31067 Decision No.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment of just, reasonable and non-discriminatory maximum or minimum or maximum and minimum rates, rules, classifications and regulations for the transportation of property for compensation or hire over the public highways of the City of Los Argeles.

Caso No. 4121

ORIGINAL

Additional Appearances

Hugh Gordon, for Los Angeles Wholesale Institute and William Volker Company.

R. F. Shackelford, for Los Angeles Traffic Managers' Conference.

L. A. Bey, for Western Home Furnishings Institute. Lawrence Berger, for Los Angeles Parcel Delivery Association. F. W. Turcotte, for Union Hardware and Metal Co., Ducommon Metals and Supply Co., Hoffman Hardware Co., Harpor & Reynolds, Corp., Ceneral Electric Supply Corp., Westing-Reynolds, Corp., Ceneral Electric Supply Corp., Westing-house Electric Supply Co. of Southern California, Westinghouse Electric Manufacturing Co., Incandescent Supply Co., California Wholesale Electric Co., Tho Electric Corporation, Los Angeles Wholesale Electric Supply Co., Listenwalter and Gough, Inc., Leo J. Meyberg Co., Butts Manufacturing Co., Fisk Tire Co., Inc., B. F. Goodrich Co., Merckens Chocolate Co., National Battery Co., E. C. Pierce Co., Towelsaver, Inc., West Disinfecting Co., Willard Storage Battery Co., Woerz Paste & Gum Co., Federal Rubber Co., W. A. Ballinger Co., Higgins Trucks, Inc., and Williams Transfer Co. Douglas Brookman, for United Parcel Service of Los Angeles, Inc.

Inc.

Arthur H. Glanz, for Pacific Iron & Steel Co., and Johnson Steel & Wire Co., Inc.

F. H. Bostock, for Crown Zellerbach Corp. R. F. Staiv, for Blake Moffitt and Towne. Glenn Wilson, for Ingram Paper Co. Kenneth Ross, for Paper Millmen's Club of Southern California. P. H. Owen, for Kieckhefer Container Corp.

S. T. McCloy, for Fibreboard Products, Inc. J. P. Curry, for California Walnut Growers' Association. H. F. Magie, for City Coffee Co. L. M. Phillips, for W. J. Tannehill & Sons. P. J. Jones, for General Foods Corp.

- E. J. Forman, for Globe Grain and Milling Corp., and Los Angeles Grain Exchange.

H. J. Griley, for Firestone Tire & Rubber Co.

F. F. Miller, for California Milling Corp. A. E. Patton, for Richfield Oil Corp.

Wallace Downey, for Keystone Express and Pacific Freight Lines. Edward Bissinger, for Motor Transit Co.

1

WHITSELL, Commissioner:

THIRD SUPPLIEVENTAL OPINION

By Decision No. 30785 of April 11, 1938 (41 C.R.C. 222), as emended, in this proceeding, minimum rates were established effective May 1, 1938, for the transportation of property by city and highway carriers within the metropolitan Los Angeles drayago area.

Further public hearings were had at Los Angeles on June 15, 16 and 17, 1938, to afford interested parties an opportunity to propose such modifications as they might then deem necessary or desirable in the established rates.

Certain of the proposals advanced at the further hearings were represented as involving matters of vital concern requiring emergency handling and immediate disposition. This opinion and order will deal exclusively with issues which are deemed to require treatment forthwith; other issues raised will be disposed of in a subsequent decision.

Los Angeles Traffic Managers' Conference, comprised of traffic representatives of some forty shippers, moved that the established minimum rates be set aside in their entirety until further hearings could be had. This motion was supported (1) by the Los Angeles Wholesale Institute, consisting of approximately thirty members, (2) by a group of twenty-five manufacturers and wholesalers patronizing Williams Transfer and Higgins Trucks, Inc., two of the carriers respondent in this proceeding, (3) by the Monolith Portland Cement Company and its subsidiary, Western Velo & Cement Specialties

-2-

¹ They were prescribed following extensive public hearings had in Los Angeles in June 1936, in October and November, 1937, and again in March 1938. Following the second series of hearings the Commission issued its Decision No. 30600 dated February 7, 1938, (41 C.R.C. 100). Before the rates established in that decision became effective, however, the Commission, responsive to the hearings had in March 1938, issued Decision No. 30785, supra.

