

**Statement of Andrew Eiler
Director of Legislative Affairs
Department of Consumer Affairs
before the
City Council Committee on
Consumer Affairs
on
Intro 633-A**

May 7, 2008

Good morning, Chairman Comrie, and committee members. I am Andrew Eiler, Director of Legislative Affairs for the Department of Consumer Affairs. Commissioner Mintz asked me to thank you for the opportunity to appear before you on your hearing on Intro 633-A relating to licensing and regulating bridal shops and wedding photographers.

We thank you for asking us to weigh in on the bill before you that would require persons engaged in the business of owning or operating bridal shops or wedding photography to obtain a license from the Consumer Affairs Department, and by requiring that such businesses furnish consumers a written contract, by specifying contract terms and disclosures to be included in such contracts, by requiring licensees to post bonds and maintain records, by authorizing the commissioner to adopt rules to implement the law and to conduct investigations of violations and business practices and methods of bridal shops and wedding photographers.

To shed light on the scope and nature of the consumer problems the bill seeks to address, the Department has reviewed its data on the complaints filed against bridal shops and wedding photographers over the last five years. Cumulatively, a total of 10 complaints were filed against wedding photographers and 13 were filed against bridal shops.

We can also further break down those numbers. To contextualize the 10 photographer complaints, we would note that 7 of them were filed against one company that had gone out of business, and 2 of them were filed against another. Similarly, of the 13 complaints filed against bridal shops, 3 were filed against one company and 2 were filed against another.

To put those 23 complaints against 13 companies in 5 years in a different context the Council may find helpful, the Department identified 58 phone listings for wedding photographers and 185 listings for bridal shops in New York City. During the same five year period, the Department docketed 29,931 consumer complaints.

I hope that the Department's data will be helpful as you assess whether to comprehensively license these two industries.

Good morning. My name is James Thompson. I am a wedding photographer based out of Manhattan.

I appreciate the opportunity to submit this testimony relating to the proposal to license and regulate wedding photographers. My assumption is that this proposal is being made in order to address some serious concerns that have recently developed in the wedding photography industry. I appreciate the efforts for enacting regulations that are designed to protect couples on one of the most important days of their lives. Unfortunately, there are some serious problems with the proposed regulation that could leave consumers more vulnerable than they were without such regulations.

I would like to address the areas of this proposed regulation that I see as problematic.

The biggest flaw of the proposal is the city's plan to grant licenses to professionals without requiring any proof of qualification. As written, anyone who can write a contract and pay the licensing fee can become a Licensed Wedding Photographer. Once the license is granted, he/she will then be able to obtain a bond and become a Bonded and Licensed wedding photographer.

It is important to point out that the city requires you to pass an exam to become a Licensed Sightseeing Guide, Home Improvement Salesperson or Special Sign Hanger. The city has determined that these professionals need to demonstrate a certain degree of technical knowledge before granting them a license. It is upsetting that the city does not see the need for testing any technical qualifications before granting a license to wedding photographers.

I know for a fact that there are individuals offering wedding photography services who do not possess the technical knowledge necessary to figure out why their photos are blurry. Digital photography and the Internet have made it very easy for someone without the proper skills to create a website and to start marketing himself/herself as a wedding photographer. Granting licenses without any verification of technical abilities would not be in the best interest of protecting consumers. I believe it may also make the city liable for giving consumers a false sense of security. If the city would like assistance with licensing requirements, it can contact any well-known professional photographer organization for assistance.

The second area of concern relates to how this proposed licensing would realistically prevent the fraud that was recently committed by Celebration Studios. As written, I do not see safeguards that would have protected the Celebration Studios clients who may never see their wedding photos. For example, is there a phone number brides and grooms can call to report potential problems? What action can regulators take when clients start complaining about production delays? Can regulators shut down the studio? I feel that these questions need to be addressed in the proposal to ensure that the new regulations will actually protect consumers. Otherwise, the proposal is just creating a false sense of protection for the consumer.

Thirdly, a \$5,000 bond is a very small amount. One couple alone may pay \$5,000 for wedding photography services. If the studio does defraud its customers, aggregate losses may be multiples of \$5,000.

In summary, I am fully supportive of the idea to license wedding photographers. However, I believe the proposal "as is" has some significant weaknesses.

Thank you for your time.

Kleinfeld®

Ms. Lacey Clarke
City Council
The Council Of The City Of New York
Office Of The Speaker
City Hall
250 Broadway
14th Floor
New York, NY 10007

May 6, 2008

Dear Ms. Clarke,

My name is Ronald Rothstein and I am Chief Executive Officer and principal shareholder of Kleinfeld, which is the oldest bridal salon in the United States.

Kleinfeld was established in Bay Ridge, Brooklyn in 1941 and moved to Manhattan in August, 2005.

Presently, Kleinfeld employs approximately 220 people and occupies 35,000 square feet in the heart of Chelsea at 110 West 20th Street.

Kleinfeld sells more designer wedding gowns each year than any store on earth, and offers a uniquely high level of customer service to its thousands of brides who visit Kleinfeld from all over the world to buy their wedding gowns.

