

Decision No. 34378

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment of)
maximum or minimum, or maximum and mini-)
mum rates, rules and regulations of all)
Radial Highway Common Carriers and High-)
way Contract Carriers operating motor)
vehicles over the public highways of the)
State of California, pursuant to Chapter)
223, Statutes of 1935, for the transpor-)
tation for compensation or hire of any)
and all commodities and accessorial ser-)
vices incident to such transportation.)

Case No. 4088

Part "U"
Part "V"

In the Matter of the Investigation and)
Establishment of rates, charges, classi-)
fications, rules, regulations, contracts)
and practices, or any thereof, of Common)
Carriers of property.)

Case No. 4145

Part "F"
Part "G"

- E. W. Hollingsworth, for the Manufacturers Association of South San Francisco.
J. E. Lyons and R. E. Wedekind, for Southern Pacific Company, Pacific Motor Transport Company, Northwestern Pacific Railroad Company, Petaluma & Santa Rosa Railroad Company and Visalia Electric Railroad.
Edward M. Berol, for Truck Owners Association of California.
McCutchen, Olney, Mannon & Greene, by F. W. Mielke and J. C. Stone, for Napa Transportation Company.
Harry M. Wade, for the McClain Truck Company.
Albert Mansfield, Port Attorney, and W. E. Murphy, Port Manager, for the Redwood City Port Commission.
Harold Frasher, for Frasher Truck Company, Inc.
F. M. Mott, for Merchants Express Corporation.
E. H. Hart, for Pacific Motor Tariff Bureau.
T. G. Differding, for Oakland Chamber of Commerce.
H. W. Hendricks and H. C. Cantelow, for Pacific Coastwise Conference.
Douglas Brookman, for Petaluma-Santa Rosa Express; Sausalito, Mill Valley and San Francisco Express; Valley and Coast Transit Company; Coast Line Express; and United Parcel Service, Bay District.
A. E. Van Slyke, for Yosemite Portland Cement Corporation.
Senborn, Roehl & MacLeod, for Union Lumber Company, California Western Railroad & Navigation Company, National Steamship Company and Southwestern Portland Cement Company.
J. A. Zech, in propria persona and for certain other parties.
F. H. Asbury and D. L. Campbell, for Asbury Truck Company.
Jackson W. Kendall, for Bekins Van Lines, Inc., and Bekins Van & Storage Company.
L. W. Hill, for Truck Owners' Association of San Diego and Imperial Counties.

E. A. Maher, for Automotive Council of Orange County.
M. A. Depuy, for Johnson Truck Lines.
L. A. Strouse, for California Fruit Growers Exchange.
Wallace M. Ripley, for El Dorado County Chamber of Commerce.
G. A. Ross, for Standard Sanitary Manufacturing Company.
J. F. Milford and H. Hoffman, for Baker, Hamilton and Pacific Company.
L. L. Schwarz, for Pacific Gas and Electric Co.
J. D. Cron, Traffic Manager, Chevrolet Motor Company.
Walter B. Scott, for United States Gypsum Company.
James L. Roney and E. G. Williams, for Grocery Distributors' Association of Northern California.
Harold W. Dill, for Truck and Warehouse Association of San Diego and Imperial Counties.
G. M. Hunton, for Valencia Truck Company.
H. P. Matthews, for Consolidated Express Service.
John E. Truman and W. E. Kessler, for Western States Express, Pacific States Express and Northwest Forwarders.
George J. Olsen, for Dunham, Carrigan & Hayden Company.

The foregoing appearances were entered during the hearings in Parts "U" and "V" of Case No. 4088 and Parts "F" and "G" of Case No. 4145. For reference to other appearances in these proceedings see Decision No. 30025 of August 9, 1937, in Part "R" of Case No. 4088 and Part "E" of Case No. 4145; also Decision No. 29915 of July 1, 1937, and Decision No. 30010 of August 9, 1937, in Parts "Q" and "T" respectively of Case No. 4088.

BY THE COMMISSION:

O P I N I O N

These proceedings involve rates for the transportation of property by radial highway common carriers, highway contract carriers and common carriers.¹ Each of the proceedings has been divided into different parts. Those with which we are here dealing have to do with the transportation of property (a) between points in California generally north of Gaviota Pass and the Tehachapi Mountains (Part "U" of Case No. 4088 and Part "F" of Case No. 4145), and (b) between points in the general territory south of San Fernando and Burbank as embraced by Part "M" of Case No. 4088 and Part "B" of

¹ A full discussion of the purposes for which these proceedings were instituted will be found in Decision No. 28761 of April 27, 1936, in Part "A" of Case No. 4088 (39 C.R.C. 703) and Decision No. 29480 of January 25, 1937, in Part "B" of Case No. 4145.

Case No. 4145 on the one hand, and points in the general territory north thereof to but not including San Jose and Stockton, on the other hand (Part "V" of Case No. 4088 and Part "G" of Case No. 4145). The matters were consolidated and heard before Examiner Howard G. Freas.²

Certain commodities and certain classes of shipments are not embraced by this decision.³ Shipments weighing more than 20,000 pounds are not here considered except as is necessary to fix the charge for 20,000 pounds as minimum for heavier shipments.

The evidence in these phases of these proceedings is of the same general character as that which has heretofore been adduced in numerous other phases, although in many respects it is more comprehensive and more detailed than that offered in the past. Nineteen days were devoted to public hearings. Some thirty-five witnesses testified and nearly one hundred exhibits were received. Cost experts introduced studies showing the estimated cost of rendering transportation service, particularly by motor truck. Certain rate witnesses presented studies showing the development of rates, generally mileage class rates, designed to return the estimated costs; others proposed rates not predicated upon costs but based upon experience and judgment and deemed to be proper. Shippers and shipper

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Public hearings in Parts "U" and "F" of the respective cases were had at San Francisco on August 3, 4, 5, 6, 11, 12 and 13, 1937. The initial hearing in Parts "V" and "G" of the respective cases was had at Los Angeles on August 24, 1937. Subsequent hearings in all of these parts were had at Los Angeles on August 25 and 26, 1937; at San Francisco on September 29 and October 13, 14 and 15, 1937; at Sacramento on November 8 and again at San Francisco on November 9, 10, 12 and 13, 1937.

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A complete list of exclusions from the order herein will be found in Rule No. 20 of Appendix "A" hereof. The traffic thus excluded was not eliminated from the proceedings but its consideration has been deferred in order that rates for the balance of the traffic might be established with the greatest dispatch.

representatives testified in explanation of their requirements and desires.

Certain rate witnesses testified that in their opinion the then effective common carrier rates for the transportation of merchandise traffic were subnormal. Carrier witnesses stressed that immediate stabilization of less-than-carload and less-than-truckload rates of all carriers upon a basis generally somewhat higher than the present common carrier level was absolutely essential to the welfare of the transportation industry. Almost without exception shipper witnesses stated that they recognized the need for increased carrier revenues, and were not opposed to a reasonable advance in rates to offset increased costs. It should be observed, however, that opinions differ as to what constitutes a "reasonable advance."

Although several shipper witnesses suggested that a blanket upward revision be made in the existing common carrier rates, and that existing rate relationships between competing communities be retained, it was agreed by most of the parties that the answer to the problem before us lies in the establishment of a uniform scale of mileage class rates to be observed by all classes of for-hire carriers, with such exceptions to the classification ratings and such special commodity rates as may be found justified.⁴ It was also generally recognized that the proprietary truck has antiquated the single scale of rates for all weights of less-than-carload and less-than-truckload shipments, and that some number of weight brackets must be adopted in order that the charges for a shipment may be reasonably related to the cost of transporting it.

