

ORIGINAL

Decision No. 87470 June 21, 1977

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Recreation Vehicle Dealers Association
of North America: California Chapter,
a corporation,

Complainant,

vs.

The Pacific Telephone and Telegraph
Company, a corporation,

Defendant.

Case No. 10178
(Filed October 25, 1976;
amended April 25, 1977)

Herbert Davis, Attorney at Law, for Recreation
Vehicle Dealers Association of North America,
California Chapter, complainant.
Duane G. Henry, Attorney at Law, for The Pacific
Telephone and Telegraph Company, defendant.

O P I N I O N

This is a complaint by the Recreation Vehicle Dealers Association of North America, California Chapter (RVDA) against The Pacific Telephone and Telegraph Company (PT&T). The complaint relates to requiring PT&T to establish a new classified directory heading of "Recreation Vehicles" and to change PT&T's present practice of multiple headings for Campers, Motor Homes, Trailers, Van Conversions, and the like.

The complaint stems from PT&T's denying RVDA's request to establish the single listing following a July 10, 1975 meeting between the parties.

A duly noticed public hearing was held in this matter before Examiner John J. Doran in Sacramento on March 28, 1977 and in San Francisco on March 29, 1977.

RVDA's Position

RVDA stated that it is an association of 126 members in the State of California who are licensed by the Department of Motor Vehicles to sell new recreation vehicles. It further stated that the members constitute about 70-80 percent of the business in California. There are other businesses, who are not members, that rent, sell (new and used), repair and service, furnish equipment and parts, and store recreation vehicles. RVDA presented six witnesses and 13 exhibits to support its position.

Three witnesses who sold recreation vehicles recommended a single heading, Recreation Vehicles. They stated that under the RVDA proposal there would be only one place to look for a listing and that a multiple seller could concentrate his advertising in one place.

The legislative advocate for RVDA presented an exhibit showing that the term "Recreation Vehicles" is used by some state and federal agencies. It was developed that such material is not related to telephone directory users.

A consultant to RVDA presented a product identification survey dated July 1, 1976 to support the contention that there should be a single heading for all vehicles. The number of persons included in the survey and the number responding to the question, "What would you call this group of products?", are listed below.

NUMBER OF RESPONDENTS AND RESPONSE BY GEOGRAPHICAL AREA

"What would you call this group of products?"

<u>Location</u>	<u>Number Responding*</u>		<u>Percent of Total**</u>		<u>Total</u>
	<u>Owners</u>	<u>Non-Own</u>	<u>Owners</u>	<u>Non-Own</u>	
Oakland	79/104	68/99	76%	69%	147/203
Anaheim	70/96	67/100	73	67	137/196
Los Angeles	82/104	107/158	79	68	189/262
Merced	62/76	68/115	82	59	130/191
Combined	293/380	310/472	77	66	603/852

*Number responding appears to left of slash mark; total population surveyed appears to right of slash mark.

**Percent responding "Recreation Vehicles".

Seventy-one percent of those responding would say "recreation vehicles." The survey included only those who attended RVDA shows in four cities, 45 percent of whom owned recreation vehicles.

A summary of responses to the question, "Would you find it more convenient and helpful if dealers and service centers were listed in the Yellow Pages under a general group, such as that which you named at first, and then under specific headings as to product type?", is tabulated below.

RESPONSE BY GEOGRAPHICAL LOCATION

"Would you find it more convenient and helpful if dealers and service centers were listed in the Yellow Pages under a general group, such as that which you named at first, and then under specific headings as to product type?"

<u>Location</u>	<u>Oakland</u>	<u>Anaheim</u>	<u>Los Angeles</u>	<u>Merced</u>	<u>Total</u>
Much Easier?	175	144	207	110	636
Somewhat Easier?	1	24	12	48	85
About the Same	6	7	7	6	26
No Difference	18	14	16	26	74

Seventy-five percent indicated that it would be much easier.

PT&T presented a supervising statistician in market research and statistics. He testified that the RVDA survey sample was not representative, that the questionnaire did not adequately address the issue of where people would look in the Yellow Pages, and that all the interviewers were attending recreational vehicle displays which tends to bias the sample.

PT&T's Position

PT&T presented two witnesses and five exhibits. The witness who presented the five exhibits has been assigned to PT&T's Directory Department for the last 16 years.

Two of the exhibits were PT&T's Tariff No. 39-T, Classified Telephone Directory Advertising Special Conditions and the six heading principles applied by PT&T in determining whether or not to establish or retain a classified heading. The directory witness stressed tariff special condition 6 which stated that, "The Utility reserved the right to establish or to refuse establishment of any heading in the Classified Telephone Directory." It is recognized that such right must be exercised in accordance with applicable provisions of law and is subject to review by the Commission.

