. The sales force is divided into three principal groups:

- *Premise Sales Representatives.* Our 432 premise sales representatives generally focus on high revenue customers. A premise sales representative typically interacts with customers on a face-to-face basis at the customer's place of business.
- *Telephone Sales Representatives.* Our 393 telephone sales representatives generally focus on medium-sized customers. A telephone sales representative typically interacts with customers over the telephone. Telephone sales represent our principal source of new advertisers.
- *Centralized Sales Representatives.* Our 194 centralized sales representatives include both centralized account representatives, who generally focus on the smallest accounts, and prospector sales representatives, who generally focus on customer acquisition.

We assign our customers among premise representatives and telephone representatives based on a careful assessment of a customer's expected advertising expenditures. This practice allows us to deploy our sales force in an effective manner. A majority of our sales force is decentralized and locally based, operating from 49 locations. We believe that our locally-based sales force facilitates the establishment of personal, long-term relationships with local advertisers necessary to maintain a high rate of customer renewal.

We believe that formal training is important to maintaining a highly productive sales force. Our sales force undergoes ongoing training, with new sales representatives receiving approximately eight weeks of training in their first year, including classroom training on sales techniques, our product portfolio, customer care and administration and standards and ethics. Following classroom training, they are accompanied on sales calls by experienced sales personnel for further training. Ongoing training and our commitment to developing the best sales practices are intended to ensure that sales representatives are able to give advertisers high-quality service and advice on appropriate advertising products and services.

We have well-established practices and procedures to manage the productivity and effectiveness of our sales force. Each sales representative has a specified customer assignment consisting of both new business leads and renewing advertisers and is accountable for meeting sales goals on a regular basis. Our sales representatives are compensated in the form of base salary and incentive-based compensation. Approximately two-thirds of the total compensation paid to our sales force is in the form of commissions and other incentive-based compensation, making sales force compensation largely tied to sales performance. Our sales force employees are represented by labor unions covered by collective bargaining agreements, which we believe significantly reduce the rate of employee turnover. For the Combined Year 2003, we experienced 15% turnover among our sales representatives.

For purposes of managing our sales force, we divide the local service area into twelve territories. In each territory, between six and 16 sales managers supervise the performance of the sales representatives who are assigned to that territory. Every sales manager within a territory reports to the sales director for the territory, and the 12 sales directors report to the Senior Vice President of Sales for the relevant territory.

In 2002, our Predecessor began compensating our sales managers and directors pursuant to an incentive-based compensation plan that ties their compensation to their success in meeting specific sales targets. Prior to the Acquisitions, bonuses for our sales managers and directors were determined by our Predecessor by reference to Qwest's overall financial performance.

National Sales Force

In addition to our locally-based sales personnel, we have a separate sales channel to serve our national advertisers. National advertisers are typically national or large regional chains, such as rental car companies, insurance companies and pizza delivery businesses, that purchase advertisements in many yellow pages directories in multiple geographical regions. In order to sell to national advertisers, we use the services of third party certified marketing representatives, or "CMRs." CMRs design and create advertisements for national companies and place those advertisements in yellow pages directories nationwide. Some CMRs are departments or subsidiaries of general advertising agencies, while others are specialized agencies that focus solely on directory advertising. The national advertiser pays the CMR, which then pays us after deducting its commission. We have contracts with approximately 160 CMRs and employ eight national sales managers to manage our selling efforts to national customers.

Customers

For the Combined Year 2003, we had over 400,000 accounts with local businesses which purchased advertising in our directories. Approximately 82% of our revenue, excluding the effects of purchase accounting, for the Combined Year 2003 was generated by the sale of our advertising to local businesses, which are generally small and medium-sized enterprises. Approximately 15% of our revenue, excluding the effects of purchase accounting, for the Combined Year 2003 was generated by sales to national advertisers. The remaining 3% of our revenue, excluding the effects of purchase accounting, for the Combined Year 2003 was generated from sources other than sales of advertising in our print directories, including Internet-based directory and direct marketing services.

