

Decision No. 29050

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
C. W. CARLSTROM, doing business under
the fictitious firm name of Ace Van
and Storage Company, for authority to
charge less than the minimum rate
established by the Railroad Commission
for the movement of crated and un-
crated household goods, furniture, and
personal effects between San Diego
County, Long Beach, San Pedro, Los
Angeles County, and intermediate points.

ORIGINAL

Application No. 20577.

Phil Jacobson, for Applicant;
Floyd Bekins and T. A. Loretz, for Bekins Van Lines and Lyons
Van Lines, Protestants;
Wayne Wright, by T. A. Loretz, for United Independent Van &
Warehousemen's Association of America and
California Storage Association;
Harold W. Dill, for Truck & Warehousemen's Association of San
Diego and Imperial Counties, interested party;
Ellis Brown, for Triangle Transfer & Storage Co., Protestant;
C. Hinz, for A. & A. Transfer Company, Protestant.

BY THE COMMISSION:

O P I N I O N

This is an application under Section 11 of the Highway Carriers' Act for authority to charge less than the minimum rates established by this Commission for the transportation of household goods and personal effects (Dec. 28810, in Cases Nos. 4086 and 4099, dated May 11, 1936). Applicant is the holder of permits as a highway contract carrier and radial highway common carrier, respectively, and is engaged in the transportation of the commodities mentioned; his headquarters are in San Diego. He has submitted

to the United States Navy Department, through the Naval Supply Depot at San Diego, a bid to transport for it crated and uncrated household goods and personal effects of officers of the United States Navy between San Diego and points in San Diego County, on the one hand, and San Pedro, Long Beach, Wilmington, Lomita, Compton, Los Angeles, Santa Monica, Venice, Hollywood, Beverly Hills, Glendale, Pasadena, Buena Park and other points in Los Angeles County, and Anaheim and Santa Ana in Orange County, on the other hand, during the year ending June 30, 1937, at rates of sixty cents per hundred pounds to San Pedro, Long Beach, Wilmington, Lomita, and Compton; two dollars per hundred pounds to points in Los Angeles County not specifically mentioned above; and one dollar and twenty-seven cents per hundred pounds to all other points specifically mentioned, with a minimum of two dollars per shipment and a discount of 5% for payment within 10 days.

The applicant seeks authority solely to perform this hauling pursuant to a contract awarded in accordance with the bid, except that the rates he wishes authorized are 56 cents instead of 57 cents (60 cents less 5%), and \$1.20 instead of \$1.2075 (\$1.27 less 5%). Public hearing was held before Examiner Elder at San Diego, July 14, 1936.

The transportation involved is occasioned by the transfer by the Navy Department of officers from one post to another, in connection with which the Government pays the cost of transporting the officers' household goods, furniture, and personal

effects up to a certain weight. This weight varies with the officer's rank, but in all cases is substantial. If the shipment exceeds this limit the carrier is nevertheless paid for the entire shipment by the Government, which then makes a charge against the officer on account of the excess. This traffic constitutes transportation "for the United States" within the meaning of Section 17 (a) 4 of the Public Utilities Act (Western Pacific Co. v. United States, 255 U.S. 349, 65 L. Ed. 671, 41 S. Ct. 332). Applicant's bid was made in competition with at least one highway common carrier at a preferential rate offered pursuant to Section 17 (a) 4. Section 11 of the Highway Carriers' Act contemplates the allowance of corresponding preferences by radial highway common carriers and highway contract carriers, provided the proposed rates do not create any unjust or unreasonable discrimination and are in that sense reasonable.

The testimony of Applicant tending to show that no such unreasonable discrimination would result in this case was not refuted. Revenue which might be derived under the contract at the proposed rates was computed upon the basis of the volume of traffic moved under the same contract for the year 1935-1936, and applicant undertook to show that with that revenue the same volume of traffic would produce a profit over the cost of performing the service. While the cost figures used are not in all respects beyond question, it does not appear that the proposed rates will burden other traffic. Protestants do not contend and there is nothing to show that they will constitute an unjust or unreasonable discrimination against other shippers or traffic.

In the light of the particular circumstances of this case, we find the rates set out in applicant's bid to be reasonable, within the meaning of Section 11, for the transportation described when performed for the United States pursuant to the special contract referred to. We see no justification, however, for authorizing rates shaded under those bid, as the application requests, or for authorizing any different rates than those bid.

Protestants contend that applicant is operating between San Diego and Los Angeles as a highway common carrier without the required certificate of public convenience and necessity, and will continue to operate as such under the proposed contract. Such issues, however, are not properly before the Commission in this proceeding, and no opinion is expressed relative thereto. The authority herein granted is not to be considered as prejudicial, one way or the other, in any proceeding properly involving such questions which may arise in the future.

O R D E R

The above application, having been duly heard and submitted for decision, and the Commission now being fully advised in the premises, on the basis of the conclusions and findings in the preceding opinion,

IT IS HEREBY ORDERED that the applicant C. W. Carlstrom be and he is hereby authorized to transport for the United States Navy Department crated and uncrated household goods, furniture, and personal effects of officers of the Navy, as directed by the officer in charge of the Naval Supply Depot, San Diego, or the

officer in charge of the Naval Disbursing and Transportation office, San Pedro, pursuant to contract awarded in accordance with the bid of applicant (dated July 2, 1936, and identified as "Schedule 53"), from the date hereof to and including July 30, 1937, between the points and at not less than the rates hereinafter set forth, to-wit:

BETWEEN	A N D	RATE PER CWT.	MINIMUM PER SHIPMENT
San Diego (to include Ocean Beach, Pacific Beach, La Jolla and Point Loma, La Mesa, National City, El Cajon, Chula Vista, Coronado, and other places with- in the County of San Diego at a distance from the Naval Supply Depot shorter than the most distant point named above).	San Pedro, Long Beach, Wilmington, Lomita and Compton	\$ 0.60	\$ 2.00
	Los Angeles (other than the parts specifically mentioned herein)	1.27	2.00
	Santa Monica and Venice ...	1.27	2.00
	Hollywood and Beverly Hills	1.27	2.00
	Glendale and Pasadena	1.27	2.00
	Whittier and Buena Park....	1.27	2.00
	Los Angeles County points (other than those listed above)	2.00	2.00
Anaheim and Santa Ana	1.27	2.00	

Provided, however, that applicant may allow a discount of not more than 5% of the charges assessed at said minimum rates for payment within ten (10) days of performance of the service.

Dated at San Francisco, California, this 17th day of

August, 1936.

M. B. Harris
Simon Owhessey
M. L. Curran
Walter H. Brown
Frank R. Brown

Commissioners.