Weight Brackets

During the course of the hearings many different weight

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Obviously a blanket revision of the common carrier rates will not assist in the establishment of rates for the other classes of for-hire carriers between points not served by common carriers.

brackets were proposed. Five of the witnesses first adopted breaks at any quantity, 500 pounds, 2,000 pounds, 4,000 pounds and 10,000 pounds. However, as the hearings progressed it became apparent that most of the carriers and nearly all of the shippers objected to a multiplicity of brackets in the lower weights, primarily on the grounds that too many brackets made the rate structure undesirably complex and inevitably burdened the smaller shipper. The brackets most generally agreed upon were any quantity, 4,000 pounds, 10,000 pounds, and either 18,000 or 20,000 pounds, although several carriers insisted that breaks at 500 pounds and 2,000 pounds were desirable and necessary over short distances.

Mileage Blocks

Some testimony was devoted to the length of the mileage blocks which should be adopted. Those used by the carriers in their class rate proposals varied considerably, although all used smaller blocks for the short distances and larger blocks for the longer distances. Several witnesses used 10-mile blocks up to 100 miles, 20-mile blocks from 100 to 200 miles, and longer blocks thereafter. One carrier suggested 5-mile blocks up to 300 miles, 10-mile blocks thereafter to 600 miles, and 20-mile blocks beyond. The Stockton, Sacramento and Los Angeles Chambers of Commerce urged the use of 5-mile blocks for distances up to 200 or 300 miles in order to minimize the rate breaks between adjacent blocks.

Relationship of Classes

The rates developed by two of the carriers are made upon a relationship of 100 per cent for first class, 85 per cent for second class, 70 per cent for third class and 60 per cent for fourth class. One shipper witness expressed preference for a spread of 100-85-70-62½. With these three exceptions all of the witnesses used a relationship of 100 per cent for first class, 90 per cent for sec-

ond class, 80 per cent for third class and 70 per cent for fourth class, which is the spread recently adopted by the Commission in establishing class rates in southern California.⁵

Classification

All rate witnesses recommended the use of Western Classification ratings to govern class rates. No alternative classification was suggested, except that Railway Express Agency, Inc. wished to be undisturbed in the use of its own express classification.

Commodity Rates and Exceptions to the Classification

Many witnesses recommended the use of Pacific Freight Tariff Bureau Exception Sheet No. 1-P (C.R.C. No. 597, L. F. Potter series), which is now adopted by the principal common carriers operating in California.

Numerous shippers and shippers' organizations urged that commodity rates or exceptions to the classification ratings be established on a hardware group and a grocery group, and individual shipper witnesses urged similar treatment for a group of paper articles, a group of sheet metal articles, and a group of plumbers' supplies. Ratings lower than those provided in the Western Classification were urged for sugar, butter and cheese, bakery goods, bathtubs and electric light globes. Each of these proposals was supported by considerable testimony designed to justify its adoption.

A witness for Southern Pacific Company and Pacific Motor Transport Company proposed that the present common carrier store-door rates and commodity descriptions applicable to hardware and related articles be adjusted to remove alleged discrimination between terri-

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Decision No. 29480 as amended in Part "M" of Case No. 4088 and Part "B" of Case No. 4145, involving rates for transportation within the territory bounded generally by San Fernando and Burbank on the north, Redlands, Yucaipa, Hemet Valley and Escondido on the east, the Mexican border on the south and the Pacific Ocean on the west.

tories, and that the revised and adjusted rates be established as just and reasonable minimum rates for highway carriers. No attempt was made to justify this proposal upon the basis of transportation costs, and the witness explained that it was made primarily for the purpose of removing discriminations. Only one other carrier witness suggested commodity rates, and these only for application in the San Francisco Bay metropolitan area.

Routing and Mileages

Inasmuch as substantially all of the proposals in these proceedings contemplate the establishment of mileage class rates, the methods of computing distances and applying routes are of great importance. All witnesses dealing with this subject suggested that constructive mileages be computed in accordance with the method provided in Decision No. 30000 in Part "N" of Case No. 4088.⁶ As to routing, one witness suggested that rates be computed via the route of movement, subject to certain exceptions to permit common carriers to meet shorter competitive routes. Numerous other witnesses recommended computation of rates via the shortest resulting public highway route, which is the plan provided in connection with rates recently established by the Commission in southern California by Decision No. 29480, supra. A witness for Southern Pacific Company testified that in the establishment of mileage rates the railroads had never found any satisfactory alternative to the use of short-line distances.

Depot Rates

The various rate proposals and the costs upon which they are based are concerned primarily with the transportation of property in store-door service; that is, with transportation which includes

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By Decision No. 30000, dated August 9, 1937, the Commission set forth a method for determining constructive highway mileages, and ordered that that method be used in applying rates based upon length of haul thereafter established by the Commission pursuant to the Highway Carriers' Act.

pick-up at point of origin and delivery at point of destination. Rail carriers proposed that the rates established be for all-inclusive transportation from shipper's door to consignee's door, and that carriers continue the plan whereby many common carriers now make an allowance of 5 cents per 100 pounds on shipments brought to or taken from their depots. A rail witness testified that the station-to-station class rate scales were established years ago and were not adapted to present conditions. He recommended that they be cancelled from the tariffs so far as less-than-carload transportation was concerned.

Shipper witnesses generally urged that the common carrier station-to-station rates be retained. The Sacramento Chamber of Commerce suggested that allowances from the store-door rates might be discontinued altogether, but other shipper witnesses urged that the allowance system be retained and that the payment be changed from 5 cents per 100 pounds to some other figure or figures more closely approximating the saving to the carrier.

Community Relationships

Several proposals were made whereby a rate parity would be established between contiguous communities. For example, one witness suggested that from or to points more than 15 miles distant from both San Francisco and Oakland, mileages to or from the various cities comprising the San Francisco Bay metropolitan area should be the mileage to or from San Francisco or Oakland, whichever is the shorter. Another witness made a similar proposal but suggested that the parity start at 40 rather than at 15 miles, and that the mileage used be the average of the distances to or from San Francisco and Oakland. Still another witness proposed that mileage from and to points over 25 miles distant from certain contiguous cities be computed by taking the average of the shortest and longest distance from and to any points in such cities. The contiguous cities sug-

gested, in addition to San Francisco Bay cities and a Los Angeles group, were Sacramento and North Sacramento; San Jose and Santa Clara; and Bakersfield and Oildale. The Los Angeles Chamber of Commerce asked that no grouping be permitted to shorten the applicable distance between San Francisco and interior points.

A number of shipper witnesses urged that existing rate relationships between competing jobbing centers be retained wherever possible. None of these witnesses clearly identified the relationships referred to in amounts or in percentages, and no one suggested a method by which fixed rate differentials might be appropriately woven into a pattern of mileage class rates.

Split Pick-up or Delivery

Considerable testimony was devoted to the subject of split pick-up or split delivery shipments. Under this plan consignments from several consignors to a single consignee, or from a single consignor to several consignees, may be considered as one shipment and rated as such, subject to weight and routing restrictions and to certain additional charges to compensate for the added service.

One suggestion was that split pick-up or split delivery be permitted on all shipments weighing 4,000 pounds or more at an additional charge of one cent per 100 pounds.⁷ Another suggestion was that the service be provided only in connection with shipments of groceries and hardware, and that the additional charge be 5 cents per 100 pounds. A cost expert testified for the Commission that he had made some study of split delivery of large shipments of relatively heavy commodities, and had found the additional cost of the service to be approximately 85 cents for each delivery. He explained

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This provision is the same as approved by the Commission in other phases of Cases Nos. 4088 and 4145 and in other proceedings. See Decision No. 29723 in Case No. 4088, Part "B", Case No. 4137 and Case No. 4141; Decision No. 29313 in Case No. 4088, Part "G", Case No. 4106 and Case No. 4107; Decision No. 28928 in Case No. 4088, Part "D", and Case No. 4115; Decision No. 29420 in Case No. 4088, Part "M", and Case No. 4145, Part "B".

that the added cost varied with the number of stops rather than with the weight of the delivery.

