

ORIGINALDecision No. 51273

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

THE SECURITY CURRENCY SERVICES, LTD.,)

Complainant,)

vs.)

THE PACIFIC TELEPHONE AND
TELEGRAPH COMPANY, a corporation,)

Defendant.)

Case No. 5589

Kenneth Ames, for Security Currency Services, Ltd.;
Pillsbury, Madison & Sutro by John A. Sutro and
 Lawler, Felix & Hall by L. B. Conant; for
 defendant.

O P I N I O N

The complainant alleges that the Security Currency Services, Ltd., prior to September 21, 1954, was a subscriber and user of telephone service furnished by defendant company under the number Ludlow 1-6796 at 7210 Compton Street, Los Angeles, California. On or about September 21, 1954, these telephone facilities were disconnected by representatives of the Los Angeles County Sheriff's Office on charges of book-making. The complaint further alleges that complainant has made a demand upon the defendant company to have the said telephone facilities restored, and that defendant telephone company has refused such demand. It is also alleged that the complainant did not use, and does not now intend to use the telephone facilities in question as an instrumentality to violate the law nor in aiding or abetting such violation.

Under date of November 16, 1954, the defendant filed an answer, the principal allegation of which was that the defendant company had reasonable cause to believe that the use made, or to be made of the telephone facilities in question was prohibited by law, pursuant to Decision No. 41415, dated April 6, 1948, in Case No. 4930 (47 Cal. PUC 853).

Public hearings were held in Los Angeles on February 10 and February 21, 1955 before Examiner Syphers, on which dates evidence was adduced and on the last-named date the matter was submitted.

On the first date of the hearing, a representative of the complainant company testified that the principal business of that company is check cashing and money order selling. The business was incorporated on January 1, 1955 and maintains various offices throughout the city, one of them at 7210 Compton Avenue in the City of Los Angeles. This office consists of a cage which is located in the front of a shoe repair shop. He testified that a telephone is necessary in the business inasmuch as it is necessary to verify checks which are presented for cashing. However, the witness stated that he had no connection with or control of the office in question and that he did not have anything to do with the application for telephone services.

A deputy sheriff of Los Angeles County testified that on September 15, 1954, he entered the premises in question and found there a man by the name of Von Botch. This man gave him a piece of paper which apparently was a betting marker listing the names of horses which were running at the different tracks

on that date, and told the deputy that he had accepted calls over the telephone for bets on horse races and had relayed these calls to another number. Von Botch stated that for this activity he was to receive 5% of the amount of bets placed. The deputy arrested him at that time and disconnected the telephone.

The supervising special agent of The Pacific Telephone and Telegraph Company presented Exhibit No. 1 which is a letter from the Los Angeles County Sheriff's Office to the Telephone Company dated September 16, 1954, requesting that the telephone facilities in question be disconnected. The position of the telephone company was that it had disconnected service pursuant to this request and accordingly had acted upon "reasonable cause" as that term is defined in Decision No. 41415, supra.

At the conclusion of the hearing on February 10, the matter was continued and it was suggested that complainant have a representative appear who had some control or authority over the office in question and the proposed subscription to telephone service.

On February 21, 1955, at the continued hearing, there was no appearance for the complainant.

Upon this record we find that the action of the telephone company was based upon "reasonable cause" as such term is used in Decision No. 41415, supra. We further find that the telephone facilities in question were used for bookmaking purposes. Inasmuch as the complainant has not made an adequate showing as to the proposed use of the telephone service now requested, and since there was no appearance for complainant at

the continued hearing, which continuance was specifically granted for the purpose of permitting complainant to remedy defects in its showing, the matter will be dismissed.

O R D E R

The complaint of The Security Currency Services, Ltd., against The Pacific Telephone and Telegraph Company having been filed, public hearings having been held thereon, the case now being ready for decision, the Commission being fully advised in the premises and basing its decision on the evidence on record and the findings herein,

IT IS ORDERED that the complaint be, and it is hereby dismissed.

The effective date of this order shall be twenty days after the date hereof.

Dated at Los Angeles, California,
this 21st day of March, 1955.

[Signature]
President
[Signature]
[Signature]
[Signature]

Commissioners