

COMPETITION TRIBUNAL		P R O D U I T
TRIBUNAL DE LA CONCURRENCE		
1	MAY 10 2002	
FILED	REGISTRAR -- REGISTRAIRE	
OTTAWA, ONT.		# 1

CT- 2002/002

**THE COMPETITION TRIBUNAL**

**IN THE MATTER OF THE *COMPETITION ACT*, R.S., 1985, c. C-34, as amended;**

**AND IN THE MATTER OF** an inquiry pursuant to subsection 10(1)(b)(ii) of the *Competition Act* relating to the marketing practices of Phone Directories Company, Inc.;

**AND IN THE MATTER OF** an Application by the Commissioner of Competition for a consent order pursuant to section 74.12 of the *Competition Act*.

**B E T W E E N:**

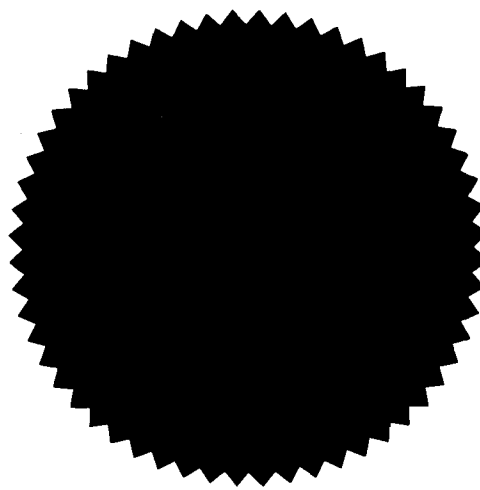
**THE COMMISSIONER OF COMPETITION**

Applicant

-and-

**PHONE DIRECTORIES COMPANY, INC.**

Respondent



**CONSENT ORDER**

[1] FURTHER TO the Commissioner of Competition's (the "Commissioner's") application for a consent order made under section 74.12 of the *Competition Act* (the "Act");

[2] WHEREAS beginning in or about 1998, through its sales agents, the Respondent began contacting businesses in British Columbia and promoting the sale of advertisements in telephone directories to be published and distributed by the Respondent in certain areas in the interior of British Columbia, including the Kamloops area, the Vernon area, the Kelowna area and the Penticton area (all of those directories hereinafter collectively referred to as the "Directories");

[3] WHEREAS in the promotion of the Directories, the Respondent made certain representations regarding, among other things:

- (a) the number of telephone directories it would publish and distribute for a given geographic region (i.e., 3 separate directories to cover the greater Okanagan Valley - one for each of, the Vernon area, the Kelowna area, and the Penticton area);
- (b) the date upon which the Directories would be published and distributed;
- (c) the geographic breadth or reach of distribution of the Directories; and,
- (d) the density of distribution of the Directories;

[4] WHEREAS the Respondent caused an advertisement to be published in the Kamloops Daily News on July 26, 2000 which stated, among other things, “Thank you Kamloops for choosing the Kamloops Phone Directory!” and “... over 94% of you choose to use our phone directory.”;

[5] WHEREAS certain of the representations made by the Respondent in the promotion of the Directories were false or misleading in a material respect;

[6] WHEREAS the Respondent has declared to the Applicant that it will resolve, expeditiously and on a commercially reasonable basis, all disputes arising from any false or misleading representations referred to in this Order;

[7] WHEREAS nothing in this consent order shall be taken as an admission now or in the future by the Respondent of any of the statements made herein; however, the Respondent does not contest the statements for purposes of this consent order or any proceeding initiated by the

Commissioner which arises out of this consent order;

THE COMMISSIONER AND THE RESPONDENT CONSENT TO THE REGISTRATION BY THE COMPETITION TRIBUNAL OF AN ORDER THAT:

[8] The Respondent or anyone acting on its behalf or for its benefit, including all directors, officers, employees, agents, successors or assigns, shall refrain from making, causing to be made, or permitting to be made, any representations whatsoever in Canada or available to Canadians by any means whatsoever, including via the Internet, which are false or misleading in a material respect, including representations regarding:

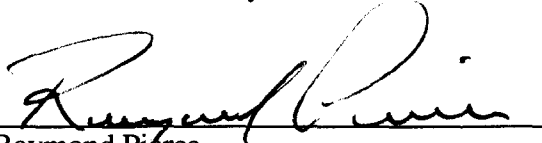
- (a) the number of telephone directories to be published and distributed for any given geographic area or region;
- (a) the time period in which any given telephone directory will be published and distributed;
- (c) the geographic area over which any given telephone directory to be published and distributed will be distributed; and
- (d) the density of distribution of any given telephone directory to be published and distributed.

[9] The Respondent shall refrain from making any representations regarding the rate or level of usage of its telephone directories, unless such usage representations are substantiated by a verifiable and statistically sound survey performed prior to the making of the representation. Upon the request of the Commissioner, the Respondent shall provide any such survey to the Competition Bureau, within ten days of the Commissioner's request.

[10] The Respondent shall, within thirty days of registration of this consent order, pay an administrative penalty in the amount of \$5,000.00 dollars.

[11] This consent order shall remain in force for a period of 10 years from its date of registration.

Dated this 15<sup>th</sup> day of March, 2002

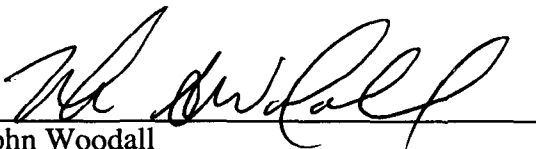


Raymond Pierce  
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Competition Bureau  
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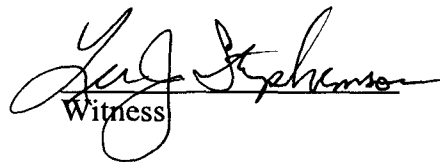


Witness

Dated this 22 day of February, 2002



John Woodall  
President and Chief Operating Officer  
Phone Directories Company, Inc.  
301-9600 Cameron Street  
Burnaby, British Columbia  
V3J 7N3



Witness