

Decision No. 39995

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of KERN MUTUAL TELEPHONE COMPANY, a corporation, for an order authorizing changes in telephone directory advertising rates, and conditions appertaining thereto.

Application No. 28191

ORIGINAL

OPINION AND ORDER

Kern Mutual 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 June 1, 1947 and to cancel its presently effective telephone directory advertising schedule. Appropriate notification was given to the Federal Office of Temporary Controls.

Applicant operates a telephone system serving the Buttonwillow, Taft, and McKittrick exchange areas and surrounding territory located in Kern and Santa Barbara Counties, California. In connection with this operation a telephone directory is issued which includes display advertisements on the cover, in the alphabetical section, and in the classified section, in addition to inserts, tags, and markers and the telephone numbers of subscribers. This directory has been issued in the past at nine-month intervals, but Applicant proposes to issue it at 12-month intervals in the future.

The present rates for directory advertising were established on September 1, 1939 since which time the number of stations served has more than doubled and costs have increased in practically every respect in the operations of the company, especially in connection with publishing its directory. Applicant alleges that its present rates for directory advertising service are too low and considerably out of line with costs and with rates being applied to similar and comparable telephone directory advertising of other companies and with other advertising media. Accordingly, Applicant proposes to make certain changes in the

directory, increase the charges for advertisements, and to cancel its present advertising schedule. Applicant also proposes to transfer all directory advertising from the alphabetical section of its directory to the classified section, and to discontinue inserts, tags, markers, and all advertising on the cover pages. It is expected that these modifications will facilitate the use of the directory by telephone users.

Applicant, in Exhibit A attached to the application, has shown present directory advertising rates $\frac{1}{2}$. The rates requested, shown in Exhibit A attached hereto, are estimated to produce annual gross revenues of \$11,000, which amount is expected to cover the increased directory expenses and contribute in a reasonable measure to the over-all earnings. The annual expense of issuing the directory is estimated to be \$7,400.

Present rates are as follows:

	<u>Rate Per Month</u>
(1) COVER	
(a) First cover, per inch	\$ 3.00
(b) Second cover, per inch	.60
(c) Third cover, per inch	.50
(d) Fourth cover, per inch	.75
(2) ALPHABETICAL SECTION	
(a) First page, bottom two inches, per inch	1.50
(b) Bold type listing, each	.60
Two or more, each	.50
With display space, each	.50
(3) CLASSIFIED DISPLAY ADVERTISEMENTS	
(a) $\frac{1}{2}$ Double column, each	4.00
(b) $\frac{1}{2}$ Column, each	2.50
(c) $\frac{1}{4}$ Column, each	1.50
(4) CLASSIFIED COLUMN ADVERTISING	
(a) Informational inch, each	1.00
(b) Trade mark heading, each	1.00
(c) Trade mark heading bold type listing, each	.50
(d) Trade mark heading regular type listing, each	.35
(e) Trade name listing, each	.50
(f) Bold type listing, each	.50
Two or more, each	.35
With display space, each	.35
Combined with alphabetical bold type, each	.85
(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¢
(6) TAG, per tag	1¢
(7) MARKER, each	1¢

Kern Mutual Telephone Company, having made application for authority to increase rates and modify conditions relating to its telephone directory advertising service, the Public Utilities 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. Kern Mutual Telephone Company may make effective, beginning with the next issue of its telephone directory scheduled on or about June 1, 1947, the changes in practices discussed above and the rates and conditions as shown in Exhibit A attached hereto and made a part hereof.
2. Necessary tariff schedules in accordance with General Order No. 96 shall be filed not later than 15 days immediately preceding their effective date.

Dated at San Francisco, California, this 25th day of February 1947.

Harold P. Kells
Justice J. C. Green
W. H. Russell
A. J. ...
Commissioners.

EXHIBIT-A

Schedule No. D-1

CLASSIFIED TELEPHONE DIRECTORY ADVERTISING SERVICE

APPLICABILITY

Applicable to advertising in the Company's Classified Telephone Directory.

TERRITORY

In territory as defined on maps and in preliminary statements filed as part of the tariff schedules.

RATES

Rate
Per Month

(1) Display Advertisements:	
One-quarter Column	\$ 3:00
One-half Column	6:00
Two One-half Columns	12:00
Above rates include an anchor listing, if desired, under the heading with which the display is associated.	
(2) Column Advertising:	
(a) Each Informational Listing	1:75
(b) Each Trade Mark Heading	2:50
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 five 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 Reference85
(d) Each Trade Name Listing75
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 Listing60
Each Regular Type Listing30
Additional Lines of Information	
Not to exceed a total of five lines in addition to the listing or trade mark heading with which associated:	
Each line or fraction thereof30

SPECIAL CONDITIONS:

(Same as those set forth in Exhibit B attached to the application)