

Decision No. 30370

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of C.J. HICKEY for authorization of lesser rates than the minimum rates established by Decision No. 30370 Case No. 4088 (Part U; Part V) Case No. 4145 (Part F; Part G) insofar as it relates to the transportation of Clay and Clay Products between Lincoln, California and other points in California.

Application No. 21661

ORIGINAL

BY THE COMMISSION:

O P I N I O N

Applicant, a highway contract carrier, seeks an order under Section 11 of the Highway Carriers' Act authorizing him to transport clay and clay products¹ from Lincoln to various points in northern California at lesser rates than those established in and by Decision No. 30370, dated November 29, 1937.

A public hearing was had before Examiner W. S. Johnson at San Francisco.

The rates applicant seeks authority to assess are set forth in a statement attached to the application. Two scales of point to point rates in dollars per ton are suggested. One scale is intended for shipments weighing not less than seven tons and the other for shipments weighing ten tons or more. Both scales are substantially lower than the established minimum rates.

Applicant testified that he had been transporting clay and clay products exclusively from the Lincoln plant of Gladding Mc Bean and Co. to destinations in central and northern California since

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Clay and clay products as used in this opinion embrace the list of articles described under that heading in S.P. Co. Tariff No. 825-E, C.R.C. No. 3271.

October 1935; that since November 1936, he had assessed rates of the same volume as those proposed; that he believed such rates to be profitable, and that unless the relief sought were granted the business would be lost to plant facility trucks. He also presented John J. McGinnis, Traffic Manager, Gladding McBean & Co. who stated that he thought his company could operate trucks for about 12 cents per running mile and would put on their own trucks if the relief sought were not granted.

Southern Pacific Company, while not opposing the authorization of lower or different rates on clay and clay products than the established minimum rates, took the position that if lower rates were to be authorized competitive conditions required that the adjustment be made only after a special investigation embracing the rates of all for-hire carriers from other clay and clay products shipping points as well as from Lincoln.² In the event lower rates are authorized in this proceeding, however, Southern Pacific desires such relief from the outstanding minimum rate order as is necessary for it to meet applicant's competition and accord competing clay and clay product manufacturers relative reductions. To grant this request in this proceeding, however, would necessitate going beyond the issues here.

It appears that at the commencement of operations in October 1935, Hickey procured two units of trucking equipment worth about \$4,000.00 on borrowed capital. At the time of the hearing, he had three units worth about \$5,000.00 of which he still owed \$1,000.00. He

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The witness for Southern Pacific stated that clay and clay products shipped from Alameda, San Jose, Stockton and Sacramento were in competition with such products from Lincoln and expressed the opinion that any adjustment of the Lincoln rates would necessitate relative adjustments from other producing points.

maintains no terminal facilities; his equipment is stored on the Gladding McBean premises. The shipper assists in the loading operation and at destination assistance is sometimes given the driver. Hickey employs two drivers at 60 cents per hour. For his own services as manager and driver he draws a salary of \$35.00 per week.

Upon consideration of all the facts of record, we are of the opinion and find that the rates proposed by applicant will return sufficient revenue to defray the cost of the transportation services involved, and that unless rates substantially similar to those proposed are authorized, the traffic will be lost to proprietary competition. In order that the proposed rates may conform more closely to the minimum rates heretofore established they should be stated in cents per 100 pounds. With these modifications the proposed rates appear reasonable and their application to the particular traffic which they are designed to embrace will be approved.

The findings herein are necessarily predicated upon existing conditions. The possibility of future changes in these conditions which might require an adjustment of the rates found justified leads to the conclusion that the relief to be granted should be limited to a definite period. Accordingly such rates will be authorized for a period of one year only. If upon its expiration the carriers here involved are of the opinion that an extension is justified, an appropriate application requesting such action should be filed.

O R D E R

This application having been duly heard and submitted,

IT IS HEREBY ORDERED that C.J. Hickey, a highway contract carrier, be and he is hereby authorized to assess and collect for the transportation of the commodities and between the points for which rates

are provided in Appendix "A" attached hereto and made a part hereof, rates less than the minimum rates heretofore established in Decision No. 30370, dated November 29, 1937, as amended, in Case No. 4088, Parts "U" and "V", but in no event less than the rates provided in said Appendix "A".

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall expire one year from the effective date hereof.

This order shall become effective April 1, 1938.

Dated at San Francisco, California, this 28th day of March, 1938.