Rail witnesses testified that in their opinion no split pick-up or split delivery should be permitted, and that lots from more than one consignor or to more than one consignee should be considered as individual shipments and rated accordingly. Other carrier witnesses urged that the service in any event be limited to commodities actually requiring it. A witness for the Sacramento Chamber of Commerce testified that in an investigation of more than 120 retail firms and business houses in the territory north and east of Sacramento he had found no need and no demand for split pick-up or split delivery service.

On the other hand, a witness for the Truck Owners Association of California testified that split pick-up or delivery service was regularly performed by contract carriers, and that its continuation was necessary if for-hire carriers were to equalize the service which may be rendered by shipper-owned trucks. This witness indicated that more than 90 per cent of the shipments accorded the service weigh 10,000 pounds or more. Several shippers testified that split delivery was essential in the handling of their shipments.

Application of Weight Brackets to
Shipments of More than One Class

Some testimony was devoted to technical consideration of the application of weight brackets in connection with shipments containing commodities of more than one class. Rail carriers proposed that only the weight of articles in a single class be used to fix the weight bracket applicable to such articles. Their witnesses expressed the belief that this was consistent with the method in which rates have been applied on merchandise handled by railroads in the past. Other carrier and shipper witnesses recommended that the total weight

of all classes in a shipment be used to determine the weight bracket applicable to the entire shipment, urging that they could see no possible justification for any other basis.⁸

Transbay Rates

Two carrier witnesses asked that a different and somewhat higher than average level of rates be established for transportation between San Francisco and the East Bay cities of Alameda, Albany, Berkeley, Emeryville, Oakland and Piedmont, alleging that the cost of rendering transportation service is particularly high in the Bay area, principally due to high labor costs. One of these witnesses, testifying for the Pacific Motor Tariff Bureau, made a rate proposal which, if approved, would perpetuate the system of miscellaneous commodity rates, all-freight rates and monthly-tonnage rates now contained in certain of the common carrier tariffs, although increasing the volume of the rates approximately 10 per cent.

Package Common Carriers

A witness for Railway Express Agency, Inc., requested that its charges for the transportation of shipments weighing 100 pounds or less be not disturbed and that no change be required in its express classification. The witness stated that in the transportation of small shipments his company was engaged in a specialized service, and competed with parcel post rather than with carriers involved in these proceedings. He also pointed out that the territories herein involved are considerably less extensive than those covered by the

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In disposing of the same problem in connection with rates established in southern California the Commission said: "Since the rates are based on the volume of the tonnage offered for transportation at one time, however, no good reason appears for penalizing a shipper merely because different parts of his shipment fall under different classifications. By the same reasoning different commodities, even though subject to the same rating, should be considered separately in applying the prescribed rates." (Decision No. 29592 dated March 8, 1937, in Cases Nos. 4088, Part "M", and 4145, Part "B".)

operations of his company within the state, and alleged that any revision made here in the uniform express charges would result in maladjustment and confusion.

A number of common carriers engaged in retail parcel delivery service asked that their operations be excluded from any order issued in these proceedings.

Credit

Many carrier and shipper witnesses urged the adoption here of the rules governing the settlement of rates and charges recently prescribed for interstate common carriers of property by motor vehicle by the Interstate Commerce Commission. The rules referred to became effective on October 1, 1937, and provide in general for a credit period of seven days, excluding Sundays and legal holidays. All witnesses who discussed credit said that some limitation should be made, and all agreed that uniformity between interstate and intrastate regulation was desirable to shippers and carriers alike.

Discussion and Conclusions

The first and most important element to be determined in these proceedings is the general level of the rates to be established. In proceedings as extensive as these it cannot be hoped that the Commission may adopt rates developed from a simple mathematical projection of any single cost study. Numerous factors which may or may not directly affect the cost of transportation must be given adequate consideration in the fixation of rates. Cost studies can be taken only as approximations, for all of them contain many variable factors and depend to a material extent upon the use of expert judgment. Inevitably the various estimates differ in their final results.

On the other hand, in the establishment of minimum rates the cost of transportation is a necessary and very important consideration, for, generally speaking, rates fixed below the cost level will burden other traffic, and result in poverty to carriers engaged

in transportation at such rates; and rates fixed much above the cost level will restrict the flow of traffic or divert tonnage from the regulated carriers to proprietary trucks. The cost estimates should be considered, perhaps, as markers which indicate the direction and outside limits of the safe channel but do not necessarily fix the exact route to be traversed. The rates, rules and regulations hereinafter established have been developed after a careful consideration of all of the cost and rate studies, and of numerous other rate factors which have been weighed and evaluated.

The class rate relationship used is 100 per cent for first class, 90 per cent for second class, 80 per cent for third class and 70 per cent for fourth class. Modified weight brackets are adopted, with fewer blocks for longer distances.⁹ So far as practicable in consideration of other important factors the rates are related to estimated minimum reasonable costs of transportation, and all of the rates are graded according to constructive mileages figured via the shortest public highway route. The mileage blocks used are fewer than suggested by the Los Angeles, Stockton and Sacramento Chambers of Commerce, but more refined than those generally proposed by the carriers.

No commodity rates have been established.¹⁰ However, the

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The minimum weights hereinafter adopted are 2,000 pounds, 4,000 pounds, 10,000 pounds and 18,000 pounds, with the 2,000-pound rates "fading out" at approximately 80 miles. The same weight brackets were originally established in southern California (Decision No. 29480, supra). Following representations by carriers at the hearing and during oral argument before the Commission en banc an additional bracket was provided at 500 pounds. The record in the instant phases of these proceedings is convincing that the 500-pound bracket should not be established in the territories here involved. It is contended for by few of the carriers and perhaps none of the shippers. On the other hand transportation costs and proprietary competition as shown on this record necessitate the number of weight brackets here used.

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In Decision No. 29480, supra, the Commission said: "When class rate structures are properly adjusted, few if any commodity rates for shipments weighing 18,000 pounds and less are justified. The promiscuous filing of commodity rates tends toward discrimination between commodities and communities, and serves to break down the class rates and the classification upon which the rate structure is built."

use of Pacific Freight Tariff Bureau Exception Sheet No. 1-P has been authorized, and a number of additional reductions from classification ratings have been provided. The proposed placing of articles of several different classification ratings in broad commodity groups has been deemed inadvisable. It is appreciated that commodity groupings are convenient and that they are desired by a number of shippers, but to disregard classification ratings in the manner suggested could not do otherwise than break down the rate structure. If all or substantially all of the articles offered for transportation by one shipper are to be accorded one rate, other shippers may with propriety expect similar treatment. Carrying this and the argument regarding the convenience of the group rates to their logical conclusions we would arrive at, or at least approach, a single "all freight" rate. Few will contend that this would be sound ratemaking under normal conditions. So far as the convenience of the groupings is concerned, the classification itself has the effect of creating four principal groups for less-carload traffic and the ratings there are based upon an extensive consideration of transportation characteristics. In establishing uniform rates in southern California, the Commission required the cancellation of the commodity groupings formerly maintained by common carriers operating in that territory and although one oral argument and two public hearings were since held in those proceedings, only one shipper and none of the carriers contended for re-establishment of any of the groupings. Liberalized packing requirements are approved herein. Under these circumstances no reason appears why shippers and carriers in the territories here involved cannot readily accommodate themselves to classification ratings.

The rates established cover complete pick-up and delivery service with provision for reduced rates in the case of terminal

receipt or delivery. The order carries no prohibition against the allowance system should carriers prefer it to the establishment of terminal rates.

