1	DIVISION OF LABOR STANDARDS ENFORCEMENT
2	Department of Industrial Relations State of California
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8	BEFORE THE LABOR COMMISSIONER
9	OF THE STATE OF CALIFORNIA
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11	SHAWN ASSELIN,) No. TAC 14-97
12) Petitioner,
13	vs.
14	ANDY ANDERSON, an individual) DETERMINATION OF CONTROVERSY
	dba ANDY ANDERSON AGENCY,)
15	
15 16	Respondent.)
• •	Respondent.)
16)
16 17) INTRODUCTION
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in San Diego, California. Both the petitioner and the respondent
 appeared in propria persona.

Based upon the testimony and evidence received at this hearing, the Labor Commissioner adopts the following determination of controversy.

FINDINGS OF FACT

7 Petitioner first came into contact with the Respondent 8 in September 1996, after seeing an advertisement respondent had 9 placed in a local newspaper for modeling opportunities. 10 Petitioner visited respondent's office for an audition, and brought samples of photographs from a recent photo shoot. 11 12 Respondent told petitioner that he had "passed the audition", and 13 that he was "willing to represent [petitioner] as a talent agent", but that first, petitioner needed to obtain "better photos." 14 15 Respondent advised the petitioner that he could get photographs 16 from any photographer, but recommended the services of Karen 17 Martin "because she knows exactly what I need for my agency." 18 Respondent did not give the petitioner the names of any other 19 photographers. Petitioner decided to use Karen Martin's services, 20 deciding that using another photographer would pose a risk of 21 Respondent's rejection of another set of photographs.

The respondent never provided the petitioner with Karen Martin's address or telephone number; instead, the petitioner was told that he could meet Karen Martin at a later date in Respondent's office. The Respondent informed petitioner that the photo shoot and prints would cost \$340 total, of which \$100 in cash would have to be paid to the Respondent as an advance deposit. Respondent then gave \$100 in cash to the respondent as a

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1 deposit. Shortly thereafter, petitioner returned to Respondent's 2 office to deliver a check for the \$240 balance. The check was 3 made out to Karen Martin. According to the petitioner, he gave 4 this check to the Respondent, who then transmitted it to Ms. 5 Martin. According to the respondent, the petitioner gave this 6 check to Ms. Martin directly.¹

7 The check was subsequently cashed by Ms. Martin, but on 8 the reverse side of the check, Ms. Martin listed her address as 9 7801 Mission Center Court, San Diego - - the business address of 10 the Respondent. According to Respondent, Ms. Martin does not have 11 a separate office address, and she does not have her own 12 photography studio, but instead uses his agency as a "mailing 13 station" and that she shows up at his agency about once a day to 14 pick up money and checks and to set up photo shoots. Respondent 15 testified that Ms. Martin has no prior experience as a 16 professional photographer and that he set Ms. Martin up in the 17 photography business, by introducing her to a photographer named 18 Manuel, and suggesting that she ask Manuel if he would be willing

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¹ In general, we find the petitioner to be a far more credible witness than the respondent, 20 and faced with these two conflicting accounts of this transaction, we credit petitioner's testimony over that of the respondent. For one thing, the testimony of four other witnesses - - Sandra 21 Tillman, Hadas Tepman, Karen Oyanguren and Danny Morris - - all of whom are actors or models who sought representation from the respondent, establishes that the respondent engaged in a 22 pattern and practice of referring artists to Karen Martin for photographic services, that respondent himself informs the artists of the amount they must pay for the photographs, that respondent always 23 advises the artists that a portion of this amount must be paid in cash as a deposit and the balance paid by check, and that respondent himself collects the cash and checks from the artists in payment 24 for these photographs. In some instances, the checks are made out to Karen Martin; in other instances they are made out to Andy Anderson, but in all instances, the checks (and cash) are 25 collected by Anderson. This is consistent with petitioner's testimony. Moreover, respondent's testimony that he "did not know that an agent can't collect money for photographs" if the agent has 26 no financial interest in the photography business is patently false, in that respondent was told exactly that in a Determination served on the respondent on August 11, 1995 in a matter entitled 27 Rezin v. Anderson (No. TAC 7-94). Respondent's obvious lie concerning his knowledge of the Talent Agency Act's requirements compels us to view the truthfulness of other areas of his 28 testimony as suspect.

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1 to work for her. Manuel agreed to work for Ms. Martin, so she uses his services as a photographer and then has the photos 2 printed by a processing lab in Los Angeles. Respondent testified 3 that he tries to help Ms. Martin by "throw[ing] as much business 4 5 as [he] can" to her. However, Respondent testified that he doesn't have any financial interest in Ms. Martin's photography 6 7 business, and that although he collects cash or checks on Ms. Martin's behalf, he doesn't keep any of this money and does not 8 9 make any money from these photographs.

10 Petitioner had his photographs taken three weeks after 11 he paid for the photos. Petitioner signed a printed statement on 12 September 24, 1996, that had been prepared and provided to him by 13 Respondent. This statement asserts that "this Agency did not sell 14 you any pictures or accept any money for fees." Petitioner testified that when he signed this, he knew it was false but that 15 16 he had believed that his signature was needed in order to obtain 17 Respondent's services as a talent agent. The statement also 18 provides that "[w]e agree to represent you in the field of T.V. 19 commercials and or modeling. . . .we are a talent agency and 20 operate on a 10% commission basis."