We do not depend to any significant extent on the sale of advertising to a particular industry or to a particular advertiser. For the Combined Year 2003, no single directory heading accounted for more than 2.8% of our total revenue, no single customer accounted for more than 0.3% of our total revenue (other than Qwest, which accounted for 1.6% of our total revenue), the top 10 customers (excluding Qwest) accounted for 1.5% of our total revenue and the top 10 directory headings accounted for approximately 15% of total revenue. The diversity of our customer base reduces exposure to adverse economic conditions that may affect particular geographic regions or particular industries and provides additional stability in operating results. The table below, which sets forth 2003 information relating to our largest directory headings demonstrates this diversity:

Directory heading	Percentage of directory services revenue
Attorneys	2.8%
Insurance	2.1%
Dentists	1.9%
Plumbing Contractors	1.7%
Auto Repair and Service	1.3%
Storage-Household and Commercial	1.3%
Glass-Auto, Plate, Window, etc.	1.2%
Physicians and Surgeons	1.0%
Roofing Contractors	1.0%
Restaurants	0.8%
Total	15.1%

We enjoy high customer renewal rates. From 1999 to 2002, our annual account renewal rate remained stable at approximately 93%, which we believe compares favorably with the renewal rates of our competitors. For the Combined Year 2003, we retained approximately 91% of our local advertising accounts from the previous year (which excludes the loss of advertisers as a result of business failures). As it relates to our revenue results, increases in total advertising spending and average dollars spent per advertisement substantially offset the net loss of advertiser accounts.

We believe that this low level of turnover reflects a high level of satisfaction among our customers. The training that we provide to our sales representatives emphasizes the fostering of long-term relationships between sales representatives and their customers, and our incentive-based compensation structure rewards sales consultants who retain a high percentage of their accounts. In addition, our customers often do not reduce or eliminate directory spending during difficult economic periods because the failure to advertise cannot be remedied until the replacement directory is published, usually one year later. Moreover, most directory publishers, including us, give priority placement within a directory classification to long-time advertisers. As a result, businesses have a strong incentive to renew their directory advertising purchases from year to year, even during difficult economic times, so as not to lose their placement within the directory.

Publishing, Production and Distribution

We generally publish our directories on a 12-month cycle. The publishing cycles for our directories are staggered throughout the year, which allows us to efficiently use our infrastructure and sales capabilities and the resources of our third-party vendors. The following are the major steps of the publication and production process:

- *Selling.* The sales cycle of a directory varies based on the size of the revenue base and can range from a few weeks to six months. In the months prior to publication, the sales force approaches potential new advertisers in an effort to expand our customer base. Potential new advertisers include businesses that have operated in the area for some time but that did not purchase advertising in the most recent edition of our directory, as well as newly-formed businesses and businesses that have only recently moved into the area. At the same time, the sales force contacts existing advertisers and encourages them to renew and increase the size, and therefore, prominence of their advertisements and to purchase other products in our portfolio. Advertisers generally agree to our standard advertising terms and conditions at the time that they place their order.

- *Generation of Advertisements.* Upon entering into an agreement with a customer, we collaborate with the customer to generate its advertisement. We use our proprietary technology and a team of in-house graphic artists for this purpose.
- *Pre-press Activities.* The selling of advertisements typically ceases one month prior to publication, at which time we do not accept additional customers. Once a directory has closed, pre-press activities commence. Pre-press activities include finalizing artwork, proofing and paginating the directories. When the composition of the directory is finalized, we deliver the directory pages to a third-party printer.
- *Printing.* We use two outside contractors, R.R. Donnelley & Sons Company, or "Donnelley," and Quebecor World Directory Sales Corporation, or "Quebecor," for the printing of our directories. In addition, we have purchase contracts with two paper suppliers, Nippon Paper Industries USA Co., Ltd. (formerly Daishowa America Co., Ltd.), or "Nippon," and Norske Skog Canada (USA), Inc. or "Norske," for the paper needed for the pages of our directories and we have a contract with one paper supplier, Spruce Falls, Inc., or "Spruce Falls," for the paper needed for the covers of our directories. The time required to print a directory depends on its size and may be as long as one month.
- *Transportation.* We use Matson Integrated Logistics, or "Matson," to manage the logistics of transporting our printed directories from our printers to our distributor.
- *Distribution.* We aim to deliver our directories to all of the residences and businesses in the geographical areas for which we produce directories. We use Product Development Corporation, or "PDC," for the distribution of our directories. Distribution begins as soon as the first completed directories are produced. Depending on the circulation and size of the directory, distribution ranges three to six weeks, with most directories taking 30 days or less.