The record is in sharp conflict insofar as split pick-up and delivery are concerned, some of the parties contending that the ~~practices~~ are not justified and others asserting with equal force that they meet a definite need. The Commission has made provision¹ for split pick-up or split delivery in each of the principal rate orders heretofore issued under the Highway Carriers' Act. On this record such a provision is not justified insofar as shipments weighing less than 10,000 pounds are concerned. In view of the impossibility of reconciling the opposing positions found on this record, however, the right to accord such service in connection with shipments weighing 10,000 pounds or more should not be withheld here. It is accordingly authorized and a rule prescribed which makes definite provision for intermediate application.

No deviation from the uniform rate scale has been made between San Francisco and the East Bay cities. Although labor costs in the San Francisco Bay area are apparently somewhat higher than the average throughout the state, the record is not convincing that the over-all cost of transportation justifies higher rates in this territory.

Certain carriers engaged in the transportation of parcels from retail stores and performing a highly specialized service have been exempted from the order herein. Other carriers who requested exemption have not been excluded, for their tariffs indicate that they perform an ordinary express service, the exemption of which would be clearly improper.

Although there is considerable justification for adoption of the proposed credit rules, they have not been prescribed at this

time. It is believed that the establishment of such rules should be accomplished only in a proceeding which embraces the entire state.

In view of the facts that present common carrier class rates have little or no direct relationship to distance, and that their less-than-carload and less-than-truckload commodity rates are generally the result of unrestrained competition, it is inevitable that the uniform rates hereinafter established should result in some substantial increases and reductions. Nevertheless, in spite of the many reductions contemplated, it is believed that the rates as a whole will return to the carriers the increased revenue which the record clearly and convincingly shows they must have at once in order to meet the advanced and advancing costs of rendering adequate transportation service.

The Commission is not unmindful that adjustment of California rates without corresponding changes in interstate rates may result in some disadvantages to California industries in marketing their merchandise within the state in competition with shippers located in other states. Interstate rates are subject to the jurisdiction of the Interstate Commerce Commission, as intrastate rates are regulated by this Commission. It is obvious that if neither class of rates could be disturbed until the other was first adjusted, no stabilization could ever be effected. If it develops that the rates here established unreasonably handicap California shippers because of improperly related interstate rates which cannot be changed, such maladjustment may be brought to the Commission's attention.¹¹

It cannot be hoped, of course, that a rate structure adopted at a single time to cover commodities and territories as extensive

¹¹ Although a number of shipper witnesses testified that any rate increase would impair their ability to compete with out-of-state shippers, it is significant that certain of these witnesses did not know the present interstate rates on their commodities, could not state at what points they encountered interstate competition, or give a clear idea of the extent thereof.

as those herein involved may be satisfactory and complete in every detail. The responsibility for fixing rates under the Highway Carriers' Act and under provisions of the Public Utilities Act is a heavy one. Because of the difficulties in which many of the carriers now find themselves, it is apparent that prompt action by the Commission at this time is absolutely necessary. If it develops that adjustments and refinements should be made in the rate structure, the Commission will do so as expeditiously as is practicable.

The rates herein established, as well as all other rates in the state, will be subject to review in Case No. 4246, an investigation recently instituted by the Commission for the purpose of establishing or approving rates to be observed by all for-hire carriers for the transportation of any and all commodities between all points in this state.¹² The rates, rules and regulations herein provided are established without prejudice to whatever conclusions the Commission may reach in that proceeding.

Findings

Upon consideration of all of the facts of record we are of the opinion and find:

(1) That the existing rates, rules and regulations charged, collected and observed by common carriers, to the extent they are lower in volume or effect than those set forth in Appendix "A" attached to the order herein for the same transportation or the same accessorial service, are unreasonable, insufficient, and not justified by the actual competitive transportation rates of competing carriers nor by the costs of other means of transportation.

(2) That rates, rules and regulations no lower in volume

¹² Initial hearings were had at San Francisco on September 23 and 24 and November 9, 10, 12 and 13, 1937, before Examiners Freas and Gorman.

or effect than those set forth in said Appendix "A" should be prescribed as reasonable and sufficient rates, rules and regulations for common carriers.

(3) That the rates, rules and regulations set forth in said Appendix "A" are justified and should be established as the just, reasonable and non-discriminatory minimum rates, rules and regulations for radial highway common carriers and highway contract carriers.

(4) That common carriers, radial highway common carriers and highway contract carriers will not for the future be justified in charging, collecting or observing rates, rules or regulations lower in volume or effect than those set forth in said Appendix "A".

(5) That the rates, rules and regulations set forth in said Appendix "A" will provide an equality of transportation rates between all competing agencies of transportation.

(6) That the rates set forth in said Appendix "A" are predicated upon existing conditions and that the prescribing thereof shall not be construed as a finding or determination by the Commission that those theretofore charged, collected, published and filed by common carriers were in the past ²⁰⁰⁰ in excess of reasonable rates.

(7) That every radial highway common and highway contract carrier should be required to issue a freight bill for each shipment received for transportation and retain and preserve a copy thereof for reference for a period of not less than three (3) years from the date of its issuance.

O R D E R

Public hearings having been held in the above entitled proceedings, and based upon the evidence received at the hearings and upon the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that all common carriers as defined in the Public Utilities Act be and they are hereby ordered and directed to establish on or before January 5, 1938, on not less than five (5) days' notice to the Commission and to the public, rates, rules and regulations no lower in volume or effect than those set forth in Appendix "A" attached hereto and hereby made a part hereof, for the transportation of the property between the points for which rates are provided in said Appendix "A".

IT IS HEREBY FURTHER ORDERED that the rates, rules and regulations set forth in said Appendix "A" be and they are hereby established and approved, effective January 5, 1938, as the just, reasonable and non-discriminatory minimum rates, rules and regulations to be charged, collected and observed by any and all radial highway common carriers and highway contract carriers as defined in the Highway Carriers' Act for the transportation of property between the points for which rates are provided in said Appendix "A".

IT IS HEREBY FURTHER ORDERED that all common carriers as defined in the Public Utilities Act and all radial highway common carriers and highway contract carriers as defined in the Highway Carriers' Act be and they are hereby ordered to cease and desist on or before January 5, 1938, and thereafter abstain from charging, collecting or observing rates, rules or regulations lower in volume or effect than those set forth in said Appendix "A".

IT IS HEREBY FURTHER ORDERED that the rates, rules and regulations set forth in said Appendix "A" shall cancel and supersede rates, rules and regulations heretofore established in these or other proceedings, for the transportation of the commodities and within the territories for which rates are provided in said Appendix "A".

IT IS HEREBY FURTHER ORDERED that to the extent the rates, rules and regulations herein established, for the same transportation of the same shipment, are different from those established in and by Decision No. 29480 of January 25, 1937, as amended, in Part "M" of Case No. 4088 and in Part "B" of Case No. 4145, the rates, rules and regulations resulting in the greater total charge shall apply.

IT IS HEREBY FURTHER ORDERED that every radial highway common carrier and highway contract carrier shall issue to the shipper, for each shipment received for transportation, a freight bill in substantially the form set forth in Appendix "B" attached hereto and hereby made a part hereof, but may include in said freight bill, in addition to the provisions appearing in said form, such other reasonable and lawful provisions as may be deemed proper, and shall retain and preserve for reference, subject to the inspection of the Commission, a copy of said freight bill for a period of not less than three (3) years from the date of its issuance.

IT IS HEREBY FURTHER ORDERED that the Commission shall have and it does hereby retain jurisdiction of these proceedings for the purpose of establishing or approving the just, reasonable and non-discriminatory maximum or minimum or maximum and minimum rates, charges, classifications, rules and regulations to be charged, collected and observed by radial highway common carriers and highway contract carriers both for transportation service hereinabove described and for such other transportation and accessorial service as may from time to time appear proper in the light of other or further evidence received herein and for the purpose of establishing and prescribing such rates as will provide an equality of trans-

portation rates for the transportation of the articles and commodities here involved between all competing agencies of transportation.

The effective date of this order shall be December 23, 1937.