Company, (4) by the Los Angeles Chamber of Commerce, (5) by the Los Angeles Parcel Delivery Association, and (6) by Williams Transfer and Higgins Trucks as well as by A. R. Reader, another respondent carrier.

In support of the motion it was argued that (1) the prescribed rate structure was too cumbersome, needlessly complex and unsuited to drayage operations, (2) the established rates were excessive, fail to accord due recognition to shippers offering property for transportation in large volume, and resulted in advances in rates from the levels formerly maintained voluntarily by carriers far in excess of increases which could be justified by increased operating costs, (3) the established rates were higher than the traffic would bear, causing disturbance of established trade practices through changed distribution methods, 2 and (4) the failure to give special rate treatment to routed parcel delivery service other than parcels weighing 100 pounds and less delivered from rotail stores was discriminatory and imposed unreasonably high rates upon wholesalers. manufacturers and others patronizing services comparable to retail parcel delivery, which latter services are exempt from the application of the established rate.

Counsel for Williams Transfer Company, Higgins Trucks, Inc., and a group of shipper patrons of these concerns, strenuously argued in favor of immediate vacation of the outstanding orders. He stated that he was unprepared to offer evidence on behalf of his clients at this time. Moreover he volunterred the information that his carrier clients had not observed the prescribed minimum rates upon the refusal

2 It was represented that the established rates would (1) cause traffic to be diverted to proprietary trucks, (2) require the sale of merchandise f.o.b. warehouse, store or factory instead of on a delivered basis, and (3) cause distributors to maintain smaller stocks and fill orders by direct shipment from points of production or warehousing points outside of the Los Angeles drayage area.

-3-

of shippers to pay them. Such action cannot be condoned. Appropriate steps should be taken concurrently with the issuance of this order to see that the penalties provided by law are properly applied.

A witness for the Los Angeles Wholesale Institute testified that the concern of which he is manager markets some 7,000 different articles. He stated that this merchandise is repacked for distribution in the Los Angeles area in containers ordinarily packed with many differently classified articles and that efforts to segregate property by classes in separate containers had proven futile. He also criticized the zoning arrangement and suggested in its stead a three-zone plan which it was claimed gave suitable recognition to the location of his firm's establishment with relation to that of its customers as well as to the important factor of traffic congestion. He contended that these important factors were not given proper consideration in fixing the prescribed zoning arrangement. However, he later abandoned his three-zone plan in favor of a single-zone, suggesting that rates for the transportation of property regardless of classification be fixed at 15 cents per 100 pounds, minimum charge \$.50, for shipments weighing less than 4,000 pounds and 12 cents per 100 pounds on shipments weighing 4,000 pounds or more. He recommended that split delivery be permitted under the latter rate, subject to an added charge of 1 cent per 100 pounds. While the witness also stated that he believed the foregoing rates should be restricted to shipments tendered the carrier on its regular routed pick-ups, other shipments to be treated as a special service subject to the hourly vehicle unit rates named in Item 800 of Appendix "A" of Decision No. 30785, modified by reducing the minimum charge from 1 hour to 1/2 hour, he failed to suggest how this might be accomplished.

This witness also found fault with the plan of providing rates that vary with the weight of the shipment transported, claiming

-4-

that it resulted in a needlessly complex rate structure. To illustrate his firm's increased drayage expense, the witness contrasted its actual drayage costs in October 1937 and January 1938 with charges which would have accrued had the established minimum rates been in effect. It appears, however, that the witness arbitrarily computed the charges under established minimum rates using second class ratings, which he stated was a fair average, and that certain rules and regulations governing the prescribed minimum rates were not properly applied. Making due allowance for these inaccuracies, it appears that the drayage charges under the established rates at second class ratings would have been \$257.90, as against \$170.65 actually paid. The witness claimed that the volume of such an increase demonstrated the unreasonableness of the established rates. He stated that he was not opposed to an increase sufficient to offset the increased costs experienced by the carriers, which he estimated at approximately 15 per cent. The witness also claimed that one of the carriers enjoying his firm's business had informed him that rates voluntarily maintained prior to May 1, 1938, were sufficient to permit of a profitable operation.

