

Decision No. 16784

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA
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In the Matter of the Application of .)
Lewis A. Monroe, Agent, on behalf of)
Tolson Transportation System, Inc. for)
Authority to Establish Class Rates)
and Adopt Monroe's "Ship by Truck")
Freight Classification to Govern the)
Transportation of Property by Auto)
Truck between Los Angeles, El Monte,)
and Intermediate Points.)

APPLICATION NO. 12585

H.B. Cooke and Lewis A. Monroe, for Applicant.

BY THE COMMISSION:

O P I N I O N

This is an application filed by Lewis A. Monroe, Agent, on behalf of the Tolson Transportation System, Inc., seeking authority to publish and maintain a scale of class rates - first, second, third and fourth, and to adopt Monroe's "Ship by Truck" Freight Classification to govern the transportation of property by auto truck between Los Angeles, El Monte and intermediate points.

A public hearing was held before Examiner Geary at Los Angeles May 20, 1926 and the application having been duly submitted is now ready for our opinion and order.

Applicant, for a number of years, has been engaged as a common carrier of freight between points in Southern California under tariffs lawfully on file with this Commission. In addition to serving the territory here under consideration applicant also operates an auto truck freight service between Los Angeles on the one hand and on the other San Pedro, Wilmington, Long Beach, Huntington Beach, Wintersburg, Gardena, McKinley Home, Torrance, Harper City and intermediate points. Between these points class rates are now in effect and are governed by Monroe's "Ship by Truck" Classification.

The operative right between Los Angeles and El Monte was purchased from W.H.Cullen December 31, 1925 by authority of this Commission under Application No. 12334, Decision No. 15823. The tariff in effect at that time, which was adopted by applicant and is now in effect, provides a flat rate of 15 cents per 100 pounds applying to "all merchandise". This single designation, it is claimed, is inadequate and insufficient to fulfill the requirements of the present operations, causing more or less complaint from the shipping public and compelling the carrier to haul all commodities at a common rate regardless of their transportation characteristics.

The class rates applicant proposes will result in both increases and reductions. For freight moving in lots of less than $3\frac{1}{2}$ tons the rates will range from 25 cents first class, to 15 cents fourth class; in lots of $3\frac{1}{2}$ tons to 6 tons from 20 cents first class to 12 $\frac{1}{2}$ cents fourth class, and in lots of over 6 tons from 17 $\frac{1}{2}$ cents first class to 10 cents fourth class. The record

indicates that of the entire tonnage handled by applicant approximately 75 per cent is tendered in lots of over $3\frac{1}{2}$ tons, and under the proposed schedule would move under the fourth class rate of 10 cents or $12\frac{1}{2}$ cents, as the case may be. Hence, on the major portion of the tonnage the proposed adjustment would result in reductions of $2\frac{1}{2}$ cents to 5 cents per 100 pounds.

Applicant contends that the proposed adjustment is not for the purpose of increasing its operating revenue. An exhibit giving an analysis of the traffic submitted for a representative period showing the results that would have obtained had the proposed rates been in effect, indicates that during this test period the total operating revenue would have been decreased.

Upon consideration of all the facts of record, we are of the opinion and find that applicant should be authorized to establish and maintain the proposed adjustments and that the application should be granted.

ORDER

This application having been duly submitted, full investigation of the matters and things involved having been had and basing this order on the findings of fact and the conclusions

contained in the opinion which precedes this order.

IT IS HEREBY ORDERED that applicant, Tolson Transportation System, Inc., be and it is hereby authorized to adopt Monroe's "Ship by Truck" Freight Classification and to publish upon not less than ten (10) days' notice to the Commission and to the public, in tariffs constructed in accordance with the rules of the Commission, the rates, rules and regulations set forth in Exhibit A of the application.

Dated at San Francisco, California, this

28th day of May, 1926.

H. H. Brundage

C. W. Murray

Frank DeCott

Secretary