21 Respondent never obtained any work for petitioner. In petitioner's view, the reason for this is that Respondent failed 22 23 to make any attempts to procure employment on his behalf, as 24 evidenced by the fact that he never got called to any auditions or 25 "go sees". Respondent testified that he didn't have a sufficient 26 opportunity to try to obtain work for the petitioner, as a result of petitioner's failure to return a completed personal information 27 28 card until November 12, 1996, which respondent asserts he needed

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before he could start representing petitioner. Six weeks later, 1 2 on December 26, 1996, petitioner advised respondent that on November 19, 1996 he had joined the Screen Actors Guild ("SAG") in 3 order to qualify for work which required SAG membership. Respondent rebuked the petitioner for having joined SAG without 5 consulting him, as this essentially prohibited respondent from 6 7 providing further representation to the petitioner, in that 8 Respondent is not a SAG franchised agent, and thus, under SAG rules, cannot represent a SAG member. But respondent failed to 9 10 present any evidence that he had ever warned petitioner, prior to 11 December 26, 1996, of the fact that he was not authorized to 12 represent SAG members. Respondent should have warned petitioner 13 of this at the inception of his representation, precisely to avoid · 14 this sort of problem, and to allow petitioner to make an informed 15 choice as to whether to engage the services of a non-franchised 16 agent. We therefore find that petitioner is not to blame for respondent's ultimate inability to procure employment for the 17 petitioner. 18

After being informed that as a SAG member, he could no
longer be represented by respondent, Petitioner demanded that
Respondent reimburse him for the \$340 he had spent for the
photographs. Respondent refused and this petition followed.

CONCLUSIONS OF LAW

Respondent is a "talent agency" within the meaning
 of Labor Code section 1700.44(a). Petitioner is an "artist"
 within the meaning of Labor Code section 1700.4(b). The Labor
 Commissioner has jurisdiction to determine this controversy
 pursuant to Labor Code section 1700.44(a).

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Labor Code section 1700.40 provides that "no talent 1 2. agency shall collect a registration fee." The term "registration 2 3 fee" is defined at Labor Code section 1700.2(b) as "any charge 4 made, or attempted to be made, to an artist for . . . photographs, film strips, video tapes, or other reproductions of the applicant 5 6 [or] . . . any activity of a like nature." It is well 7 established, pursuant to section 1700.40, that a talent agency 8 cannot charge an artist for a photo shoot or for the printing of 9 To quote from the Labor Commissioner's Determination photographs. 10 that issued on August 10, 1995 in Valerie Rezin v. Andv Anderson 11 (No. TAC 7-94), "Such charges are unlawful irrespective of whether the agent profits from these charges. The statute is violated 12 13 anytime an agent collects such fees from an artist, even if the 14 agent transmits the entire fee to another person without retaining 15 any portion as a profit, and even if the agent is not yet 16 representing the artist at the time the fees are collected." The 17 purpose of this statute was to create a firewall between agents 18 and photographers, and to prevent agents from running "photo mill" 19 operations using ostensibly "independent" photographers, who are, 20 in reality, dependent on the agent for their economic livelihood. 21 Whether or not Respondent has a financial interest in Karen 22 Martin's photography business (and we find it almost inconceivable that he does not, in view of the extent to which her 23 24 business is tied to his office, and in view of the fact that a 25 significant portion of the payments which he collects are on a 26 cash basis), the fact is that merely by collecting cash or checks 27 on behalf of this photography business, Respondent violated Labor 28 Code section 1700.40.

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We therefore conclude that petitioner is entitled to
 reimbursement of the \$340 that he gave to Respondent for
 photographs, with interest at 10% per annum from September 15,
 1997, the approximate date that said amount was unlawfully
 collected by the Respondent, in accordance with the provisions
 Civil Code sections 3287 and 3289.

7 4. Labor Code section 1700.40 further provides that a 8 talent agency that fails to reimburse an artist within 48 hours of 9 the artist's demand for reimbursement of any fees that were paid 10 to the agency for the procurement of employment must pay the artist a penalty equal to the amount of the improperly withheld 11 12 fee if the artist did not procure, or was not paid for, the employment for which the fee was paid. Here, petitioner paid the 13 14 fees for the photo shoot and photographs in order to have the 15 Respondent procure employment. Respondent failed to reimburse 16 these fees to petitioner within 48 hours of her demand therefor, 17 and never procured any acting or modeling employment for 18 petitioner. As noted above, we find that petitioner is not to 19 blame for any inability on the part of the respondent to procure 20 employment on petitioner's behalf. Consequently, we find that it 21 would be appropriate to award penalties pursuant to section 22 1700.40. We therefore conclude that petitioner is entitled to 23 \$340 in penalties.

ORDER

For the above-stated reasons, IT IS HEREBY ORDERED that Respondent ANDY ANDERSON, an individual dba THE ANDY ANDERSON AGENCY pay petitioner SHAWN ASSELIN \$340 for unlawfully collected fees, \$31.45 for interest on these fees, and \$340 in penalties

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under Labor Code section 1700.40, for a total of \$711.45. Dated: MILES E. LOCKER Attorney for the Labor Commissioner ADOPTED AS THE DETERMINATION OF THE LABOR COMMISSIONER: 8/22/97 Dated: AN OSE State Labor Commissioner DET.14-97