The witness stated that in addition to the tariff, PT&T has a policy for the establishment of classified headings based upon six fundamental principles as follows:

- "1. Headings are provided to identify a business as it is generally conducted in the area and in terminology which coincides with the local reference habits of the directory user.
- "2. When a phase of an existing business becomes a separate business, specific heading classifications may be provided.
- "3. Avoid synonymous or near duplicate terminology.
- "4. Headings must not be too broad or too limited.

- "5. Registered trade names and coined or made up words are not acceptable.
- "6. Avoid headings which are requested for alphabetical preference."

PT&T's witness determined that the most directly applicable principle is number 1, based upon the reference habits of directory users.

Three of PT&T's exhibits were an independent marketing user survey conducted by the research firm of Elich & Lavidge, Inc. in December 1973, a study of possible headings for recreation vehicles by Field Research Corporation in November 1976, and a summary of data from the Field Research study.

The Field Research study included personal in-home interviews with 1,033 California adults who reside in residential dwelling units throughout the state. The following table from the study shows a summary of the proportions of respondents mentioning recreational vehicles as the Yellow Pages heading they would refer to first for each of the seven products included in the study.

USE OF "RECREATIONAL VEHICLES" AS YELLOW PAGES HEADING

When shown a drawing of the product, this percent of the respondents said they would refer to "Recreational Vehicles" in the Yellow Pages.

<u>Product</u>	<u>Total Calif.</u>	<u>Active Market</u>	<u>Current Owners</u>	<u>Possible Prospects</u>
Motor Home (#93)	23.5%	29.5%	25.6%	31.0%
Mini Motor Home (#83)	25.2	32.5	25.3	25.3
Van Conversion (#73)	20.9	23.8	30.2	21.3
Travel Trailer (#53)	12.3	14.2	21.6	11.3
Fifth Wheel Trailer (#33)	12.2	14.1	27.8	9.5
Camper (#63)	11.1	15.7	19.5	13.9
Tent Trailer (#43)	9.6	10.0	23.8	5.7

The study concluded that among the general California public, motor homes, mini motor homes, and van conversions are more likely to be thought of as recreational vehicles than the other four products. Tent trailers are least likely to be mentioned as recreational vehicles.

The study shows the most mentioned Yellow Pages headings to which the active market^{1/} would refer first when shown various recreational products as follows:

YELLOW PAGES HEADING

Most mentioned heading when shown a drawing of the product.

<u>Product</u>	<u>Most Mentioned</u>	<u>Percent</u>
Fifth Wheel Trailer	Trailer	48.5%
Tent Trailer	Trailer	39.5
Travel Trailer	Trailer	57.2
Truck Camper	Camper	58.5
Van Conversion	Van Conversion	27.0
Mini Motor Home	Recreational Vehicle	32.5
Motor Home	Recreational Vehicle	29.5

RVDA's consultant stated that the Field Research study covered a random sample of the total population and not just those interested in recreational vehicles. However, an analysis of the data in the study shows that about one-half of all respondents interviewed were classified as active market, which is significant. Further, PT&T and RVDA agreed to the independent Field Research study being undertaken. A PT&T representative worked with an RVDA representative in developing the study format.

^{1/} "Active market" is defined as those who either were current owners of recreational vehicles, or those who said they have considered buying or renting one within the past year, or who said they might buy or rent one within the next three years.

The record indicates that the present headings pertaining to the subject products have been established for a number of years and that there is advertising under the existing headings.

PT&T proposed to retain its existing headings; however, it made commitments to make the following revisions. The utility would establish the following five additional headings:

- Recreational Vehicles - Dealers
- Recreational Vehicles - Repairing & Service
- Recreational Vehicles - Storage
- Recreational Vehicles - Equipment & Parts
- Recreational Vehicles - Renting & Leasing

It would also establish the appropriate cross-reference headings beneath the existing individual headings in the body of the Yellow Pages and in the index, for examples, "Campers - see also Recreational Vehicles Headings", and vice-versa.

Findings of Fact

1. A significant portion of that active market or directory users for recreational types of vehicles would refer first to existing directory headings rather than the newly proposed heading, Recreational Vehicles.

2. The single classified heading of Recreational Vehicles requested by RVDA in place of the present practice of multiple headings is too broad and was properly refused by PT&T in accordance with PT&T's Tariff No. 39-T and its related heading principles.

3. PT&T's refusal to establish the single heading requested by RVDA was not arbitrary or unreasonable.

4. PT&T is committed to establish additional optional headings of Recreational Vehicles in the classified directories.

5. PT&T is committed to cross-reference the additional optional headings to the existing headings and vice-versa.

RVDA is not entitled to any relief in this proceeding.

C R D E R

IT IS ORDERED that Recreation Vehicle Dealers Association of North America, California Chapter, is not entitled to any relief.

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

Dated at San Francisco, California, this 21st day of JUNE, 1977.

President
William Sproule
James L. Stanger
Richard D. Gwalt

Commissioners

Commissioner Robert Batinovich, being necessarily absent, did not participate in the disposition of this proceeding.