Dated at San Francisco, California, this 29th day of November, 1937.

Walter H. Hays
Leon G. Hays
Frank R. Hays

W. H. Hays
Commissioners.

APPENDIX A

NAMING

JUST, REASONABLE AND NON-DISCRIMINATORY
MINIMUM RATES FOR RADIAL HIGHWAY COMMON CARRIERS
AND HIGHWAY CONTRACT CARRIERS

AND

REASONABLE AND SUFFICIENT RATES FOR COMMON CARRIERS

FOR THE

TRANSPORTATION OF PROPERTY BETWEEN POINTS IN CALIFORNIA

AS INDICATED HEREIN

TOGETHER WITH

RULES AND REGULATIONS

APPENDIX A

SECTION NO. 1 - RULES AND REGULATIONS

EXPLANATION OF ABBREVIATIONS

C.O.D. - Collect on Delivery
D-1 - Double First Class
L.C.L. - Less than carload
No. - Number
E.G. - For example
Viz. - Namely

RULE NO. 10 - DEFINITION OF TECHNICAL TERMS

(a) COMMON CARRIER RATE means any intrastate rate or rates of any common carrier or common carriers as defined in the Public Utilities Act lawfully in effect at the time of shipment, together with the minimum weights, rules and regulations which govern such rate or rates.

(b) CURRENT CLASSIFICATION means Western Classification No. 66, C.R.C. No. 611 (L. F. Potter, Series) supplements thereto and successive issues thereof.

(c) CURRENT EXCEPTION SHEET means Pacific Freight Tariff Bureau Exception Sheet No. 1-P, C.R.C. No. 597 (L. F. Potter, Series) supplements thereto and successive issues thereof.

(d) ESTABLISHED DEPOT means a freight terminal owned or leased and regularly maintained by the carrier for the receipt and delivery of shipments.

(e) POINT OF ORIGIN means the precise location at which property is loaded or to be loaded in or on equipment of the carrier for transportation.

(f) POINT OF DESTINATION means the precise location at which property is discharged or to be discharged from the equipment of the carrier.

(g) SHIPMENT means a quantity of freight received from one shipper on one shipping order or one bill of lading at one point of origin at one time for one consignee at one destination. (See Rules Nos. 80 and 90 for exception.)

(h) TAILGATE LOADING means loading of the shipment into carrier's equipment from a point not more than 25 feet distant from said equipment.

(i) TAILGATE UNLOADING means unloading of the shipment from carrier's equipment and placing it at a point not more than 25 feet distant from said equipment.

RULE NO. 20 - APPLICATION OF APPENDIX

This appendix applies to the transportation between points described in Rule No. 30 of all commodities. It does not apply on the following:

- (a) Automobiles, set up;
- (b) Beverages and Tonics, where lower charges for the same transportation of the same shipments are provided in Decision No. 29723 of April 26, 1937, in Cases Nos. 4137, 4141 and 4088, Part "B";
- (c) Carriers (used packages), empty, returning from or when forwarded for return paying load of traffic for which rates are not provided in this appendix. (Subject to Rule No. 130 of Current Exception Sheet);

APPENDIX A (Continued)

SECTION NO. 1 - RULES AND REGULATIONS (Continued)

RULE NO. 20 - APPLICATION OF APPENDIX (Continued)

- (d) Cement, portland, building;
- (e) Beans, peas and lentils, dried; fertilizers; fruit, fresh; hay and straw; insecticides or fungicides, agricultural; live stock; nuts, edible, in the shell; vegetables, fresh or green;
- (f) Grain, Grain Products and Feed, Animal or Poultry, as described under those headings in the Current Classification; Grain, Grain Products and other commodities named in Pacific Freight Tariff Bureau Tariff No. 240-A, C.R.C. No. 600 (L. F. Potter, Series); also crushed or ground clam, mussel or oyster shells;
- (g) Milk, cream, buttermilk, cottage cheese, pot cheese, or unflavored ice cream mix when transported in milk shipping cans, in bottles in cases or crates, or in bulk in tanks;
- (h) Newspapers, in retail distribution;
- (i) Oil, Water or Gas Well Outfits and Supplies and other articles as described in Item No. 10 of Appendix "A" to Decision No. 29313 of November 30, 1936, as amended, in Cases Nos. 4088 "C", 4106 and 4107, where lower charges for the same transportation of the same shipments are provided in said appendix, as amended;
- (j) Commodities transported in dump trucks;
- (k) Telephone directories;
- (l) Used Property, uncased, viz.: Household goods, personal effects, furniture, musical instruments, radios, office and store fixtures and equipment, between points for which rates are provided in Decision No. 29891 of June 28, 1937, as amended, in Cases Nos. 4086 and 4099;
- (m) Commodities transported under carload rates of common carriers by railroad;
- (n) Commodities transported in tank cars, tank trucks, tank trailers or tank semi-trailers, or a combination of such highway vehicles;
- (o) Shipments transported by California Delivery Service; Delivery Service Co.; Goodman Delivery Service, Inc.; 20th Century Delivery Service, Inc.; United Parcel Service, Inc.; United Parcel Service Bay District; or United Parcel Service of Los Angeles, Inc.; express packages not exceeding 50 pounds in weight each, transported by Sausalito, Mill Valley and San Francisco Express Co. under monthly-tonnage rates; shipments weighing 100 pounds or less transported by Railway Express Agency, Inc;
- (p) Shipments having point of origin in Alameda, Albany, Berkeley, Emeryville, Oakland or Piedmont, and point of destination in another of those cities;
- (q) Shipments between San Francisco and South San Francisco;

APPENDIX A (Continued)

SECTION NO. 1 - RULES AND REGULATIONS (Continued)

RULE NO. 20 - APPLICATION OF APPENDIX (Concluded)

(r) Shipments weighing more than 20,000 pounds; except that such shipments shall not be transported at a lesser total charge than the charge herein established for the same transportation of a shipment of the same commodity (or of the same commodities in the same proportions) weighing 20,000 pounds.

RULE NO. 30 - APPLICATION OF APPENDIX - TERRITORIAL DESCRIPTION

This appendix applies:

(a) Between points situated in the territory lying north and west of the following line: Commencing at the point the San Bernardino-Inyo County boundary intersects the California-Nevada state line and following westerly and southerly along the northerly and westerly boundaries of San Bernardino County to the point the said boundary intersects the northerly boundary of Los Angeles County; thence westerly along the northerly boundaries of Los Angeles County, Ventura County and Santa Barbara County to a point 10 miles easterly of the point U. S. Highway No. 101 intersects the northerly boundary of Santa Barbara County; thence southerly along a line 10 miles east of said U. S. Highway No. 101 to the point such line meets the Pacific Ocean approximately 10 miles east of Gaviota.

