

Decision No. 39384

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the matter of the Application of SANGER TELEPHONE COMPANY, a public utility, for an order authorizing changes in directory advertising rates, and conditions appertaining thereto.

Application No. 27782

OPINION AND ORDER

Sanger Telephone Company, Applicant in this proceeding, requests authority to increase its telephone directory advertising rates and modify conditions, effective with the next issue of the directory scheduled on or about November 1, 1946, and to cancel its presently effective telephone directory advertising schedule. Appropriate notification was given the Office of Price Administration.

Applicant issues a telephone directory which includes cover, line, and display advertisements in addition to the telephone numbers of its subscribers within Sanger exchange, Fresno County. The present rates for directory advertising were established several years ago since which time the number of subscribers has grown, resulting in an increase in circulation, and in the cost of compiling, publishing, and delivering the directory. Applicant alleges that its present rates for directory advertising service are too low and considerably out of line with those being applied to similar and comparable telephone directory advertising of other companies. Accordingly, applicant proposes to make certain changes in the directory, increase the charges for advertisements, and to cancel its present advertising schedule.

Applicant proposes to transfer all directory advertising from the alphabetical section of its directory to the classified section and to discontinue all advertising on the cover pages. It is expected that these modifications will facilitate the use of the directory by telephone users.

Applicant, in Exhibits A and B, has shown present and requested directory advertising rates.<sup>1</sup> A copy of the form of application for directory advertising also is attached to the application.

Directory advertising rates of California telephone utilities are under the regulation of the Commission. The revenue from directory advertising service in accordance with classification of accounts prescribed by the Commission is included in operating revenues and the expenses incurred in preparing copy, printing, binding, and distributing directories, and the cost of securing advertisements for directories are included in operating expense. It is estimated that annual gross revenue from directory advertising under the requested

<sup>1</sup> Present rates are as follows:

	<u>Rate Per Month</u>
(1) Cover:	
(a) First Cover, outside front	
2 inches, top or bottom	\$ 4.00
1½ inches, top or bottom	3.00
1 inch, top or bottom	2.00
(b) Second cover, per inch	.50
(c) Third cover, per inch	.30
(d) Fourth cover, per inch	.60
(2) Alphabetical Section:	
(a) First Page, bottom two inches per inch	1.00
(b) Bold Type Listing, each	.50
Two or more, each	.35
With display space, each	.35
(c) Margin, top or bottom, one	1.00
(d) Interspersed classified listing, one	.50
Two or more, each	.35
(e) 1/2 inch interspersed in column in alphabetical or classified order, each	.75
(3) Classified Display Advertisements:	
(a) 1/2 Column, each	1.50
(b) 1/4 Column, each	1.00
(4) Classified Column Advertising:	
(a) Informational inch, each	.75
(b) Trade mark heading, each	.75
(c) Trade mark heading bold type listing, each	.35
(d) Trade mark heading regular type listing, each	.25
(e) Trade name listing, each	.50
(f) Bold type listing, each	.35
Two or more, each	.25
With display space, each	.25
Combined with alphabetical bold type, each	.60
(g) Regular type listing, each	.25
(h) Regular type additional line, each	.25
(i) Trade name cross reference heading, each	.50
(5) Inserts:	<u>Rates Per Issue</u>
(a) Loose between pages, per insert	1/2¢

rates will amount to \$2,000 and the annual expense of issuing the directory will be \$1,400.

Sanger Telephone Company, having made application for authority to increase rates and modify conditions related to its directory advertising service, the Railroad Commission having considered Applicant's request and being of the opinion that a public hearing is not required, and that the application should be granted, and finding that the increases in directory advertising rates herein ordered are justified, therefore,

IT IS ORDERED as follows:

1. Sanger Telephone Company may make effective, beginning with the next issue of its telephone directory, scheduled on or

<sup>1</sup> (Continued)

Requested rates are as follows:

Rate Per Month

(1) Display Advertisements:

One-quarter Column . . . . .	\$ 1.75
One-half Column . . . . .	3.50
Two one-half Columns . . . . .	7.00
Above rate includes an anchor listing, if desired, under the heading with which the display is associated.	

(2) Column Advertising:

(a) Each Informational Listing . . . . .	1.25
(b) Each Trade Mark Heading . . . . .	1.75
Above rates contemplate one column inch of space. An informational listing is limited to this depth. Trade mark headings may exceed this depth to a maximum of three regular type listings, each such line or fraction thereof taking the rate for an additional line of information.	
(c) Each Trade Mark or Trade Name Cross Reference . . . . .	.50
(d) Each Trade Name Listing . . . . .	.50
Above rate contemplates the name of a product or service in bold type as a caption, and the advertiser's name in all capitals, regular type.	
(e) Listings:	
Each Bold Type Listing . . . . .	.40
Each Regular Type Listing . . . . .	.20
Additional Lines of Information	
Not to exceed a total of three lines in addition to the listing or trade mark heading with which associated:	
Each line or fraction thereof . . . . .	.20

about November 1, 1946 the changes in practices discussed above and the rates and conditions as shown in Exhibit B attached to the application.

2. Necessary tariff filings, in accordance with General Order No. 96, shall be made not later than fifteen days immediately preceding their effective date.
3. This Order shall become effective on the twentieth day after the date hereof.

Dated at San Francisco California, this 10<sup>th</sup> day of

September 1946.

Harold P. Hull

Justin F. Coe  
Francis B. Coe

W. H. Powell

R. E. Johnson  
Commissioners,