

Decision No. 31379

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of F. TESKEY for authority to
charge less than the minimum rates
established by Decision No. 30600
as amended.

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}
}
}
} Application No. 22283

BY THE COMMISSION:

OPINION AND ORDER

By this application, as amended, authority under Section 10 of the City Carriers' Act and Section 11 of the Highway Carriers' Act is sought by F. Teskey to transport paper, paper articles and related commodities as a city carrier and a highway contract carrier, between points within the Los Angeles drayage area, at lesser charges than those accruing under minimum rates established in and by Decision No. 30600 of February 7, 1938, as amended, in Case No. 4121. The commodities proposed to be transported and the rates sought to be charged are set forth in Exhibit "A" of the application. The shippers intended to be served are not named specifically, but the principal ones are indicated as being Fibreboard Products, Inc., Pioneer-Division Flintkote Company, Glass Containers, Inc., and Standard Paper Box Corporation.

It is alleged in the application that the established minimum rates are excessive for the transportation performed by applicant, and, moreover, that they have resulted or will result in the loss to another carrier or to proprietary carriage of substantially all of the traffic enjoyed heretofore by applicant. In support of the first allegation it is stated that certain economies are possible in an operation of this nature and that due to the specialization in commodities handled high load and use factors are

obtained. It is contended that these advantages justify the maintenance of rates lower than those established for carriers performing a general transportation service. In support of the second allegation it is stated that one of the companies for whom applicant transported considerable tonnage in the past has already commenced a proprietary operation and now gives applicant only the overflow tonnage. It is asserted, moreover, that a shipper who has been utilizing applicant's service for the past three years and whose tonnage constitutes approximately 75 per cent of Teskey's total business, has discontinued shipping via this carrier in favor of Reader Transportation Service, a carrier who has already been granted authority to assess rates lower than the established minimum rates for similar transportation.¹ Letters written to applicant by the shippers hereinbefore mentioned, notifying him that use of his services was being discontinued in favor of proprietary operations or Reader Transportation Service, and stating that he would not be given any tonnage in the future unless lower rates were accorded, were submitted with the application.

The opinion is expressed by applicant that the sought rates will be fair, just and reasonable for the transportation involved and that they are sufficient in volume to return a profit over and above the cost of performing the service.

It is apparent from the allegations in the application that applicant will be deprived of the greater portion of his tonnage unless rates lower than the established minimum rates are made available. It seems evident, moreover, that Teskey should not be

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By Decision No. 31330 dated October 3, 1938, in Application No. 22086, A. R. Reader and Phil Reader, doing business as Reader Transportation Service, were authorized to transport a large group of paper, paper articles and related commodities within the Los Angeles drayage area, for numerous shippers, at rates comparable to those here sought for the lower weight brackets and somewhat higher for the greater minimum weights.

required to charge higher rates than are charged by a competing carrier offering a similar service. It cannot be determined definitely from the allegations in the application whether or not the precise rates sought will be reasonable and compensatory. It does appear, however, that the rates which Reader Transportation Service has heretofore been authorized to charge will be reasonable for this applicant and he will be granted authority similar to that held by such competing carrier without the necessity of a public hearing. If additional authority is desired, applicant should so notify the Commission and a public hearing will be scheduled.

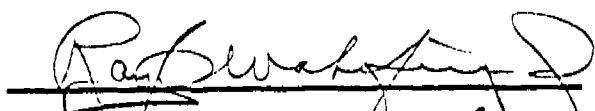
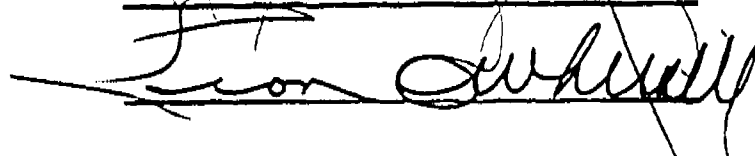
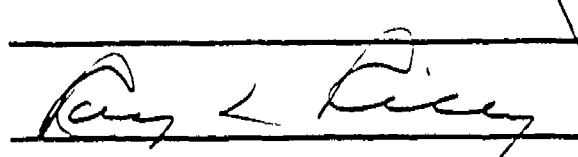

Therefore, good cause appearing,

IT IS HEREBY ORDERED that applicant F. Teskey be and he is hereby authorized to assess and collect for the transportation for which rates are provided in Appendix "A" attached hereto and by this reference made a part hereof, rates less than the minimum rates heretofore established by the Commission but not less than those provided in said appendix.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall expire one (1) year from the effective date of this order unless sooner changed, cancelled or extended by appropriate order of the Commission.