Attached is my business card which is given to thousands and thousands of brides each year. You will note that my home telephone number is on the card; and our brides are encouraged by our staff and by me to telephone me any evening, until midnight, with any questions regarding their gowns or any questions as to what their fiancés or others should wear, or to help them plan their weddings.

When a bride calls Kleinfeld to book an appointment to purchase her wedding gown, the bride receives an email confirming her bridal selection appointment. A copy is attached. On the day following the purchase of her wedding gown, the bride receives an email which provides my work and home phone number. A copy is attached.

I've enclosed Kleinfeld's bridal contract which has been drafted and re-drafted over many years, and which articulately sets forth the obligations of both the bride and Kleinfeld with respect to the purchase of her dress. Thousands of brides sign this

contract each year; and many of them are partners in the most prestigious law firms in America.

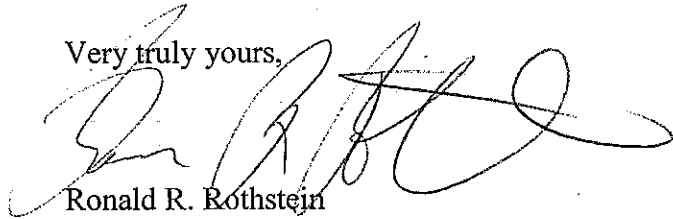
During the past ten years, Kleinfeld has voluntarily provided its sales contract, when requested, to many bridal salons throughout the United States for their use.

The cancellation policies of Kleinfeld are carefully enumerated in the contract, as are the obligations regarding the bridal deposit and the payments of future balances.

As the world's most famous bridal salon, we are proud that our brides consider doing business with Kleinfeld an honor and a privilege. Our brides respect the clarity of the contract which they sign with us (and which they read thoroughly).

Kleinfeld welcomes the Committee on Consumer Affairs to license and regulate the policies and practices of bridal salons under its jurisdiction...and we will be helpful to the committee in this regard, if called upon to do so.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Ronald R. Rothstein', written over a horizontal line.

Ronald R. Rothstein
Chief Executive Officer
Kleinfeld Bridal



Professional Photographers of Greater New York
45 Jackson Avenue Syosset, NY 11791 (516) 364-6650
Owen Kassimir, President

May 7, 2008

To the Committee of Consumer Affairs:

Regarding: The proposed Intro 633: Licensing and Regulating Bridal Shops and Wedding photographers

As the President of the Professional Photographers of Greater New York, to hereby be called PPGNY, and the Secretary of Professional Photographers Society of New York State, to hereby be called PPSNYS, I do applaud the effort of the Committee of Consumer Affairs in their attempt to license Professional Photographers; however, Intro 633 needs to be reconsidered.

Last night at our monthly meeting, it was the consensus of our membership that Intro 633 was not clear enough in its wording and meaning. It is important for your committee to consider the following:

- The proposed licensing does not address the major issue of the professional competence and photographic knowledge that our craft should be required to have.
- As written, this proposed Intro 633 is detrimental only to the registered legitimate photographer businesses. The proposed Intro 633 introduces a double standard that puts registered tax paying businesses at an unfair disadvantage in relation to the thousands of unregistered businesses.
- The proposed bonding is unfair; it automatically brings to the prospective client a negative issue that a legitimate business would not practice.
- The proposed issue of having a New York City business responsible to be an agent for a non New York City resident photographer is completely unfair and impractical.
- Submitting contracts to the city for review is not an accurate means of regulating the photo industry. Each client gets the same contract with different services and products depending upon the individual needs. This practice that has always been a standard in legitimate businesses.
- The proposed licensing does not reach out to thousands who practice "Professional Photography" under the guise of entertainment, through

DJ's, musicians and caterers, who are not in the actual photography business. The proposed legislation will leave a gigantic loophole that will allow these untrained people to remain unlicensed and unsupervised.

Since 1960, PPGNY has strived to produce photographers with the highest of standards in their craft as well as their business practices. As an organization, we were first in the NYC area, spearheading an effort to introduce legislation to protect the consumer by establishing a set of standards in our member's knowledge and expertise within our profession. Our goal as a professional organization has always been to guarantee the consumer the highest standards and professional competence.

We do agree with the concept of licensing our industry, however, without implementing the proper guidelines, this will ultimately fail to protect the consumer. Please be advised that those companies involved in the perpetration of fraud to the public were never members of our organizations.

As an organization, we would like this committee to table this question, consider bringing in a panel of Professional Photographers to consult on the writing of this proposal. This will insure that only qualified professional photographers will be serving the public's needs. The Professional Photographers of Greater New York is a direct affiliate of the Professional Photographers of America which has a strict policy to enforce ethical behavior among its members.

In conclusion, we would like very much to work along side the New York City Committee of Consumer Affairs to regulate our industry and maintain the highest of standards in our profession. It has always been the PPGNY motto "to create, foster, promote and maintain cordial relations and encourage the exchange of knowledge among its members". You could not get a better group of advisors than our professional organizations. Please consider our proposal so that we can all eliminate unscrupulous business practices in our photographic profession.

Sincerely,
Owen Kassimir
President of PPGNY
Secretary of PPSNYS