Paper is our principal raw material. Substantially all of the paper that we use (other than for covers) is supplied by Nippon and Norske. Pursuant to our agreements with them, Nippon and Norske are required to provide up to 60% and 40% of our annual paper supply, respectively. Prices under the two agreements are negotiated each year based on prevailing market rates and are subject to certain price escalation limits. For the Combined Year 2003, paper costs were 4% of revenue, excluding the effects of purchase accounting, and 12% of our cost of revenue. If, in a particular year, the parties to one of the agreements are unable to agree on repricing, either party may terminate the agreement. The agreement with Nippon expires on December 31, 2009 and the agreement with Norske expires on December 31, 2008. In addition, we purchase paper used for the covers of our directories from Spruce Falls. Pursuant to an agreement between Spruce Falls and us, Spruce Falls is required to provide 100% of our annual cover stock paper supply. Although the amount of future price increases are specified in the agreement, if Spruce Falls and we are unable to agree on repricing, either party may terminate this agreement. This agreement expires on December 31, 2006.

All of our directories are printed by Donnelley and Quebecor, with which each of Dex Media East and Dex Media West has contracts. In general, Donnelley prints our larger, higher-circulation directories and Quebecor prints those directories that are smaller and have a more limited circulation. Dex Media East and Dex Media West do not guarantee any minimum volume in their agreements with Donnelley and Quebecor. Dex Media East's and Dex Media West's contracts with Donnelley allow us to adjust prices annually on a formula based on changes to the consumer price index. Our contracts with Donnelley and Quebecor expire on December 31, 2011 and July 30, 2008, respectively.

Nearly all copies of our directories are distributed by PDC. Although prices under our agreement with PDC are fixed, they may be renegotiated under some circumstances, such as new service specifications or to match more favorable prices offered by PDC to other customers. This contract expires on May 31, 2009.

We rely on Matson to manage the transportation of our printed directories from our printers' locations to PDC. Our contract with Matson expires on December 31, 2008.

We believe that each of these agreements is favorable on terms that are currently available in the market and could be replaced.

Billing and Credit Control

Historically, we have generally billed our customers monthly for advertising fees, either directly by us or by Qwest as part of the customer's monthly bill for telecommunications services, for which we have paid Qwest a fee. For the Combined Year 2003, Qwest billed approximately 45% of our local customer billings on our behalf. In connection with the Acquisition Transactions, Dex Media East and Dex Media West each entered into a billing and collection services agreement with Qwest pursuant to which Qwest continues to bill and collect on our behalf. The terms of these agreements end on November 7, 2004, although Qwest is required to provide transition billing services for billing transactions in the billing system as of the date of termination or expiration of either agreement for an interim period not to exceed 12 months. Any future billing and collection services provided by Qwest would be subject to negotiations and to Qwest's standard terms and conditions for billing and collecting on behalf of providers of services other than local telephone service. Qwest prepares settlement statements approximately 10 times per month for each state in the Dex States. At that time, Qwest purchases our accounts receivable with recourse to facilitate billing and collection. See "The Acquisition Transactions—Agreements between us, Dex Media East and/or Dex Media West and Qwest—Billing and Collection Services Agreements." We will be able to transition from the Qwest billing and collection system to our own billing and collection system within approximately two weeks should we choose to do so.

Because most directories are published on 12-month cycles and we bill most of our customers over the course of that 12-month period, we often effectively extend credit to our customers, many of which are small or medium-sized businesses with default rates that usually exceed those of larger businesses. Fees for national advertisers are typically billed upon issue of each directory in which advertising is placed by CMRs, after deduction of commissions. Because we do not usually enter into contracts with our national advertisers, we are subject to the credit risk of CMRs on sales to those advertisers, to the extent we do not receive fees in advance. For the Combined Year 2003, bad debt expense for our customers amounted to approximately 3.4% of our revenue, excluding the effects of purchase accounting. We attempt to improve collection of accounts receivable by conducting initial credit checks of new advertisers under certain circumstances, reducing the time taken to resolve billing inquiries and, where appropriate, requiring personal guarantees from business owners. We check all new orders from existing advertisers for payments that are past due to us prior to publishing of the new order. When applicable, based on credit policy, we use both internal and external data to decide whether to extend credit to an advertiser. In some cases, where appropriate, we may also require the advertiser to prepay part or all of the amount of its order. Beyond efforts under certain circumstances to assess credit risk prior to extending credit to customers, we employ well-developed collection strategies utilizing an integrated system of internal, external and automated means to engage with customers concerning payment obligations.