(b) Between points in the territory enclosed within the boundaries described in sub-paragraph (1) hereof on the one hand and points north of such territory but south or east of the line described in sub-paragraph (2) hereof on the other hand:

(1) Commencing at the point the Ventura County-Los Angeles County boundary intersects the Pacific Ocean, and following northeasterly along said boundary to the point it intersects State Highway No. 118, approximately two miles west of the unincorporated town of Chatsworth; thence easterly along the northerly border of State Highway No. 118 to San Fernando; thence northeasterly along the northerly border of the county road known as MacLay Avenue to the point it intersects the southerly boundary of Angeles National Forest; thence southeasterly and easterly along the southerly boundary of Angeles National Forest and of San Bernardino National Forest to the point it intersects the county road known as Mill Creek Road; thence westerly along the southerly border of said county road to Redlands; thence southeasterly along the northerly border of Reservoir Street and of U. S. Highway No. 99 to the point it intersects the county road known as Redlands Boulevard; thence easterly along the northerly border of said Redlands Boulevard to and including the unincorporated town of Yucaipa; thence westerly and northwesterly along the southerly borders of said Redlands Boulevard, U. S. Highway No. 99 and Reservoir Street to Redlands; thence westerly along the southerly border of Brookside Avenue and the county road known as Barton Avenue to the point Barton Avenue intersects the county road extending southerly and westerly to the county road known as La Cadena Drive; thence southerly and westerly along the southerly border of said county road to the point it intersects La Cadena Drive; thence southerly along the easterly border of La Cadena Drive to Riverside; thence southeasterly and easterly along the northerly border of State Highway No. 60 to the point it intersects the county road extending

APPENDIX A (Continued)

SECTION NO. 1 - RULES AND REGULATIONS (Continued)

RULE NO. 30 - APPLICATION OF APPENDIX - TERRITORIAL DESCRIPTION (Concluded)

southeasterly to San Jacinto; thence southeasterly along the easterly border of said county road to San Jacinto; thence southerly along the easterly border of the county road known as San Jacinto Avenue to State Highway No. 74; thence westerly along the southerly border of State Highway No. 74 to Hemet; thence southerly along the easterly border of the county road known as State Street to the point it intersects the county road extending westerly to the county road known as Washington Avenue, near the unincorporated town of Winchester; thence westerly along the southerly border of said county road to Washington Avenue; thence southerly along the easterly border of Washington Avenue to the point it intersects the county road extending westerly and southwesterly to U. S. Highway No. 395 near Temecula; thence westerly and southwesterly along the easterly border of said county road to U. S. Highway No. 395; thence southerly along the easterly border of U. S. Highway No. 395 to San Diego; thence southerly from San Diego along the easterly border of U. S. Highway No. 101 to the California-Mexico border; thence westerly along said border to the Pacific Ocean; thence northwesterly along the shore line of the Pacific Ocean to the point of beginning. (NOTE: Where the boundary line intersects the limits of an incorporated city, the boundary line shall follow the city limits so as to include the city within the boundary).

(2) Commencing at the point the Mono-Alpine County boundary intersects the California-Nevada state line and following southerly along the western boundary of Mono County to the point the said boundary intersects the Madera-Fresno County boundary; thence southwesterly and westerly along the northern boundary of Fresno County to the point the said boundary intersects the confluence of the San Joaquin and Kings Rivers; thence southeasterly along the Kings River to the first point said river intersects the northern boundary of Kings County; thence westerly and southerly along the northern and western boundaries of Kings County to the northern boundary of San Luis Obispo County; thence west along the northern boundary of San Luis Obispo County to the Pacific Ocean.

RULE NO. 40 - APPLICATION OF RATES

(a) Except as otherwise provided in Rules Nos. 80 and 90, rates are for the transportation of shipments as defined in Rule No. 10 (g) from point of origin to point of destination. Rates include pick-up and delivery at street level only, except that rates include pick-up and delivery at other than street level where vehicular elevator service or vehicular ramp is provided. (See Rule No. 60 for exception).

(b) When point of origin or point of destination is carrier's established depot, rates for the transportation of shipments upon which the transportation charges are computed on a weight of less than 10,000 pounds shall be 5 cents per 100 pounds (or 5 cents per shipment when shipment weighs less than 100 pounds) less than those provided herein. When point of origin and point of destination are carrier's established depots, rates for the transportation of shipments upon which the transportation charges are computed on a weight of less than 10,000 pounds shall be 10 cents per 100 pounds (or 10 cents per shipment when shipment weighs less than 100 pounds) less than those provided herein. In no case shall the net transportation rate be less than 10 cents per 100 pounds. No reduction shall be made under this paragraph from rates for the transportation of

APPENDIX A (Continued)

SECTION NO. 1 - RULES AND REGULATIONS (Continued)

RULE NO. 40 - APPLICATION OF RATES (Continued)

shipments upon which the transportation charges are computed on a weight of 10,000 pounds or more.

(c) Mileages to be used in connection with distance rates named herein shall be the shortest resulting mileage via any public highway route computed in accordance with the method provided in Decision No. 30000 of August 9, 1937, or as may be amended, in Case No. 4088, Part "N". Mileages from or to points located within any incorporated city shall be computed from or to the point within the city limits designated by a triangle circumscribed by a circle, as shown on the map appended to said Decision No. 30000; except that mileages from or to points located within the Los Angeles pick-up and delivery zone as defined in Rule No. 60(c) of Appendix "A" to Decision No. 29480, as amended, in Case No. 4088, Part "L" and Case No. 4145, Part "B", shall be computed from or to the intersection of First and Main Streets, Los Angeles.

(d) When the charges accruing on a shipment based upon actual weight exceed the charges computed upon a rate based upon a greater unit of minimum weight, the latter shall apply. For the purpose of applying this paragraph, charges upon the deficiency between actual weight of the shipment and the greater unit of minimum weight shall be computed at rate applicable to the lowest rated commodity in the shipment.

(e) Rates provided in Section No. 3 shall alternate with the lowest common carrier rates for the same transportation, when both Point of Origin and Point of Destination are located at railheads, or at established depots of common carriers.

(f) Rates in Section No. 3 may be used in combination with the lowest common carrier rates for the same transportation as follows:

1. When Point of Origin is located beyond railhead and the established depot of a common carrier, add to the common carrier rate used the rate provided in Section No. 3 for the distance from Point of Origin to the common carrier depot from which such common carrier rate applies. (See Notes 1 and 2).

2. When Point of Destination is located beyond the railhead and the established depot of a common carrier, add to the common carrier rate used the rate provided in Section No. 3 for the distance from the common carrier depot to which such common carrier rate applies to Point of Destination. (See Notes 1 and 2).

3. Where both Point of Origin and Point of Destination are located beyond railhead and the established depot of a common carrier, add to the common carrier rate used the rate provided in Section No. 3 for the distance from Point of Origin to the common carrier depot from which such common carrier rate applies, plus the rate provided in Section No. 3 for the distance from the common carrier depot to which such common carrier rate applies to Point of Destination. (See Notes 1 and 2).

APPENDIX A (Continued)

SECTION NO. 1 - RULES AND REGULATIONS (Continued)

RULE NO. 40 - APPLICATION OF RATES (Concluded)

NOTE 1.- If the route from Point of Origin to the common carrier depot or from the common carrier depot to Point of Destination is within the corporate limits of a single incorporated city, the distance to or from such depot will be considered as not to exceed 5 miles.

NOTE 2.- When rates have been established for transportation by Carriers (as defined in the City Carriers' Act, Chapter 312, Statutes of 1935, as amended) from Point of Origin to the common carrier depot or from the common carrier depot to Point of Destination, such rates may be added in lieu of the rates provided in Section 3.

(g) In the event under the provisions of paragraphs (e) and (f), a rate of a common carrier is used in constructing a rate for highway transportation, and such rate does not include accessorial services performed by the highway carrier, the following charges for such accessorial services shall be added:

- (1) For tailgate loading or tailgate unloading - no additional charge.
- (2) For loading or unloading other than tailgate loading or tailgate unloading - 2 cents per 100 pounds.
- (3) For C.O.D. service - Basis provided in Rule No. 70.
- (4) For other accessorial services - an additional charge of \$1.00 per man per hour shall be assessed.
- (5) Split pick-up or split delivery - shall not be accorded unless included in the common carrier rate.

RULE NO. 50 - APPLICATION OF CURRENT CLASSIFICATION

(a) Except as otherwise provided herein, this appendix is governed by the Western Classification No. 66, C.R.C. No. 611 (L. F. Potter Series) and by exceptions thereto, Pacific Freight Tariff Bureau Exception Sheet No. 1-P, C.R.C. No. 597 (L. F. Potter Series), and by supplements to and successive issues of said publications.

(b) Where the ratings, rules and regulations or other provisions or conditions shown in the Current Classification or Current Exception Sheet are in conflict with those shown in this appendix, the latter will apply.