A. R. Reader testified that as a result of the establishment of minimum rates he had lost 40 per cent of his drayage business consisting of the transportation of paper, paper articles and certain miscellaneous articles marketed therewith. He predicted that if relief was not forthcoming prior to July 1, he would sustain a loss of another 40 per cent of his business through changed distribution methods. Reader's experience and prediction were substantiated by certain members of the Paper Millmen's Club, an organization of representatives of various shippers who pointed out the possibility of shipping direct from mills; the use of proprietary trucks; or sale of merchandise f.o.b. store or warehouse as means of dispensing with the necessity of using for-hire draymen. Reader offered two exhibits

-5-

outlining a proposed minimum rate schedule. He contended that adoption of the rates he advocated was necessary if he was to rotain the traffic he now enjoys. He claimed that the shipments he transports for the paper houses do not include more than 15 per cont by weight of so-called miscellaneous articles and that shipments of paper and related articles aggregating truckload quantities are regularly offered to him for transportation. He predicated his proposed rates upon a two-zone plan, a "grasshopper scale" of rates on shipments of less than 2,000 pounds, and rates in cents per 100 pounds varying from 6-1/4 to 10 cents per 100 pounds, according to the zone and weight, for shipments weighing in excess of 2,000 pounds. For the larger shipments he proposed weight breaks at 10,001, 20,001 and 30,001 pounds. Reader also presented an analysis of costs and revenues on four of his units of equipment during the month of April 1938. According to this analysis, 581.4 tons of paper and related articles were transported at an average cost of \$2.30 per ton, the average revenue for which was \$2.52 per ton. Relying on this showing and upon cost studies he previously submitted, Reader claimed that there could be no reasonable doubt as to the sufficiency of the rates for which he seeks approval. He argued that the shippers patronizing his service insisted upon a rate schedule in the form he proposed and that a multiple zone plan of rates stated in cents per 100 pounds for varying weight breaks. subject to classification of the property transported, was not acceptable to his patrons because of its complexity.

Los Angeles Warehousemen's Association urged that rates for the transportation of sugar be reduced from the existing basis varying from 4 to $5\frac{1}{2}$ cents per 100 pounds, minimum weight 20,000 pounds, and $4\frac{1}{2}$ to 7 cents per 100 pounds, minimum weight 10,000 pounds, to 4 cents per 100 pounds, minimum weight 10,000 pounds, within an inner zone suggested by the Association, and 5 cents per 100 pounds, minimum

-6-

weight 10,000 pounds, for movements to points beyond. Witnesses for this Association, representing warehouses enjoying the storage of sugar, testified that their concerns had experienced sharp losses in such storage since May 1, 1938. In the most aggravated case the loss of business in the storage of sugar was estimated at 75 per cent. The witnesses attributed these losses to the added drayage costs, and expressed opinions to the effect that approval of the sought rates is necessary to forestall further diversion. Furthermore, certain of them stated that approval of the suggested rates might enable them to regain the lost business. Another factor stressed by the witnesses was that the large volume of sugar storage formed a substantial part of the total business of their warehouses. They explained that their loss of this business was occasioned by the inauguration of different methods of distribution of sugar. Illustrative of changed distribution practices are the sale of sugar f.o.b. San Francisco and direct shipments from refineries. In support of the reasonableness of the rates advocated, three studies of costs for drayage operations during the month of May 1938 were submitted. These studies show that shipments averaged 14,363, 12,678 and 11,616 pounds in weight and indicate costs in cents per 100 younds of 2.72, 3.28 and 3.0, respectively. It was contended that these figures demonstrate that insofar as drayage from warehouses is concerned the transportation characteristics of sugar tend to permit its transportation at the suggested rate level upon a profitable basis.

Counsel for Motor Truck Association of Southern California pleaded that the established rates be not set aside, holding that such action, at this time, would be an unwarranted dissipation of the result of the prolonged efforts of interested parties participating in this proceeding, and that the suspension of these rates would be an unjustified and backward step in the progress of rate stabiliza-

-7-

tion. Several witnesses expressed similar views.

With the exception of Reader and Higgins Trucks, Inc., the parties now so zealously urging an immediate suspension of outstanding orders took little or no active part in previous hearings in this proceeding. At the hearings had subsequent to the issuance of Decision No. 30600 and prior to the issuance of the order in Decision No. 30785 in this matter, Reader stated that the Decision No. 30600 minimum rates (in substantially the same form as those now in effect by virtue of Decision No. 30725, as amended) were acceptable to him only for smaller shipments and that for shipments of 10,000 pounds and over they should be increased from 15 to 20 per cent, while Higgins Trucks confined its participation in those hearings to a statement to the effect that although it had no objection to the present zoning plan it desired to be accorded whatever rate basis might be extended to the Warehouse Association. Neither of these carriers indicated at the time that the zones or rates set forth in Decision No. 30600 or any modifications then proposed were complex or that they would have a seriously adverse effect upon their business.