This order shall become effective on the date hereof.

Dated at San Francisco, California, this 20th day of October, 1938.

Commissioners.

APPENDIX "A"

ITEM NO. 10 - APPLICATION OF RATES

Rates provided in this appendix apply only for the transportation of commodities listed in Item No. 20, for shippers listed in Item No. 30, between points within the zones described in Item No. 40.

ITEM NO. 20 - COMMODITIES

Paper, viz.:

Boxboard
Blotting
Carbon
Containers, viz.:
 Corrugated
 Fibre
Cardboard
Chipboard
Converting Paper
Corrugated Sheets
Cover
Crepe
Gummed
Napkin Paper
Newsprint
Poster
Printing
Shelf
Toilet
Towel
Towel
Waxed
Wrapping
Writing

Paper Articles, viz.:

Arch Files
Bags
Blank Books
Bottles
Boxes, fibreboard,
 pulpboard or
 strawboard
Cans
Cans, ice cream
Cards
Covers, toilet seat
Cups

Paper Articles, viz.: (Continued)

Dishes
Doilies
Envelopes
Files, letter
File Boxes, viz.:
 cardboard
Folding and upright
 boxes
Folders
Indexes, Index cards
 and filers
Lids
Lunch sets
Napkins
Nestrites
Pails
Papetries
Paper, corrugated
Paper Expanding Files
Partition, Partition
 Parts, liners and
 pads, corrugated
 or fibre
Photomailers
Plates
Receipt books
Reinforcements
Seals
Spoons, paper
Statements
Straws, or sippers
Table covers
Tablets
Tags
Tissue, facial
Tubing
Tubs

Other Commodities, viz.: (See Note)

Binders, Looseleaf
 Book Supports or Book
 ends, metal
 Brushes
 Candle Holders
 Candles
 Cellulose Articles, viz.:
 Cartons
 Cases
 Packages
 Tubes
 Chair Cushions
 Chalk, writing
 Chamois, imitation
 Chop Frills & Holders
 Coasters
 Compasses, drawing
 Cordage
 Cutters, paper
 Crayons
 Desk Trays, wire
 Desk Trays, wood, set up
 Dust Cloths
 Dispensers, viz.:
 Cup
 Sanitary napkin
 Soap
 Tape
 Toilet seat cover
 Toilet tissue
 Towel
 Erasers
 File Boxes, viz.:
 wood, wood and metal
 combined
 Filing Cabinets
 steel or wood
 Finger pads, rubber
 Fountain pens, including
 desk sets
 Games, card
 Handkerchiefs
 Inkwells
 Machines, numbering
 Machines, punching
 Machines, stapling
 Mimeograph supplies
 Mat and showcard board
 Matches
 Mucilage

Other Commodities, viz.: (Continued)

Pads, calendar
 Padding Adhesives
 Padding Cement
 Padding Compounds
 Paper Clips
 Paste
 Pencil leads
 Pencils
 Penholders
 Pen Tickets
 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
 Staples
 Supplies, Janitor
 Tape, gummed, paper or
 cloth, mending, sealing
 Thumb Tacks
 Trees, Xmas, glo-light
 or artificial
 Twine
 Wallboard
 Waste baskets, fibre,
 wood or wire
 Window Display Material
 Woodenware, viz.:
 Spoons, Forks,
 Sticks, Toothpicks
 World Globes
 Writing Ink
 Wax Remover

Note: Commodities listed under the heading "Other Commodities, viz.:" may be transported at rates named herein, provided the movement of such commodities is incidental to the movement of paper and paper articles, and provided further that the weight of such commodities, on an average over each calendar month, does not exceed 15 per cent of the weight of paper and paper articles transported for the same shipper.