(c) Except as otherwise provided in Section No. 2, class rates contained herein are subject to ratings as shown in the Current Classification and Current Exception Sheet for L.C.L. (less carload) or any-quantity rates only. If two or more ratings are provided for an article in the form in which it is shipped (e.g., set up or knocked down, nested or not nested, compressed or not compressed, folded flat or not folded flat), subject to different packing requirements, the lowest of such ratings will apply.

(d) Articles will not be subject to the packing requirements of the Current Classification or Current Exception Sheet, but may be accepted for transportation in any container or any shipping form, providing such container or form of shipment will render the transportation of the freight reasonably safe and practicable.

APPENDIX A (Continued)

SECTION NO. 1 - RULES AND REGULATIONS (Continued)

RULE NO. 50 - APPLICATION OF CURRENT CLASSIFICATION (Concluded)

(e) The following rules in the Current Classification do not apply:
Rules Nos. 1, 3, 4, 5, 6, 7, 8, 9, 11, 13, 14, 15, 16, 23, 24, 27, 28, 29,
30, 31, 32, 34, 35, 37, 38, 39, 40, 41, 42, 43, 44 and 47.

(f) The following rules in the Current Exception Sheet do not apply:
Rules Nos. 10, 15, 20, 25, 30, 35, 38, 40, 42, 45, 50, 55, 60, 61, 62, 65,
75, 78, and Rules in Section 2 other than Rule No. 130.

RULE NO. 60 - ACCESSORIAL SERVICES

(a) For pick-up or delivery at other than street level where no vehicular elevator service or vehicular ramp is provided, an additional charge of 5 cents per 100 pounds, minimum additional charge of 25 cents per shipment, shall be made, except that no additional charge shall be made for this service in connection with shipments (or component parts of split pick-up or delivery shipments - see Rules Nos. 80 and 90) weighing 100 pounds or less.

(b) For stacking, sorting or any other accessorial service not otherwise provided for in this rule, an additional charge of \$1.00 per man per hour shall be made.

(c) For collecting and remitting the amount of C.O.D. bills on C.O.D. shipments, additional charges shall be made as provided in Rule No. 70.

RULE NO. 70 - C.O.D. SHIPMENTS

(a) In the handling of C.O.D. shipments carrier shall, immediately upon collection of any and all moneys, and in no event later than ten (10) days after delivery to the consignee, unless consignor, in writing, instructs otherwise, remit to consignor all moneys collected by it on such shipments.

(b) The charges for collecting and remitting the amount of C.O.D. bills collected on C.O.D. shipments shall be as follows:

<u>When the Amount Collected is</u>				<u>Charge for Collecting and Remitting Will Be</u>
Not over	\$2.50			\$ 0.18
Over	2.50 not over \$	5.00		.20
"	5.00 "	"	10.00	.28
"	10.00 "	"	20.00	.30
"	20.00 "	"	25.00	.32
"	25.00 "	"	40.00	.37
"	40.00 "	"	50.00	.40
"	50.00 "	"	60.00	.50
"	60.00 "	"	80.00	.52
"	80.00 "	"	100.00	.54
"	100.00 "	"	102.50	.68
"	102.50 "	"	105.00	.70

APPENDIX A (Continued)

SECTION NO. 1 - RULES AND REGULATIONS (Continued)

RULE NO. 70 - C.O.D. SHIPMENTS (Concluded)

<u>When the Amount Collected is</u>				<u>Charge for Collecting and Remitting Will Be</u>
Over \$	105.00	not over \$	110.00	\$.73
"	110.00	"	120.00	.75
"	120.00	"	140.00	.77
"	140.00	"	150.00	.80
"	150.00	"	160.00	.85
"	160.00	"	180.00	.87
"	180.00	"	200.00	.89
"	200.00	"	250.00	1.00
"	250.00	"	300.00	1.15
"	300.00	"	350.00	1.30
"	350.00	"	400.00	1.45
"	400.00	"	450.00	1.60
"	450.00	"	500.00	1.75
"	500.00	"	550.00	1.90
"	550.00	"	600.00	2.05
"	600.00	"	650.00	2.20
"	650.00	"	700.00	2.35
"	700.00	"	750.00	2.50
"	750.00	"	800.00	2.65
"	800.00	"	850.00	2.80
"	850.00	"	900.00	2.95
"	900.00	"	950.00	3.10
"	950.00	"	1,000.00	3.25
"	1,000.00 at rate of \$3.25 per \$1,000.00			

RULE NO. 80 - SPLIT PICK-UP

A shipment may consist of several component parts, picked up during one day and transported under one bill of lading or shipping document from (a) one consignor at more than one point of origin, or (b) more than one consignor at one or more points of origin, subject to the following conditions:

(1) The composite shipment shall be consigned and delivered to one consignee at one point of destination.

(2) Charges shall be paid by the consignee.

(3) Point of Origin of each component part shall be located (a) within 1 mile laterally of the shortest constructive highway route from the most distant point of origin to point of destination, or (b) within the corporate limits of any city traversed by the shortest constructive highway route from the most distant point of origin to point of destination, or (c) on an authorized route of or within the corporate limits of any city traversed by an authorized route of any common carrier or common carriers operating from the most distant point of origin to destination and maintaining rates for the same transportation.

APPENDIX A (Continued)

SECTION NO. 1 - RULES AND REGULATIONS (Continued)

RULE NO. 80 - SPLIT PICK-UP (Concluded)

(4) The composite shipment shall weigh (or transportation charges shall be computed upon a weight of) not less than 10,000 pounds.

(5) Charge for the composite shipment shall be the charge applicable for a single shipment of the same kind and quantity of property from the highest rated point of origin to point of destination, plus an additional charge of 85 cents for each pick-up more than one.

(6) Prior to the first pick-up the carrier shall be furnished with manifest or written shipping instructions showing the name of each consignor, the point of origin and the kind and quantity of property in each component part.

(7) No shipment shall be accorded both split pick-up and split delivery.

RULE NO. 90 - SPLIT DELIVERY

A shipment may consist of several component parts delivered to (a) one consignee at more than one point of destination, or (b) more than one consignee at one or more points of destination, subject to the following conditions:

(1) The composite shipment shall be shipped by one consignor at one point of origin.

(2) Charges shall be prepaid by the shipper.

(3) Point of destination of each component part shall be located (a) within one mile laterally of the shortest constructive highway route from point of origin to the most distant point of destination, or (b) within the corporate limits of any city traversed by the shortest constructive highway route from point of origin to the most distant point of destination, or (c) on an authorized route of or within the corporate limits of any city traversed by an authorized route of any common carrier or common carriers operating from point of origin to the most distant point of destination and maintaining rates for the same transportation.

(4) The composite shipment shall weigh (or transportation charges shall be computed upon a weight of) not less than 10,000 pounds.

(5) Charge for the composite shipment shall be the charge applicable for a single shipment of the same kind and quantity of property from point of origin to the highest rated point of destination, plus an additional charge of 85 cents for each delivery more than one.

(6) At time of tender of shipment carrier shall issue a single bill of lading or shipping document for the composite shipment, and be furnished with manifest or written delivery instructions showing the name of each consignee, the point of destination, and the kind and quantity of property in each component part.

(7) No shipment shall be accorded both split pick-up and split delivery.

APPENDIX A (Continued)

SECTION NO. 1 - RULES AND REGULATIONS (Concluded)

RULE NO. 100 - MINIMUM CHARGES

(a) The minimum charge per shipment shall be as follows:

<u>Weight of Shipment</u>	<u>Minimum Charge (In Cents)</u>
25 pounds or less	40
Over 25 pounds but not over 50 pounds	50
Over 50 pounds but not over 75 pounds	60
Over 75 pounds but not over 100 pounds	70
Over 100 pounds	75

(b) Exception: Shipments having point of origin or point of destination on steamship wharves or docks at Los Angeles Harbor or Long Beach Harbor shall be subject to a minimum charge of \$1.00 per shipment, regardless of weight.

