MANCY B. UNITE General Attorney

Southern Bell Telephone and Telegraph Company 150 South Monroe Street Suite 400 Tallahassee, Florida 32301 (404) 529-5387 UNIGINAL FILE COPY

December 10, 1993

Mr. Steve C. Tribble Director, Division of Records and Reporting Florida Public Service Commission 101 East Gaines Street Tallahassee, Florida 32301

RE: Docket No. 920260 IL

Dear Mr. Tribble:

Enclosed are an original and fifteen copies of Southern Bell Telephone and Telegraph Company's Request for Confidential Classification and Motion for a Permanent Protective Order. Please file these documents in the above-captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served on the parties shown on the attached Certificate of Service.

SINCELETA!

Wancy B. White

**Enclosures** 

cc: All Parties of Record

A. M. Lombardo H. R. Anthony R. D. Lackey

DOCUMENT NUMBER-DATE

13237 DEC 10 #

FPSC-RECORDS/REPORTING

MS FILED

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FIL GOPT

In re: Comprehensive Review of the Revenue Requirements and Rate Stabilization Plan of Southern Bell Telephone and Telegraph Company

Docket No. 920260-TL

Filed: December 10, 1993

# SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY'S REQUEST FOR CONFIDENTIAL CLASSIFICATION AND MOTION FOR A PERMANENT PROTECTIVE ORDER

COMES NOW, BellSouth Telecommunications, Inc., d/b/a
Southern Bell Telephone and Telegraph Company ("Southern Bell" or
"Company"), pursuant to Rule 25-22.006, Florida Administrative
Code, and Rules 1.280(c), Florida Rules of Civil Procedure, and
files its Request for Confidential Classification and Motion for
a Permanent Protective Order regarding portions of and exhibits
attached to the rebuttal testimony of Walter S. Reid, witness for
Southern Bell, filed on December 10, 1993 in the above-captioned
docket. In support of its Request and Motion, Southern Bell
shows the following:

- 1. During the course of this proceeding, Public Counsel has conducted extensive discovery of Southern Bell. Documents have been delivered to Public Counsel in response to Public Counsel's requests for production of documents and interrogatories. Those documents were the subject of Motions for a Temporary Protective Order filed herein and consequently are currently treated by Public Counsel as confidential materials.
- 2. Public Counsel has used certain documents and information in this proceeding as part of the testimony and exhibits of Public Counsel's witness, Thomas C. Deward. In response to part of Mr. Deward's testimony, Southern Bell has nacument number-Date

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filed the testimony of Walter S. Reid which contains certain of this proprietary confidential information. Therefore, Southern Bell herewith files its Request for Confidential Classification and its Motion for Permanent Protective Order for the information contained in the testimony and exhibits of the witness for Southern Bell. Southern Bell has appended to this Request for Confidential Classification as Attachment "A" a listing of the location in the documents of the information designated by Southern Bell as confidential, together with a statement indicating why the material should be treated as confidential proprietary business information.

- 3. Appended hereto in an envelope designated as Attachment "B" are two copies of the documents with the confidential information deleted. Appended hereto in an envelope designated as Attachment "C" is a copy of the documents with the proprietary information highlighted.
- 4. The first category of information sought to be protected contains competitively sensitive information relating to the directory advertising operations of one of Southern Bell's unregulated affiliates, BellSouth Advertising and Publishing Company ("BAPCO"), and as such the information contained therein is proprietary confidential business information under Section 364.183(3)(e), Florida Statutes. This information contains net income information, revenue information, tax information, revenue requirement and earnings information.

- 5. The directory advertising business is a competitive business, and companies participating in that market do not typically share their revenue, tax, and profit margin information with their competitors. Section 364.183(3)(e), Florida Statutes, specifically includes "information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information" as proprietary confidential business information. The profitability of competitive enterprises is considered to be proprietary business information and is not generally shared publicly, and is certainly not shared directly with competitors of these companies.
- 6. BAPCO currently has as many as 69 directory publishing competitors in the region, which together publish 199 directories in direct competition to BAPCO. In Florida alone, 15 yellow page publishers compete with BAPCO by publishing 56 directories in markets throughout the state. Notable among BAPCO's directory competitors are several newspaper companies which have begun direct competition with BAPCO's yellow pages. These include Gannett, the Gainesville Times, The Palatka Daily News, and other New York Times papers throughout the state and region. These numbers do not include the growing competition which BAPCO faces from other advertising media, such as local television, radio and direct mail competitors. Businesses in these media often target large BAPCO advertisers soliciting the move of advertising

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dollars from BAPCO's yellow pages directories to their form of advertising at competitive rates.

- 7. Unlike most of its directory competitors, BAPCO pays a substantial amount of its growth revenues to BST. The ability for BAPCO's competitors to ascertain the effect of this cost on BAPCO'S "bottom-line" would be a significant competitive advantage to them and corresponding harm to BAPCO. Knowledge of BAPCO's income, and returns would allow its competitors to competitively price their advertising products at levels below any which BAPCO could profitably support. If such disclosure continues in the future, they could also gauge the efforts of their competition on BAPCO. Because many of these competitors are private entities or subsidiaries of major corporations, BAPCO does not have access to the same bottom-line information at issue here concerning their competitive position. This proposed denial of confidential treatment would thus be a severe disadvantage to BAPCO.
- 8. The confidentiality of BAPCO information in question is acknowledged. The competitive position of BAPCO is well documented. The harm which it would suffer from disclosure of its proprietary financial information is direct and significant.
- 9. In accordance with Rule 25-22.006, Florida
  Administrative Code, the information for which confidential
  treatment is sought is intended to be and is treated by the
  Company as private and has not been disclosed on a nonconfidential basis.

WHEREFORE, Southern Bell Telephone and Telegraph Company moves the Prehearing Officer to enter an Order declaring the information described above, and contained in the indicated portions of the attached testimony and exhibits, to be confidential proprietary business information and thus not subject to public disclosure.

Respectfully submitted this 10th day of December, 1993.

SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

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#### ATTACHMENT "A"

FPSC Docket No. 920260
Request for Confidential Classification
Testimony of Walter S. Reid

#### REASONS INFORMATION IS PROPRIETARY

This information relates to Southern Bell's unregulated products and services, the disclosure of which would impair the competitive business and/or unregulated operations of Southern Bell. This includes information relating tot he revenues, expenses or investment in these unregulated products and services. This information could be used by competitors to harm Southern Bell in its marketing of its unregulated products and services. As such, this information is classified as confidential business information pursuant to Section 364.183, Florida Statutes, and is exempt from the Open Records Act.

#### LOCATION OF PROPRIETARY INFORMATION

Page #	Line/Column
25	25
26	6, 8, 11, 14
34	23, 24
35	1, 2

## ATTACHMENT "B"

Two copies of the document with the confidential information deleted.

### ATTACHMENT "C"

One copy of the document with the material which is confidential and proprietary highlighted.

CERTIFICATE OF SERVICE Docket No. 920260-TL Docket No. 900960-TL Docket No. 910163-TL Docket No. 910727-TL

I HEREBY CERTIFY that a copy of the foregoing has been furnished by United States Mail this 10th day of December, 1993 to:

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