

**ORIGINAL**

Decision No. 54735

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 THE PACIFIC TELEPHONE AND TELEGRAPH )  
 COMPANY, a corporation, for authority )  
 to separate the present Sonoma, Lake )  
 and Mendocino Counties classified )  
 telephone directory into two directo- )  
 ries, one for Sonoma County and the )  
 other for Lake and Mendocino Counties. )

Application No. 38760

A. T. George, Pillsbury, Madison & Sutro by  
Dexter C. Tight and Charles B. Renfrew,  
 for applicant;  
 Santa Rosa Chamber of Commerce by C. Scott  
Gordon; Petaluma Chamber of Commerce by  
Claude D. Bradford; City of Sebastopol by  
M. J. Bankhead, interested parties;  
James F. Haley, for the Commission staff.

O P I N I O N

Nature of Proceeding

By the above-entitled application, filed January 24, 1957, The Pacific Telephone and Telegraph Company seeks an order of this Commission authorizing applicant: (1) to discontinue publication of its Sonoma, Lake and Mendocino Counties telephone directory and in place thereof to publish and issue two directories, one for Sonoma County and one for Lake and Mendocino Counties, (2) to issue the new directories in a four-column format in lieu of the three columns used in the single directory and (3) to revise the present rate group to a lesser one for the Lake and Mendocino County directory and to a higher one for the Sonoma County directory, thus increasing charges to advertisers in the latter.

Public Hearing

After widely published and posted notices in the three counties, public hearing in the matter was held before Examiner F. Everett Emerson on February 27, 1957, at Ukiah and on February 28,

1957, at Santa Rosa. The matter was submitted upon the receipt of a late-filed exhibit on March 4, 1957.

Nature of Evidence

The record in this proceeding consists of five exhibits and the testimony of one witness on behalf of applicant, the testimony of one witness on behalf of the City of Ukiah, the testimony of one witness on behalf of the Ukiah Chamber of Commerce and the Mendocino County Chamber of Commerce, statements by representatives of the City of Sebastopol and the Chambers of Commerce of Santa Rosa and Petaluma, and letters from the City of Healdsburg and the City of Sebastopol.

At the present time, applicant publishes a single telephone directory to serve its subscribers in Sonoma, Lake and Mendocino Counties. This directory lists subscribers alphabetically by exchanges and includes a single "yellow pages" section containing the advertisements and classified listings of subscribers throughout the three-county area. Because of the large area covered and because certain natural geographical features, such as rivers and mountains, centers of population and business activities are so separated, relatively few of the telephone subscribers served by the present directory have occasion to refer to listings in either all or a majority of the exchanges included in the directory. For like reasons, applicant varies the order in which exchange listings appear and thus actually undertakes more than one printing or issue of the present directory.

Applicant proposes to issue two directories, in September, 1957, in place of the present single directory. One would cover the counties of Lake and Mendocino, the other would cover Sonoma County. Each would contain a single alphabetical list of subscribers desiring directory representation and each would contain its own

classified section. Applicant also proposes to establish a uniform four-column format for both alphabetical and classified sections of the new directories in place of the three-column format now used. According to applicant, directory usefulness will be improved for these reasons: (1) reference to the alphabetical section will be facilitated by the elimination of listings for which there is little demand, (2) classified directory users will benefit by eliminating the representation of firms beyond their community of interest, (3) advertisers will benefit because their advertising will be directed to their marketing area, and (4) publishing two smaller directories results in reduced production time, permitting inclusion of listings otherwise held until the following issue and allowing fewer obsolete listings.

Rates for advertising in the present classified telephone directory, are those for circulation Rate Group 7 of the schedule of directory advertising rates and are based on the circulation in the Santa Rosa exchange as of the time the directory was published. Under the two-directory proposal, the Lake and Mendocino Counties directory rate group would be lowered to Group 4 which is the group in which the largest exchange (Ukiah) would fall by reason of its circulation of approximately 7,000 subscribers, while the Sonoma County directory would be raised to Rate Group 8 which would be occasioned by its largest exchange (Santa Rosa) having somewhat in excess of 23,000 subscribers. The net effect on revenues is estimated by applicant to be an increase of \$6,840 annually. After initial nonrecurring expenses estimated to total \$6,900, annual savings thereafter would approximate \$20,900.

The Cities of Ukiah, Santa Rosa, Healdsburg and Sebastopol, as well as the chambers of commerce of Ukiah, Santa Rosa, Petaluma and Mendocino County support applicant's proposal.

Conclusions

In view of the evidence, we find that applicant's proposal is in the public interest and that the requested authority should be granted. It appears appropriate that applicant should furnish any subscriber who may request it, a copy of the 1957 directory for either of the two areas and the order herein will so provide. We further find that the increases in rates and charges authorized herein are justified and that existing rates and charges, in so far as they differ from those authorized herein, are for the future unjust and unreasonable.

O R D E R

Public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY ORDERED as follows:

1. Applicant is authorized to discontinue the publication and issuance of the present "Sonoma, Lake and Mendocino Counties" classified telephone directory, and to cancel and withdraw existing tariffs covering rates applicable to classified and alphabetical telephone directory advertising therein.

2. Applicant is authorized to publish and issue alphabetical and classified telephone directories in four-column format for "Sonoma County" and for "Lake and Mendocino Counties", and to publish, file and place into effect with the 1957 issues of such directories, rates for directory advertising as set forth in Exhibits A and B attached to the application herein.

3. In addition to the directory normally supplied each subscriber, applicant shall supply (free of any charge therefor) any subscriber requesting the same during the life of such directory and irrespective of the subscriber's telephone usage, a copy of the

1957 directory for either "Sonoma County" or for "Lake and Mendocino Counties", as the case may be.

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

Dated at Los Angeles, California, this 26<sup>th</sup> day of March, 1957.

*John E. McNeil*  
President

*Frank W. ...*

*William J. ...*

*W. H. ...*

*E. L. Fox*  
Commissioners