Competition

The U.S. directory advertising industry is competitive. We compete with many different advertising and other media, including newspapers, radio, television, the Internet, billboards, direct mail and other yellow pages directory publishers. There are a number of Independent directory publishers, such as TransWestern Publishing Company LLC and the U.S. business of Yell Group Ltd., with which we compete in one or more of the Dex States. In addition, we compete with other directory publishers in some of our markets, including Verizon Communications Inc. We compete with these publishers on value, quality, features and distribution. In the Dex States, our competitors publish and deliver approximately 550 directories. Our two largest competitors are Yell Group and Verizon. On average, there are two to three competing directories in each of our local markets.

In connection with the Acquisitions, we became a party to a publishing agreement and a non-competition agreement with Qwest. Under the publishing agreement, we are the exclusive official publisher of directories for Qwest within the Dex States. The publishing agreement will expire on November 7, 2052 and will automatically be renewed for additional one-year periods unless either party terminates the contract upon 12 months' written notice. See "The Acquisition Transactions—Agreements between Us, Dex Media East or Dex Media West and Qwest—Publishing Agreement." Acting as the exclusive official publisher of directories for the incumbent telephone company provides us with an advantage over our Independent competitors due to recognition of our brands, higher usage of our directories by end users and our long-term relationships with our customers. Under the non-competition and non-solicitation agreement, which will remain in effect until November 7, 2042, Qwest has agreed not to compete with us in the directory publication business in the areas in which we operate. See "The Acquisition Transactions—Agreements between Us, Dex Media East or Dex Media West and Qwest—Non-competition and Non-solicitation Agreement."

The Internet has emerged as a new medium for advertisers. Although advertising on the Internet still represents only a small part of the total advertising market, as the Internet grows, it may become increasingly important as an advertising medium. Most major yellow pages publishers operate an Internet-based directory business. We compete directly through our Internet-based directory, DexOnline.com with the Internet directories of the Independent publishers and some of the local exchange carriers. In addition, we compete with other Internet sites providing classified directory information, such as yellowpages.com, Switchboard.com, Citysearch.com and Zagat.com, and with search engines and portals, such as Yahoo!, Google, MSN and others, some of which have entered into affiliate agreements with other major directory publishers.

Intellectual Property

We own and license a number of patents, copyrights and trademarks in the United States. The only trademark we consider material to our operations is the DEX® trademark, which is owned by us and is used by Dex Media East and Dex Media West. We do not consider any individual patent, copyright or other trademark to be material to our operations. We believe that the phrase "yellow pages" and the walking fingers logo are in the public domain in the United States.

Properties

Our headquarters are located at 198 Inverness Drive West, Englewood, Colorado. Dex Media East leases this facility from Qwest Dex. The lease covering this facility expires October 31, 2008. After the consummation of the Dex West Acquisition, Dex Media West obtained co-occupancy rights with Dex Media East for these headquarters. Dex Media East also has significant operations at its facility located at 3190 South Vaughn Way, Aurora, Colorado, which it leases from a third party. The lease covering this facility expires October 31, 2008, and Dex Media East has the option to renew it for two additional terms, each for a period of five years. Dex Media West has significant operations at its facilities located at 10200 SW Greeburg Road, Portland, Oregon, which it leases from a third party. The lease covering this facility expires June 30, 2006, and Dex Media West has the option to renew it for five years. We operate from approximately 53 other facilities and, in the aggregate, utilize over 1,020,000 square feet (excluding the sublease for 198 Inverness Drive). We lease all of our facilities.

Employees

As of December 31, 2003, we employed approximately 3,000 employees, of which approximately 66% were represented by labor unions covered by two collective bargaining agreements. Our collective bargaining agreement with the International Brotherhood of Electrical Workers, or "IBEW," which covered approximately 27% of our unionized workforce as of December 31, 2003, expires in May 2006. Our collective bargaining agreement with the Communications Workers of America, or "CWA," which covered approximately 73% of our unionized workforce as of December 31, 2003, expires in October 2006. As of January 1, 2004, Dex Media Service LLC, a bankruptcy-remote entity owned 49% by Dex Media East, Inc., 49% by Dex Media West, Inc. and 2% by Dex Media, employs all of our non-senior management employees and makes them available to Dex Media East and Dex Media West. Dex Media Service LLC was formed as a bankruptcy-remote entity pursuant to the terms of Dex Media West's credit facilities and Dex Media East's credit facilities in order to mitigate the risk of not having available to Dex Media West or Dex Media East the services of our non-management employees if the other entity merges, is acquired or files for bankruptcy.