

SW/ltc \*

Decision No. 85563

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

FIRST ALLIANCE MORTGAGE COMPANY,

Complainant,

vs.

PACIFIC TELEPHONE AND TELEGRAPH  
COMPANY, a corporation,

Defendant.

Case No. 9940  
(Filed July 2, 1975)

Sheldon S. Goodman, Attorney at Law,  
for complainant.  
Michael J. Ritter, Attorney at Law,  
for defendant.

O P I N I O N

Complainant, First Alliance Mortgage Company, seeks an order relieving it of any obligation to pay defendant, The Pacific Telephone and Telegraph Company, for an allegedly erroneous one-fourth page advertisement appearing in the November 1974 edition of defendant's yellow pages directory for Orange County.

Public hearing was held before Examiner Johnson at Los Angeles on December 22, 1975 and the matter was submitted on January 30, 1976 upon receipt of transcript. Testimony was presented on behalf of complainant by its president and on behalf of defendant by one of its advertising sales managers.

Complainant's Position

Testimony presented on behalf of complainant alleged that:

1. First Alliance Mortgage Company took over the business that was formerly conducted by First National Mortgage Company in Orange and Los Angeles Counties.
2. In June 1974 complainant signed a contract for three advertisements in the Orange County yellow pages under the name of First National Mortgage Company.
3. On approximately August 1, 1974 the name on the yellow pages contract was changed to First Pacific Home Loans in anticipation of a proposed change in the company name.
4. On or about October 9, 1974 complainant telephoned a request that the original advertisement for First National Mortgage Company be substituted for the First Pacific Home Loans advertisement selected on August 1, 1974.
5. Defendant's advertising sales manager assured complainant that the substitution would be made.
6. The advertisement that appeared in the directory was the one approved August 1, 1974 rather than the requested substitute.

Defendant's Position

Testimony presented on behalf of defendant indicated:

1. The advertisement contract for a one-quarter page advertisement was originally signed in the name of First National Mortgage Company.
2. On August 1, 1974 complainant signed a form authorizing a change in the name to appear in the advertisement from First National Mortgage Company to First Pacific Home Loans.

3. On approximately October 9, 1974 complainant telephoned one of defendant's sales managers and requested that the firm name for the 1974 edition of the Orange County directory be changed back to First National Mortgage Company.

4. Defendant informed complainant that the Orange County directory had closed for this type of change on September 11, 1974 and that the directory was in the process of being printed.

5. No requests for new, additional, or cancellation of advertising would have been accepted for the 1974 edition of the Orange County directory after August 23, 1974.

6. No requests for new listings or changes to advertising listings would have been accepted for the 1974 edition of the Orange County directory after September 11, 1974.

7. The requested substitution in advertisement was made approximately six weeks beyond the advertising close date and approximately four weeks after the listing close date. ✓

#### Discussion

It is clear from the record that the original advertisement, placed in June 1974, was for the First National Mortgage Company and that the firm name was changed to First Pacific Home Loans on or about August 1, 1974. It is equally evident that complainant requested that the advertisement be changed back to First National Mortgage Company on or about October 9, 1974. At this point it would appear that a misunderstanding arose that forms the basis for this complaint. Complainant understood that the requested advertisement substitution would be effected whereas defendant believed it had informed complainant that the change could not be made at that late date. Irrespective of the breakdown in communication between defendant and complainant, it is obvious that a change ✓

in the advertisement and/or listing could not be effected six weeks after the advertising close date and four weeks after the listing close date. Under these circumstances, there is no basis for relieving complainant of any portion of his obligation to pay for the one-fourth page advertisement which appeared in the yellow pages of the November 1974 edition of defendant's Orange County directory.

Findings

1. Complainant ordered a one-fourth page advertisement to appear in the 1974 Orange County directory under the name of First National Mortgage Company in June 1974.
2. Complainant requested the name to be changed to First Pacific Home Loans on approximately August 1, 1974.
3. This change in the firm name was made in the advertisement as requested.
4. The Orange County directory advertising close date was August 23, 1974 and the listing close date was September 11, 1974.
5. Complainant requested that the advertisement name be changed back to First National Mortgage Company on approximately October 9, 1974.
6. The requested change could not be effected six weeks after the advertisement close date and four weeks after the listing close date. ✓
7. There is no basis for reducing complainant's obligation for paying for the advertisement which appeared in the November 1974 edition of the Orange County directory.


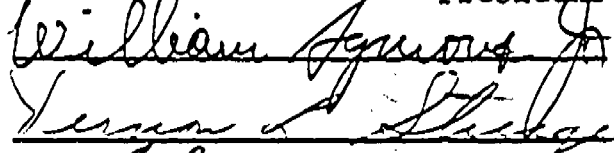
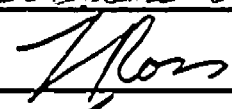

The Commission concludes that the relief requested should be denied.

O R D E R

IT IS ORDERED that the relief requested is denied.

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

Dated at San Francisco, California,  
this 16th day of MARCH, 1976.

  
\_\_\_\_\_  
President  
  
\_\_\_\_\_  
Vernon L. Stuegen  
  
\_\_\_\_\_  
Ross  
  
\_\_\_\_\_  
Commissioners