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## Level 3 Communications, Inc. Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from Michael McCormack from JP Morgan.

#### Michael McCormack - JP Morgan

I would like an update on what is going on with the Unity program. Just looking at the Business Markets Group revenue, it seems like it is significantly worse than a lot of the peers out there and you guys obviously should be a share taker, relatively smaller provider in that marketplace. Could you give us an update on those two issues?

#### Jim Crowe

I will handle Unity and Sunit do you want to comment on revenue?

With respect to Unity, I think we've said over the course of the last year and summed up that the framework for Unity was in place and that we met our target of getting 2/3 of up order volume through Unity by year-end. The best measure of the success of Unity, which for those of you who don't track that day-to-day, is the term we use to refer to both the processes and the systems which support those processes from quotes to collecting cash. The best measure of how we're doing is how we're meeting our customer promises, particularly on install intervals. We said over the course of the year that we are meeting our targets. That is what we track; that is what our customers care about, and that is what we're going to continue to focus on.

Of course Unity is always something that we can improve on. I think Jeff Storey has said a number of times that our focus has now shifted from the framework and maybe some of the systems work, to making sure that our network inventory, and that is key for any communications company, that is knowing what's in your networks, what is utilized currently to provide service, and what's available for new service, that that inventory is accurate. That is tens of millions of records that we need to make sure have high levels of data integrity and that is what where we will be spending our time.

Sunit, can you discuss Mike's question about revenues?

#### Sunit Patel

On revenues what I said. I mean first of all Mike, on an overall basis and then I will get to BMG, our year-over-year revenues were down about 3.5% on a constant currency basis. I think if you compare that to Verizon who just reported about 5.8% down year-over-year excluding consumer and wireless; if you look at T it's about 4.5%.

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