

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of)
 STATE CENTER WAREHOUSE & COLD STORAGE)
 COMPANY, et al., for authority to in- :
 crease and establish rates, rules and :
 regulations affecting the storage and) Application No. 5481
 handling of merchandise at Fresno, :
 California.)

Short & Sutherland, W.A.Sutherland
for applicants.

BY THE COMMISSION.

O P I N I O N

In this proceeding, applicants request authority to place in effect a specific schedule of rates, rules and regulations, as set out in detail in Exhibit "A" accompanying the application. Five of the applicants involved, namely, Owl Transfer Company, Eagle Transfer Company, Valley Van & Storage Company, Valley Truck and Transfer Company, and Commercial Transfer, have no rate schedules on file with the Railroad Commission, warehouse service in these instances having heretofore been confined almost exclusively to the transfer and temporary storage of household goods in a manner not covered by the Public Utilities Act. Being now about to engage in, or extend, operations in a manner that would constitute each of them a public warehouseman, rate schedules should at once be filed as the law requires.

State Center Warehouse and Cold Storage Company is engaged in the business of general storage, and to a more limited extent, it also operates cold storage warehouses, all of which service is

subject to control by the Railroad Commission. Schedules covering both classes of service were published and filed by the Company in March, 1919, the rates for cold storage not being affected by the application. Merchants Warehouse Company and Olufs Warehouse Company operate under schedules filed in 1912. In their present form these tariffs are incomplete, having been in effect without change for eight years. They cover only a few commodities, and the storage rates in most instances include other service not within the Commission's jurisdiction.

As previously stated, applicants submitted with their petition a definite schedule showing rates, rules and regulations, which they desire to have approved and substituted for schedules now in effect. It is stated in the application that as to State Center Warehouse and Cold Storage Company, the proposed schedule (Exhibit "A") is identical in all respects with that now on file, except that an increase in charges for labor furnished to handle stored merchandise would result. It is further represented in the application that no comparison of the proposed rates with those on file by Merchants Warehouse Company and Olufs Warehouse Company can be made, for the reason that the latter's tariffs "contain no specific schedule of charges for labor in handling merchandise stored."

A check of the proposed schedule against the schedule in effect by State Center Warehouse and Cold Storage Company shows an increase of 25% in the present charge of 54 cents per ton for the labor of handling commodities into and from applicants' warehouses. Other changes proposed would bring about minor increases for loading and unloading cars, for rental of space in warehouses and for certain special services. The storage rates on a few commodities would also be affected, some being increased and others reduced.

The proposed increases are based upon the contention that

since the filing of schedules now in effect operating costs, with particular reference to warehouse labor, have so increased that the business of applicants cannot be continued under the present rates without loss. It is also affirmed that the storage business of applicants is substantially similar and that their rates, rules and regulations should be identical and on the basis of the proposed schedule, Exhibit "A".

At the hearing held in Fresno on May 13, 1920, it was shown by the testimony that since October, 1919, applicants have been obliged to pay at the rate of 50 cents per hour for warehouse labor costing prior to that time but 35 cents per hour, an increase of 43%. Operating statements submitted on behalf of two of the applicants show results for the year 1919, as follows:

State Center Warehouse & Cold Storage Co.	<u>Revenue</u> \$27,401.62	<u>Expense</u> \$28,571.91	* \$ 1,170.29
Merchants Warehouse Co.,	11,355.66	11,455.99	100.33

* Includes cold storage; \$1701.64 "dry" storage alone.

While the statement of the Olufs Warehouse Company for the same period is more favorable, the testimony shows that the accounts of this applicant have not been kept in a manner that would reflect the true situation as to the warehouse business alone. Increased operating costs, however, as they are affected by warehouse labor, are identical.

No one appeared at the hearing to protest against the proposed charges, although the record shows that individual notice was mailed to each patron of the warehouses. We believe that the increases requested have been justified and should be granted.

O R D E R

STATE CENTER WAREHOUSE AND COLD STORAGE COMPANY, MERCHANTS WAREHOUSE COMPANY, OLUF'S WAREHOUSE COMPANY, OWL TRANSFER COMPANY, EAGLE TRANSFER COMPANY, VALLEY VAN & STORAGE COMPANY, VALLEY TRUCK AND TRANSFER COMPANY, and COMMERCIAL TRANSFER, having applied to this Commission for authority to increase and adjust warehouse rates, and to establish rules and regulations for warehouse service at Fresno, as per Exhibit "A" accompanying the application, a public hearing having been held thereon, the matter having been submitted and the Commission being fully apprised in the premises,

IT IS HEREBY FOUND AS A FACT that the rates, rules and regulations proposed by applicants and set forth in Exhibit "A" accompanying the application, are just and reasonable, and that schedules now in effect by State Center Warehouse and Cold Storage Company, Merchants Warehouse Company and Oluf's Warehouse Company are unjust, unreasonable and inadequate in so far as they are not in accord with said Exhibit "A".

Basing its order upon said finding of fact,

IT IS HEREBY ORDERED that State Center Warehouse and Cold Storage Company, Merchants Warehouse Company, Oluf's Warehouse Company, Owl Transfer Company, Eagle Transfer Company, Valley Van & Storage Company, Valley Truck & Transfer Company and Commercial Transfer, be and they are hereby authorized to publish and file, to become effective five (5) days thereafter, schedules showing rates, rules and regulations for service at their several warehouses as set out in Exhibit "A", filed with said application.

Dated at San Francisco, California, this 8th day of June, 1920.

Edwin G. Edgerton
J. D. Loveland
Wm. W. Weston

Commissioners