APPENDIX A (Continued)

SECTION NO. 2 - EXCEPTIONS TO CURRENT CLASSIFICATION
AND CURRENT EXCEPTION SHEET

Item No.	COMMODITY	:Class :Rating
10	Butter, Cheese, Oleomargarine	: 3
20	Canned Goods, as described in Item No. 210 series of Current Exception Sheet	: 90% of : 4
30	Fruit, dried, including raisins, prunes (dried), figs (dried), and fig pulp	: 90% of : 4
40	Flowers, fresh cut	: D-1
50	Salt, common	: 90% of : 4
60	Sugar	: 90% of : 4
70	Wine, domestic, having a declared value of not more than \$2.00 per gallon	: 4

SECTION NO. 3
CLASS RATES IN CENTS PER 100 POUNDS

MILES		ANY QUANTITY				MINIMUM WEIGHT 2,000 Pounds				MINIMUM WEIGHT 4,000 Pounds				MINIMUM WEIGHT 10,000 Pounds				MINIMUM WEIGHT 18,000 Pounds			
Over	But not Over	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
0	5	40	36	32	28	30	27	24	21	25	23	20	18	13	12	10	9	10	9	8	7
5	10	42	38	34	29	32	29	26	22	26	23	21	18	14	13	11	10	11	10	9	8
10	15	43	39	34	30	34	31	27	24	27	24	22	19	15	14	12	11	12	11	10	8
15	20	45	41	36	32	36	32	29	25	28	25	22	20	16	14	13	11	13	12	10	9
20	25	46	41	37	32	38	34	30	27	29	26	23	20	17	15	14	12	14	13	11	10
25	30	48	43	38	34	40	36	32	28	30	27	24	21	18	16	14	13	15	14	12	11
30	35	49	44	39	34	42	38	34	29	31	28	25	22	19	17	16	13	16	14	13	11
35	40	51	46	41	36	44	40	35	31	32	29	26	22	20	18	16	14	17	15	14	12
40	45	53	48	42	37	46	41	37	32	33	30	26	23	21	19	17	15	18	16	14	13
45	50	55	50	44	39	48	43	38	34	34	31	27	24	22	20	18	16	19	17	15	13
50	60	57	51	46	40	52	47	42	36	36	32	29	25	24	22	19	17	21	19	17	15
60	70	59	53	47	41	56	50	45	39	38	34	30	27	26	23	21	18	23	21	18	16
70	80	61	55	49	43	60	54	48	42	40	36	32	28	28	25	22	20	25	23	20	18
80	90	63	57	50	44					42	38	34	29	30	27	24	21	27	24	22	19
90	100	65	59	52	46					44	40	35	31	32	29	26	22	29	26	23	20
100	110	67	60	54	47					46	41	37	32	34	31	27	24	31	28	25	22
110	120	69	62	55	48					48	43	38	34	36	32	29	25	33	30	26	23
120	130	71	64	57	50					50	45	40	35	38	34	30	27	35	32	28	25
130	140	73	66	58	51					52	47	42	36	40	36	32	28	37	33	30	26
140	150	75	68	60	53					54	49	43	38	42	38	34	29	39	35	31	27
150	160	77	69	62	54					56	50	45	39	44	40	35	31	41	37	33	29
160	170	79	71	63	55					58	52	46	41	46	41	37	32	43	39	34	30
170	180	81	73	65	57					60	54	48	42	48	43	38	34	45	41	36	32
180	190	83	75	66	58					62	56	50	43	50	45	40	35	47	42	38	33
190	200	85	77	68	60					64	58	51	45	52	47	42	36	49	44	39	34
200	220	89	80	71	62					68	61	54	48	56	50	45	39	53	48	42	37
220	240	93	84	74	65					72	65	58	50	60	54	48	42	57	51	46	40
240	260	97	87	78	68					76	68	61	53	64	58	51	45	61	55	49	43
260	280	101	91	81	71					80	72	64	56	68	61	54	48	65	59	52	46
280	300	105	95	84	74					84	76	67	59	72	65	58	50	69	62	55	48
300	325	109	98	87	76					88	79	70	62	76	68	61	53	73	66	58	51
325	350	113	102	90	79					92	83	74	64	80	72	64	56	77	69	62	54
350	375	117	105	94	82					96	86	77	67	84	76	67	59	81	73	65	57
375	400	121	109	97	85					100	90	80	70	88	79	70	62	85	77	68	60
400	425	125	113	100	88					104	94	83	73	92	83	74	64	89	80	71	62
425	450	129	116	103	90					108	97	86	76	96	86	77	67	93	84	74	65
450	475	133	120	106	93					112	101	90	78	100	90	80	70	97	87	78	68
475	500	137	123	110	96					116	104	93	81	104	94	83	73	101	91	81	71

SECTION NO. 3 (Concluded)

CLASS RATES IN CENTS PER 100 POUNDS

MILES		ANY QUANTITY				MINIMUM WEIGHT 2,000 Pounds				MINIMUM WEIGHT 4,000 Pounds				MINIMUM WEIGHT 10,000 Pounds				MINIMUM WEIGHT 18,000 Pounds			
Over	But not Over	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
500	525	141	127	113	99					120	108	96	84	108	97	86	76	105	95	84	74
525	550	145	131	116	102					124	112	99	87	112	101	90	78	109	98	87	76
550	575	149	134	119	104					128	115	102	90	116	104	93	81	113	102	90	79
575	600	153	138	122	107					132	119	106	92	120	108	96	84	117	105	94	82
600	625	157	141	126	110					136	122	109	95	124	112	99	87	121	109	97	85
625	650	161	145	129	113					140	126	112	98	128	115	102	90	125	113	100	88
650	675	165	149	132	116					144	130	115	101	132	119	106	92	129	116	103	90
675	700	169	152	135	118					148	133	118	104	136	122	109	95	133	120	106	93
700	725	173	156	138	121					152	137	122	106	140	126	112	98	137	123	110	96
725	750	177	159	142	124					156	140	125	109	144	130	115	101	141	127	113	99
750	775	181	163	145	127					160	144	128	112	148	133	118	104	145	131	116	102
775	800	185	167	148	130					164	148	131	115	152	137	122	106	149	134	119	104
800	850	193	174	154	135					172	155	138	120	160	144	128	112	157	141	126	110
850	900	201	181	161	141					180	162	144	126	168	151	134	118	165	149	132	116
900	950	209	188	167	146					188	169	150	132	176	158	141	123	173	156	138	121
950	1000	217	195	174	152					196	176	157	137	184	166	147	129	181	163	145	127
1000	1050	225	203	180	158					204	184	163	143	192	173	154	134	189	170	151	132
1050	1100	233	210	186	163					212	191	170	148	200	180	160	140	197	177	158	138
1100	1150	241	217	193	169					220	198	176	154	208	187	166	146	205	185	164	144
1150	1200	249	224	199	174					228	205	182	160	216	194	173	151	213	192	170	149

APPENDIX "B"

SHIPPING ORDER AND FREIGHT BILL

Name of Carrier _____
(Name of Carrier must be same as shown on Permit)

Bill No. _____
Permit No. _____

City _____ Date _____, 193_____

Shipper _____ Consignee _____

Street Address _____ Street Address _____

City _____ City _____

[illegible]

Shipper _____

By _____
(Show name in full)

Received by Carrier in good condition except as noted:

By Driver (Show name in full)

Received by Consignee in good condition except as noted:

By _____
(Show name in full)

C.O.D. _____

C.O.D. Foo

***Advances** _____

*Other Charges _____

Prepaid _____

Total to collect

*Show each charge separately and what it represents.

*** If other unit of charges, show per hour, box, crate, bundle, bag, head, etc.