Although three separate series of public hearings were had before the established rates became effective, the parties now urging suspension of the existing minimum rates were unprepared, even at the fourth and last series of hearings concluded on June 17, 1938, to present evidence in support of any constructive plan or poposal. It is indeed difficult to reconcile their attitude toward the establishment of drayage rates throughout the first three series of hearings with the position they assumed during the last hearings. It is particularly difficult to comprehend why the established rate structure should be set aside in its entirely, merely because certain of the parties for the first time now contend that certain features of the rate structure are not suitable to their particular needs. Suffice it to say that while the evidence offered is convincing that minor modifications are

-8-

necessary, it fails to support the motion to vacate. The motion should be denied.

The disturbance of trade practices, the competitive situations and the loss of traffic experienced by carriers as disclosed by further evidence, demonstrate the need for certain adjustments on a temporary basis pending further investigation. Adjustments should be made in rates for the handling of mixed shipments, paper and related articles and sugar. It should be distinctly understood, however, that these modifications, which will be hereinafter discussed, are subject to further consideration and adjustment upon a more comprehensive record, that they are emergency in character and are without prejudice to any other or different conclusions that may subsequently be reached. Interested parties should be prepared to submit definite proposals with respect to such movements and any other traffic for which they seek a revision in rates together with justification therefor at the adjourned hearings scheduled for Los Angeles on July 12, 1938.

A persuasive showing has been made that in certain instances the classification of property for determination of minimum charges for drayage movements imposes an undue burden upon shippers. It has not been demonstrated, however, that such isolated instances justify abandonment of the classification of property in other cartage operations. It appears that a schedule of minimum rates for mixed shipments of property classified at first class or lower and permitting inclusion of not to exceed 10 per cent by weight of articles classified higher than first class, will afford reasonable relief to both shippers and carriers. The record likewise justifies the establishment of commodity rates for paper and related articles. These rates should allow any mixture of paper and paper articles but limit the amount of "other commodities" to 15 per cent of the total weight of the shipment. It has been shown that in these operations property in quantities aggregating

-9-

full truckloads is often tendered for transportation. This circumstance tends to show that operating economies attending such type of handling might reasonably be given effect by permitting split delivery for lots of property weighing 4,000 pounds and over. This privilege should be restricted to property received at a single point of origin at one time. The rates otherwise applicable should be prescribed for these movements plus an additional charge of 1 cent per 100 pounds, minimum charge 25 cents, for each component part of a split delivery shipment.

i Vili

Cost studies rolating to the transportation of sugar submitted on further hearing show that the usual cartage movement is but for a short distance. The shipments embraced by the studies appear to be single and two-zone movements. The record is persuasive that a rate of 4 cents per 100 pounds, minimum weight 10,000 pounds per shipment, is reasonable in view of the highly competitive conditions disclosed on further hearing.

Many allegations were made with respect to the asserted impropriety of the established zoning arrangement. Decision No. 30785 made extensive changes in the original zone plan set forth in Decision No. 30600 upon a comprehensive showing at the third series of hearings. Zoning is dealt with at length in Decision No. 30785. No useful purpose would be served by a further discussion here. It has not been demonstrated that the traffic in issue should be accorded special treatment insofar as zoning is concerned.

Upon consideration of all the facts of record, I am of the opinion and find that Decision No. 30785 of April 11, 1938, as amended by Decision No. 30836 of May 3, 1938, in this proceeding, should be further amended to the extent indicated in Appendix "A" of the order herein. In all other respects said Decision No. 30785, as amended, shall remain in full force and effect.

The following form of order is recommended:

-20-

O R D E R

Public hearings having been held in the above entitled pro-

IT IS HEREBY ORDERED that Appendix "A" of Decision No. 30785 of April 11, 1938, as amended, be and it is hereby further amended to the extent shown in Appendix "A" attached hereto and by this reference made a part hereof.

IT IS HEREBY FURTHER ORDERED that in all other respects said Decision No. 30785, as amended, shall remain in full force and effect.

