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DIVISION OF LABOR STANDARDS ENFORCEMENT Department of Industrial Relations State of California MILES E. LOCKER, No. 103510 455 Golden Gate Avenue, Suite 3166

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Attorney for the Labor Commissioner

# BEFORE THE LABOR COMMISSIONER

#### OF THE STATE OF CALIFORNIA

Case No. TAC 69-94

Petitioner,

DETERMINATION OF CONTROVERSY

PRESTIGE MODEL AND TALENT MANAGEMENT; DARLENE DAMALERIO-SAN PEDRO,

Respondent.

#### INTRODUCTION

The above-captioned petition was filed on November 14, 1994 by KATYA WIEBER (hereinafter "Petitioner") alleging that DARLENE DAMALERIO-SAN PEDRO dba PRESTIGE MODEL & TALENT AGENCY (hereinafter "Respondent" or "PRESTIGE") violated the Talent Agencies Act (Labor Code §1700, et seq.) by charging Petitioner for printing photographs. By this petition, WIEBER seeks reimbursement of the amount paid to PRESTIGE for printing and the amount paid to the photographer who took the photographs.

Respondent, although having been served with the petition, failed to file an answer. A telephonic hearing was thereupon scheduled for April 7, 1995 in San Francisco, California, before the undersigned attorney for the Labor Commissioner. The

parties were duly served with notice of this hearing. Petitioner appeared in propria persona. Respondent failed to appear. Based upon the testimony and evidence presented at this hearing, the Labor Commissioner adopts the following Determination of Controversy.

### FINDINGS OF FACT

- 1. In December 1993, after finding PRESTIGE listed in the San Francisco Yellow Pages under the heading "modeling agencies", Petitioner sent photographs of her two-year-old son, Sasha, to PRESTIGE in the hope of obtaining Respondent's services as a talent agent.
- 2. In January 1994, DARLENE DAMALERIO-SAN PEDRO telephoned Petitioner and scheduled an appointment to meet with Petitioner at Respondent's business address. At this meeting, on January 31, 1994, SAN PEDRO gave Petitioner a business card which falsely stated that PRESTIGE was then "state licensed" as a model agency. SAN PEDRO told Petitioner that in order for PRESTIGE to represent Sasha, Petitioner would need to obtain "professional quality" photographs, and that once these photographs were obtained, PRESTIGE would be able to secure modeling employment for Sasha.
- 3. Petitioner agreed to have PRESTIGE serve as her son's modeling agent. Petitioner made arrangements with a photographer who had been recommended by SAN PEDRO, and on March 14, 1994, Petitioner paid this photographer \$200 for taking photographs of her son.
- 4. On March 28, 1994, SAN PEDRO selected the slides that would be used for printing ZED cards. SAN PEDRO told

-2-

. 9

- 5. Despite numerous demands, PRESTIGE never provided Petitioner with the ZED cards and never returned the slides that Petitioner gave to SAN PEDRO to use in producing the ZED cards. By letter to PRESTIGE dated September 15, 1994, Petitioner demanded reimbursement of the amounts paid for photographs and ZED card printing. This demand for reimbursement was ignored.
- 6. Petitioner's son never obtained any modeling employment through PRESTIGE. As a result of PRESTIGE's efforts, Sasha was sent out for one audition, but it did not result in an employment offer.
- 7. On June 6, 1994, Respondent file an application with the Labor Commissioner for a talent agency license. Respondent was not licensed as a talent agency at any time until June 9, 1994, when it received a temporary license from the Labor Commissioner. Following the expiration of this temporary license, on October 18, 1994, Respondent has not been licensed. Respondent's application for a permanent license was denied by the Labor Commissioner on April 7, 1995.

## CONCLUSIONS OF LAW

1. Petitioner's minor child is an "artist" within the meaning of Labor Code §1700.4(b). Respondent is a "talent agency" within the meaning of Labor Code §1700.4(a), which defines "talent agency" as a person who "engages in the occupation of procuring, offering, promising, or attempting to procure employment or engagements for an artist". The Labor Commissioner has

-3-

- 2. Labor Code §1700.5 provides that "no person shall engage in or carry on the occupation of a talent agency without first procuring a license therefor from the Labor Commissioner". Respondent violated Labor Code §1700.5 by advertising its services in the Yellow Pages when it was not licensed by the Labor Commissioner, by entering into an agreement with Petitioner to represent Petitioner's son as a talent agent, and by sending Petitioner's son to an audition for a modeling job.
- 3. Labor Code §1700.40 provides that "no talent agency shall collect a registration fee". Labor Code §1700.2(b) defines the term "registration fee" to include "any charge made . . . to an artist for . . . photographs, film strips, video tapes, or other reproductions of the [artist]." Thus, by collecting \$240 from Petitioner for the printing of ZED cards, Respondent violated Labor Code §1700.40.
- 4. Labor Code §1700.40 further provides that if a talent agency collects any fee or expenses from an artist in connection with the agency's efforts to obtain employment for the artist, and the artist fails to procure the employment, or fails to be paid for the employment, the agency must, upon demand, repay to the artist the fees and expenses that were paid. If repayment of such fee is not made within 48 hours of the demand, section 1700.40 requires the talent agency to "pay to the artist an additional sum equal to the amount of the fee", as a penalty for the agency's failure to make prompt repayment. Here, Respondent's failure to respond to Petitioner's written demand for repayment of the \$240 paid to Respondent for ZED cards compels imposition of this penalty

-4-

in the amount of \$240.

5. Turning to Petitioner's claim that Respondent should reimburse her for the \$200 she paid to the photographer for the slides that were to be used for the ZED cards, generally a talent agency is not responsible for reimbursement of funds that it did not collect but rather, that were paid directly by the artist to an independent photographer. Here, however, Respondent was entrusted with custody of these slides in order to print the ZED cards, a service for which Respondent received payment from Petitioner. By its failure to deliver the ZED cards to Petitioner, and its subsequent refusal to comply with Petitioner's demand for return of the slides, Respondent prevented Petitioner from using the slides for the purpose for which they had been purchased. For this reason, Petitioner is entitled to reimbursement from Respondent for \$200, the full amount that Petitioner paid for these slides.

- 6. Respondent's false claim, printed on its business card, that it was licensed by the State as a talent agency, constitutes a deceptive and fraudulent business practice, designed to induce artists to employ PRESTIGE in reliance upon this misrepresentation. By making this false claim, PRESTIGE violated Labor Code §1700.32, which provides that "no talent agency shall publish or cause to be published any false, fraudulent, or misleading information, representation, notice or advertisement."
- 7. Pursuant to Civil Code sections 3287(a) and 3289(b), Petitioner is entitled to interest on all amounts found owed in this proceeding, from the date of Petitioner's demand letter to Respondent (September 15, 1994), at the rate of 10% per year.

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### ORDER

For all of the above-stated reasons, IT IS HEREBY ORDERED that Respondent DARLENE DAMALERIO-SAN PEDRO dba PRESTIGE MODEL & TALENT AGENCY pay Petitioner KATYA WIEBER \$240 for reimbursement of the unlawfully collected fee for ZED cards, \$200 for reimbursement of the cost of the improperly withheld slides, \$40.33 for interest on the above-amounts, and \$240 as a penalty pursuant to Labor Code \$1700.40, for a total of \$720.33.

DATED:	8/16/95	
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MILES E. LOCKER
Attorney for Labor Commissioner

The above Determination is adopted by the Labor Commissioner in its entirety.

DATED: 8/18/95

VICTORIA L. BRADSHAW
STATE LABOR COMMISSIONER

. 11