

Decision No. _____

30630

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment
of rates, rules, classifications
and regulations for the transpor-
tation of property, exclusive of
property transported in dump trucks,
for compensation or hire over the
public highways of the City and
County of San Francisco.

Case No. 4084

ORIGINAL

Additional Appearance

F. H. Burd, in propria persona.

DEVLIN, Commissioner:

TENTH SUPPLEMENTAL OPINION

A further hearing in this proceeding was held at San Francisco on January 12, 1938, for the purpose of considering various proposed modifications of the minimum rates, rules and regulations heretofore established. Appendix A hereof contains a complete list of the proposals presented. Only those which were supported by evidence of probative value will be discussed.

It was proposed that the rating for butter substitutes be reduced from second to third class. It was asserted that there is a substantial movement of butter substitutes, particularly of oleo-margarine; that they compete in commerce with butter, a third class commodity; that they are ordinarily packed in containers similar to those used for shipments of butter; and that they are of less value than butter but otherwise similar from a transportation standpoint. It was proposed further that the rating for dry batteries be reduced to third class, both storage and dry batteries now being rated at second class in cases and first class loose. It was stated that dry batteries are rated at third class in the Western Classification, and that they are considerably less valuable than storage batteries of the same shipping weight. A reduction from first to second class in the rating on toilet preparations was also proposed. It was shown

that the values of representative toilet preparations, such as hair dressings, hair tonics, creams and lotions, are less than the value of many of the less expensive drug and medicine items which are now rated at second class. It was asserted that toilet preparations are included with drugs and medicines in many rail, truck and vessel tariffs, that they are ordinarily packaged in the same manner as drugs and medicines, that they are ordinarily handled by firms dealing in drugs and medicines and that mixed shipments of these three commodities are common. These proposed reductions in ratings seem to be justified by the comparisons with ratings on commodities which evidently possess comparable transportation characteristics and appear to be desirable in order to preserve a consistent relationship between competitive commodities. They should be approved.

It was proposed that the commodity description "canned pineapple" in the "steamship transfer" item be enlarged to include pineapple juice. It was shown that pineapple juice is similar in value to canned pineapple; moves in mixed shipments with canned pineapple, and has approximately the same density. This proposal appears justified and should be adopted.

F. H. Burd, a city carrier, testified that the rates now provided for the movement of mechanical refrigerators in "city delivery" are excessive when applied to shipments consisting of more than one refrigerator, and far exceed the cost of performing the transportation service. He stated that refrigerators intended for installation generally move singly and that present "city delivery" rates are proper for this type of shipment. He pointed out, however, that there is a considerable movement of refrigerators in quantity lots from dealers to sub-dealers or from repair shops to dealers. He urged that the present "city delivery" rates be restricted in application to deliveries from dealers to private homes and that new rates be established for other types of movements. He was fearful that his

present patronage would be lost to proprietary carriage unless such an adjustment be made. It appears that lower rates than those now provided have been justified for quantity shipments. The present "city delivery" rates for refrigerators should be restricted in application to shipments of single refrigerators and rates otherwise provided should be permitted to apply on quantity shipments. However a provision should be added specifying that the charges for shipments of two or more refrigerators in "city delivery," computed by use of class rates, should not be less than the charge provided for a shipment of a single refrigerator.

The addition of California Warehouse Bureau Tariff 3-E, C.R.C. No. 98 of L. A. Bailey, Agent, amendments thereto and reissues thereof, to the list of the tariffs naming charges for loading and unloading was suggested. It appears that charges for loading and unloading at public warehouses are named in that tariff and that such rates would properly supplement the charges previously established in this proceeding.

In the Ninth Supplemental Opinion a change in the rating on kalsomine from third class to fourth class was found justified but due to inadvertence the change was not carried into the order. This inadvertence should be corrected.

Upon careful consideration of all the facts of record I am of the opinion and find that the changes and modifications sought are justified to the extent shown in Appendix B of the order herein and that all other proposals have not been justified on this record.

The following form of order is recommended:

ORDER

A public hearing having been held in the above entitled proceeding,

APPENDIX A

The following modifications of Decision No. 28632, as amended, were proposed:

1. Reclassification of:

- (a) Dry batteries from first class loose and second class in cases to third class.
- (b) Butter substitutes, including oleomargarine, from Western Classification ratings to third class.
- (c) Canned fruit juices from Western Classification ratings to fourth class.
- (d) Empty iron drums from Western Classification ratings to $1\frac{1}{2}$ times first class.
- (e) Refrigerators, loose, from double first class to Western Classification ratings.
- (f) Toilet preparations from first class to second class.

2. Revision of Commodity Rates:

- (a) By change in the minimum tonnage requirement in connection with the Zone 1 rate of $4\frac{1}{2}$ cents per 100 pounds on sugar, named in Item No. 115 of Decision No. 28632, from 500 tons per month to 6,000 tons per year.
- (b) By the inclusion of canned pineapple juice in the "steamship transfer" item, at the same rate as is now applicable on canned pineapple.
- (c) Amendment of Item No. 110 by restricting its application to shipments of single refrigerators and adding new rates for quantity shipments.

3. Amendment of Rules and Regulations:

- (a) By change in definition of "shipment" to provide that

when property is delivered to or received from other carriers, each bill of lading or freight bill shall be considered as a separate shipment and charges assessed accordingly.

- (b) By addition of a provision that draymen may at their option charge more than the minimum charges provided for movements between docks, piers, or wharves and warehouses or industries served by spur tracks. (Sic)
- (c) By the addition of California Warehouse Bureau Tariff 3-E, C.R.C. No. 98 of L. A. Bailey, Agent, amendments thereto and reissues thereof to Note-(c) thereof.
- (d) By restricting the application of rates for Handling and Distribution of Pool Cars by the addition of the following provision:

"When property is consigned to a consignee (other than a carrier) and is transported from depots, team tracks, wharves, piers, landings or public warehouses, under sub-order issued by consignee to a sub-consignee, class rates will apply."

APPENDIX B

Ratings, rules and regulations provided in Exhibit "A" of Decision No. 28632 and as amended, are hereby further amended as follows:

Original Page 11:

Change description of articles and ratings reading "Batteries, in cases 2" and "Batteries, loose 1" to read "Batteries, dry 3"; "Batteries, other than dry, in cases 2"; and "Batteries, other than dry, loose 1."

Original Page 13:

Change rating for entry "Kalsomine" from "3" to "4".

Original Page 14:

Add entry "Margarine, 3."

Original Page 16:

Change description of articles and ratings reading "Toilet Articles or Preparations, NOS 1" to read "Toilet Articles, NOS 1"; and "Toilet Preparations, NOS 2."

Original Page 23:

Add to Item 110 following the words "city delivery," the words "(Applies only in connection with shipments of one refrigerator. Charges otherwise provided shall apply on shipments of more than one refrigerator, except that the aggregate charge so computed for a shipment of two or more refrigerators in "city delivery" shall not be less than the highest charge provided in this item for a shipment of one refrigerator)."

Original Page 24:

Amend steamship transfer item by addition of entry "Canned pineapple juice * \$.05 per 100 pounds."

Original Page 25:

Amend item "Property transported by city carriers between docks or wharves on the one hand and wharves and industries ~~***~~" by substituting for Note (c) the following:

"(c) Loading or unloading at public warehouses shall be as published in California Warehouse Tariff Bureau Tariffs 1-E, C.R.C. No. 33 and 3-E, C.R.C. No. 98, L. A. Bailey, agent, amendments thereto and reissues thereof."