IT IS HEREBY FURTHER ORDERED that the Commission shall and it does hereby retain jurisdiction of this proceeding for the purpose of making, from time to time, such further investigation or investigations and making and rendering such further order or orders as in its discretion may be deemed proper and necessary, and as the public interest may require.

The authority herein granted is without prejudice to any other or different conclusions that may be reached on a further and more extensive record in this proceeding.

The effective date of this order shall be the date hereof.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this $\frac{30^{7h}}{10^{10}}$ day of $\frac{10^{10}}{10^{10}}$, 1938.

Commissioners.

APPENDIX "A"

Rates, rules and regulations provided in Appendix "A" of Decision No. 30785, and as amended, are hereby further amended as follows:

SECTION NO. 5 - COMMODITY RATES

Add the following new items:

Item No.		Rates in cents per 100 pounds			
	Freight (See Note)	Rate Basis A B C D			
	Shipments weighing less than 500 pounds* Minimum weight 500 pounds per shipment Minimum weight 2000 pounds per shipment Minimum weight 4000 pounds per shipment**	25 30 35 40 21 25 29 33 17 20 23 27 13 15 17 20			
715 (new item)	 NOTE (a) Rates named in this item will not apply to shipments consisting exclusively of articles classified at higher than first class, nor to shipments when the weight of any article or articles classified at higher than first class exceeds 10 per cent of the total weight of the shipment. (b) Rates named in this item apply only when the shipper has notified the carrier, prior to the transportation of the property of his intent to ship at the rates provided in this item. When such notification has been given and the shipment tendered the carrier rates no lower than those named in this item must be applied. 				
	* Minimum charge 50 cents per shipment. ** At the rates named in this item a shipme of several component parts delivered to signee at more than one point of destina more than one consignee at one or more tination, subject to the following cond	(a) one con- ation, or (b) points of des-			
and a sector of the sector of	(1) The composite shipment shall be shipped by one consignor at one point of origin.				
Yau Dure Part	(2) Charges shall be prépaid by the si	alpper.			
	 shipper has notified the carrier, prior portation of the property of his intent rates provided in this item. When such has been given and the shipment tendered rates no lower than those named in this applied. * Minimum charge 50 cents per shipment. ** At the rates named in this item a shipme of several component parts delivered to signee at more than one point of destinamore than one consignee at one or more y tination, subject to the following condition. (1) The composite shipment shall be shipment at one point of origin. 	to the trans- to ship at the notification I the carrier item must be (a) one con- ation, or (b) points of des- itions: hipped by one			

Item No.		
	 (3) The composite shipment tion charges shall be compute than 4,000 pounds. (4) Charge for the composit 	
715 (Con- clud- ed)	charge applicable for a singl kind and quantity of property the highest rated point of de tional charge of 1 cent per 1	e shipment of the same from point of origin to stination, plus an addi- 00 pounds, minimum 25
	(5) At time of tender of sh sue a single bill of lading o the composite shipment, and h or written delivery instructi each consignee, the point of and quantity of property in e	or shipping document for be furnished with manifest lons showing the name of destination, and the kind
735 (new item)	Paper, Paper articles, and other c	commodities, viz.:
	Paper, viz.: Blotting Carbon Cardboard Chipboard Converting Cover Crepe Gummed Napkin paper	Newsprint Poster Printing Shelf Toilet Toweling Waxed Wrapping Writing
	Paper articles, viz.: Arch Files Bags Blank books Bottles Cans Cans, ice cream Cards Covers, toilet seat Cups Dishes	Indexes, Index cards and filers Lids Lunch sets Napkins Nestrites Pails Papatries Paper, corrugated Paper Expanding Files
	(Coptinued)	