Walter M. ...
Frank R. ...
Ray & Riley
Commissioners

es in Cents per 100 pounds - Cont'd

FROM: Lincoln, California

TO:	(1) Column 1	(2) Column 2	TO:	(1) Column 1	(2) Column 2	
Albany	18	15	Hughson	18	15	
Alameda	18	15	Irvington	20	17	
Angels	24	22	Isleton	14	10	
Antioch	17	14	Jackson	15	12	
Aptos	25	23	Jamestown	23	20	
Arbuckle	12	9	Kentfield	20	17	
Auburn	8	8	Knights Ferry	24	22	
Atherton	22	18	King City	34	28	
Atwater	19	17	LaFayette	18	15	
Avon	17	14	Larkspur	20	17	
Avenal	40	35	Lakeport	28	24	
Bay Shore	18	15	Lake Majella	32	28	
Baywood	18	15	Lemoore	32	28	
Belmont	18	15	Lindsay	33	28	
Ben Bow	33	28	Linden	17	13	
Berkeley	18	15	Livermore	17	14	
Brisbane	18	15	Live Oak	9	8	
Bolinas	23	20	Livingston	18	15	
Brentwood	15	12	Lodi	12	9	
Burlingame	18	15	Los Altos	23	20	
Capitola	25	23	Los Banos	23	20	
Carmel	32	28	Los Gatos	23	20	
Chico	12	9	Madera	24	22	
Chowchilla	23	19	Manteca	15	12	
Clarksburg	10	8	Martinez	17	14	
Cloverdale	22	18	Marysville	8	7	
ITEM No. 20	Coalinga	37	30	Mayfield	22	18
	Colma	18	15	Melrose	18	15
	Colusa	12	9	Menlo Park	22	18
	Corning	17	14	Merced	22	18
	Crockett	18	15	McCloud	30	28
	Concord	17	14	Middletown	25	22
	Daly City	18	15	Millbrae	18	15
	Danville	22	20	Mill Valley	22	18
	Dixon	10	8	Mills Field	18	15
	Dos Palos	24	22	Modesto	17	14
	Danville	18	15	Monterey	32	28
	Dunsmuir	30	25	Moraga	20	17
	El Cerrito	18	15	Mt. View	22	18
	Elmhurst	18	15	Mount Shasta	30	25
	El Portal	33	28	Mapa	15	12
	Emeryville	18	15	Nevada City	13	10
	Emigrant Gap	14	10	NewEngland Mills	10	9
	Exeter	33	29	Newark	20	17
	Fairfax	22	18	Newman	20	17
	Fairfield	14	10	Novato	19	15
	Folsom	8	7	Oakdale	18	15
	French Camp	15	12	Oakland	18	15
	Fresno	28	24	Oakley	15	12
	Felton	25	22	Oleum	18	15
	Fruitvale	18	15	Orland	15	12
	Gilroy	24	22	Orinda	22	18
	Gonzales	29	27	Oroville	10	9
	Grass Valley	13	10	Pacific Grove	32	28
	Gustine	20	17	Palo Alto	22	18
	Gridley	10	8	Pacheco	17	14
	Hamilton Field	20	17	Paraffin	18	15
	Hayward	18	15	Paso Robles	22	35
	Hamilton City	13	10	Patterson	18	15
	Half Moon Bay	22	18	Pebble Beach	32	28
	Hanford	32	28	Petaluma	18	15
	Healdsburg	22	18	Piedmont	18	15
	Hillsborough	18	15	Pittsburg	17	14
	Hollister	28	24	Pinole	17	14
	Hopland	24	22	Placerville	15	12
	Hilmar	20	17	Pleasant Valley	22	18

Rates in Cents per 100 Pounds - Continued

TO:	FROM:		Lincoln, California	
	(1) Column 1	(2) Column 2	(1) Column 1	(2) Column 2
Porterville	35	30	Sonora	23
Red Bluff	18	15	Stockton	14
Redding	22	18	Sunol	22
Redwood City	20	17	Stege	18
Richmond	18	15	Talmadge	28
Riverbank	17	14	Tiburon	20
Roseville	7	7	Tulare	33
Ross	22	18	Turlock	18
San Anselmo	22	18	Tracy	15
San Bruno	18	15	Tres Pinos	29
San Carlos	20	17	Truckee	24
San Jose	22	18	Ukiah	28
ITEM NO. 20 San Francisco	18	15	Upper Lake	28
San Leandro	18	15	Vacaville	12
San Mateo	18	15	Valley Springs	17
San Pueblo	18	15	Vallejo	15
San Rafael	20	17	Visalia	32
Santa Clara	22	18	Walnut Creek	18
Santa Cruz	24	22	Watsonville	28
Santa Rosa	20	17	Weed	32
Sacramento	8	7	Williams	12
Sausalito	20	17	Willows	15
Sebastopol	22	18	Woodland	9
Salinas	28	24	Woodside	22
Soledad	30	28	Yreka	37
Sonoma	17	14	Yuba City	8
			Yountville	17

(1) minimum weight 14,000 pounds

(2) minimum weight 20,000 pounds