

Decision No. 40346

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the matter of the Application of
PUBLIC UTILITIES CALIFORNIA CORPORATION
for an order authorizing changes in
telephone directory advertising rates,
and conditions appertaining thereto.

Application No. 28420

OPINION AND ORDER

Public Utilities California Corporation, Applicant in this proceeding, requests authority to modify its telephone directory advertising rates and conditions applicable to its Elk Grove and Rio Vista exchanges, effective with the next directory issues which will be on or about September 1, 1947 for Elk Grove, and December 1, 1947 for Rio Vista. Appropriate notification was given the Office of Temporary Controls.

Applicant now owns and operates telephone systems furnishing telephone service in a number of cities and towns and their surrounding territories in California, including the cities of Elk Grove in Sacramento County, and Rio Vista in Solano County, and it is these two exchanges to which this application pertains.

Applicant issues telephone directories in connection with the operation of these two exchanges, which are similar in size as respects the number of subscribers served. In addition to the telephone numbers of subscribers, the directories include advertising on inside and outside covers and certain margins on the alphabetical pages.

Applicant alleges that the cost of issuing the directories in each of these exchanges exceeds the revenue from directory advertising. Accordingly, Applicant proposes (1) to make certain changes in the directories, (2) to provide for a greater variety of advertising classifications, and (3) to cancel its present advertising rates.

It is proposed to bill the customers for advertising service on a monthly basis rather than on a per issue basis as at present. This change will place the billing procedure on the same basis as that of other comparable directories. Applicant proposes to transfer all directory advertising from the alphabetical section of its directories to a new classified section and to discontinue all advertising on the cover pages. It is expected that these modifications will facilitate the use of the directories by telephone subscribers.

Applicant, in Exhibit A attached to the application, has shown present advertising rates. ^{1/} It is alleged that under the directory advertising rates now in effect for the Elk Grove exchange, the last directory issue incurred an expense of \$248 and advertising revenue for that same directory amounted to \$156, making a net loss of \$92. It is estimated that gross advertising revenue for the first issue of the directory under the proposed rates will be \$600 on an annual basis, and net revenue will be approximately \$50. Under the advertising rates now in effect for the Rio Vista exchange, the last issue of the directory incurred an expense of \$295 and advertising revenue for that same directory amounted to \$157, making a net loss of \$138. It is estimated that gross advertising revenue from the first issue of the directory under the proposed rates will be approximately \$1,500 on an annual basis, and net revenue will be approximately \$150.

Present rates are as follows

	<u>Rate per issue</u>
(1) Covers:	
Outside Front Cover - Lower 1/2 Page	\$10.00
Next 1/4 Page above Lower Half	7.50
Inside Front Cover - Full Page	10.00
1/2 Page	6.00
1/3 Page	4.50
1/4 Page	3.00
Inside Back Cover - Full Page	10.00
1/2 Page	6.00
1/3 Page	4.50
1/4 Page	3.00
Outside Back Cover - Full Page	15.00
1/2 Page	7.50
1/3 Page	5.00
1/4 Page	3.75
(2) Inside Pages - Full Page	10.00
1/2 Page	5.00
1/4 Page	3.00
(3) Tops or Bottoms of Pages - One Inch	2.00
Two Inches	4.00

Public Utilities California Corporation, has made application to increase rates and modify conditions relating to its telephone directory service in the Elk Grove and Rio Vista exchanges. The California Public Utilities Commission has considered Applicant's request and is of the opinion that a public hearing is not required. Finding that the increases in directory advertising rates herein ordered are reasonable and justified, the California Public Utilities Commission is of the opinion that the application should be granted, therefore,

IT IS HEREBY ORDERED as follows:

1. Public Utilities California Corporation may make effective, beginning with the next issue of its telephone directories, scheduled on or about September 1, 1947, for Elk Grove exchange, and on or about December 1, 1947, for Rio Vista exchange, 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 filings, in accordance with General Order No. 96, shall be made with the Commission not later than fifteen (15) days immediately preceding the effective date of such filings.
3. The effective date of this Order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 3rd day of

June, 1947.

Harold P. Kule
Justus J. Casper
Justus J. Casper
A. E. Morrison
Kenneth Potts
Commissioners

EXHIBIT A

Schedule No. D-1

CLASSIFIED TELEPHONE DIRECTORY ADVERTISING SERVICE

APPLICABILITY

Applicable to advertising in the Company's Elk Grove and Rio Vista Classified Telephone Directories.

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	\$ 1.25	
One-half Column	2.50	
Two One-half Columns	5.00	
Above rates include an anchor listing, if desired, under the heading with which the display is associated.		
(2) Column Advertising:		
(a) Each Informational Listing	1.00	
(b) Each Trade Mark Heading	1.25	
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 Reference40	
(d) Each Trade Name Listing40	
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 Listing35	
Each Regular Type Listing15	
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 thereof15

SPECIAL CONDITIONS

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