-2-

Item No.		
		· · · · · · · · · · · · · · · · · · ·
735 (new item) (Con- tinued)	Dispensers, viz.: cup sanitary napkin soap tape toilet seat cover toilet tissue towel Doilies Envelopes Files, letter Folding and upright boxes Folders Other Commodities, viz.: Binders, looseleaf Book Supports or Book Ends, metal Boxes, fibreboard, pulpboard or strawboard Brushes Candle Solders Candle Solders Candle Solders Candles Collulose Articles,viz.: cartons cases packages tubes Chair Cushions Chair Cushions Chainers, vizz Compasses, drawing Containers, vizz Corrugated, Fibre Cordage Corrugated Sheets Cutters, paper Crayons Desk Trays, wire Desk Trays, wood, S.U. Dust cloths Erasers	Photomailers Plates Receipt books Reinforcements Seals Spoons, paper Statements Table covers Tablets Tags Tissue, facial Tubing Tubs: File Boxes, viz.: Cardboard, wood, wood and metal combined, Filing Cabinets steel or wood, Finger pads, rubber Fountain pens, in- cluding desk sets, Games, card Handkerchiefs Ink wells Machines, punching Machines, stapling Mimeograph Supplies Mat and showcard board Matches Muscilage Pads, calendar Padding Adhesives Padding Compounds Paper Clips Partitions, Partition Parts, liners and pads, corrugated or fibre, Paste Pencil Leads Pencils Penholders:
	(Continued)	

-3-

~

, **•**

•

Pen TicketsStraws orPinsSippersPinsSupplies, JanitorRibbonsTape, gummed, paperAsphaltor scalingCompoundsTrees, Xmss, glo-ShinglesTrees, Xmss, glo-Tile, imitationTrimeRopeWaste baskets, fibre,RulersWaste baskets, fibre,School Art Materials, viz.:Window DisplayPaints, water colorsSharpeners, pencilSchool Art Materials, viz.:Woodenware, viz.:School Art Materials, viz.:Stooth-Paints, water colorsStarys, truberScharpeners, pencilStooth-Stamys, ruberWorld Globesincluding date stampsWriting InkStaplesWaste SacesIn straight or mixed shipments:See Note.Minimum weight 100 pounds per shipment11 4 16 12Minimum weight 2000 pounds per shipment*11 4 16 12NOTE The rates named in this item will not apply(a) to shipments consisting exclusively of articles described under the heading of "OtherCommodities, viz.:"(b) to mixed shipments whon the weight of the articles described under the heading of "Other(b) to mixed shipments whon the weight of the articles described under the heading of "Other(c) to shipments whon the shipment.	Item No.	`			
<pre>per 100 pounds per 100 pounds In straight or mixed shipments: See Note. Minimum weight 100 pounds per shipment * Minimum weight 500 pounds per shipment Minimum weight 2000 pounds per shipment Minimum weight 4000 pounds per shipment Il 14 17 20 24 Il 14 16 18 NOTE The rates named in this item will not apply (a) to shipments consisting exclusively of articles described under the heading of "Other Commodities, viz.:" (b) to mixed shipments when the weight of the articles described under the heading of "Other Commodities, viz.:" exceeds 15 per cent of the</pre>	(Con-	Pen Points Pins Ribbons Roofing Materials, viz.: Asphalt Compounds Paper, roofing Shingles Tile Tile, imitation Rope Rulers Scales, postage School Art Materials, viz.: Paints, water colors Scissors Sharpeners, pencil Sink Strainers Soap Stamps, rubber including date stamps Stands, calendar	Sippers Supplies, Janitor Tape, gummed, paper or cloth, mending or sealing Thumb tacks Trees, Xmas, glo- light or arti- ficial Twine Wallboard Waste baskets, fibre, wood or wire Window Display Material Woodenware, viz.: Spoons, forks, sticks, tooth- picks World Globes Writing Ink		
(Continued)	<pre>per 100 Rate F A B In straight or mixed shipments: See Note. Minimum weight 100 pounds per shipment * Minimum weight 2000 pounds per shipment Minimum weight 4000 pounds per shipment** Il 14 17 NoTE The rates named in this item will not appl (a) to shipments consisting exclusively of art cles described under the heading of "Other Commodities, viz.:" (b) to mixed shipments when the weight of the cles described under the heading of "Other Commodities, viz.:"</pre>				

. -

••

··· ···.

.

4

.

-4-

.

Item No. * Minimum charge 50 cents per shipment ** At the rates named in this item, a shipment may con-sist 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) The composite shipment shall weigh (or trans-portation charges shall be computed on a weight of) not less than 4,000 pounds. 735 (4) 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 (Concluded) origin to the highest rated point of destination, plus an additional charge of 1 cent per 100 pounds, mini-mum 25 cents, for each delivery more than one. (5) 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.

Substitute for Item No. 740 the following item:

Item No.			e in 100		
740	Sugar	A	ate B	C	D
740-A	Minimum weight 10,000 pounds per shipment Minimum weight 20,000 pounds per shipment	4	4	6 5	7 52

-5-