ITEM NO. 30 - SHIPPERS

A. C. Abbott Company; Angelus Paper and Envelope Company; A. U. Morse Company; Badger Paper Company; Blake, Moffitt & Towne; Brown Paper Goods Company; Cann & Company; Carpenter Paper Company; Comfort Paper Company; Crown Willamette Paper Co.; Crystal Paper Service; Fibreboard Products, Inc.; Gaylord Container Company; General Paper Company; General Woodenware Corporation; Glass Containers, Inc.; Hawley Pulp and Paper Company; Independent Paper Stock Company; Ingram Paper Company; Johnson, Carvall & Murphy; Kolly Paper Company; Kieckhefer Container Company; La Salle Paper Company; Los Angeles Carton Company; Los Angeles Paper Bag Company; Monasha Paper Products; National Paper Products Company; Paper Specialties Company; Pioneer-Division Flintkote Company; Sales Service Company; Sherman Paper Products; Silikin Paper Goods Company; Standard Paper Box Corporation; Taverner & Fricke; Towelsaver, Inc.; Union Bag and Paper Corporation; Union Paper and Supply Company; U.S. Paper Company; Western Wax Paper Company; Zellerbach Paper Company.

ITEM NO. 40 - ZONES

ZONE 1

Commencing at the intersection of Atlantic Avenue and Florence Avenue; west on Florence Avenue to Vermont Avenue; north on Vermont Avenue to Fountain Avenue; east on Fountain Avenue to Hyperion Street; northeast on Hyperion Street to Rowena Street; southeast on Rowena Street to Fletcher Drive; north-east on Fletcher Drive to Casitas Avenue; northwest on Casitas Avenue to Rosslyn Street; northeast on Rosslyn Street to the Union Pacific right of way; southeast on the Union Pacific right of way to Isabel Street; southeasterly on Isabel Street to Griffin Avenue; south on Griffin Avenue to North Broadway; east on North Broadway to Mission Road; southwest on Mission Road to Valloy Boulevard; east on Valloy Boulevard to Marianna Avenue; south on Marianna Avenue to Eastern Avenue; south on Eastern Avenue to Whittier Boulevard; east on Whittier Boulevard to Atlantic Avenue; thence south on Atlantic Avenue to point of commencement.

ZONE 2

Commencing at the intersection of Atlantic and Whittier Boulevards; east on Whittier Boulevard to San Gabriel Boulevard; southeast on San Gabriel Boulevard to Anaheim-Telegraph Road; northwest on Anaheim-Telegraph Road to Paramount Boulevard; southwest on Paramount Boulevard to Stuart and Gray Road; westerly on Stuart and Gray Road to Atlantic Boulevard; south on Atlantic Boulevard to Century Boulevard; west on Century Boulevard to Alameda Street; south on Alameda Street to 107th Place; thence along the City of Los Angeles boundary line to 120th Street; westerly on 120th Street to Vermont Avenue; northerly on Vermont Avenue to Manchester Avenue; westerly on Manchester Avenue to Western Avenue; north on Western Avenue to Florence Avenue; west on Florence Avenue to Crenshaw Boulevard; north on Crenshaw Boulevard to Olympic Boulevard; west on Olympic Boulevard to Robertson Boulevard; north on Robertson Boulevard to Melrose Avenue; west on Melrose Avenue to the boundary line of the City of Beverly Hills to the Coldwater Canyon Road, along to the Mulholland Highway to Barnham Boulevard; north on Barnham Boulevard to the north Los Angeles city boundary to Rosslyn Street; northwest on Rosslyn Street to the Los Angeles city boundary to Marianna Avenue; to the intersection of Marianna Avenue and Eastern Avenue; along the southerly boundary of Zone 1 to Whittier Boulevard; thence east on Whittier Boulevard to point of commencement.

ITEM NO. 50 - RATES (In cents per 100 pounds, except as noted)

<u>Minimum Weight</u>	<u>Intrazone</u>	<u>Interzone</u>
100 pounds	*15	*17
500 pounds	13	15
2,000 pounds	10	12
4,000 pounds	09	10
10,000 pounds	08	09
20,000 pounds	07	08
30,000 pounds	06½	07½
*Minimum charge (in cents per shipment)	40	50