

Decision No. 31450

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of )  
Cole McGee of authority to charge )  
less than the minimum rates estab- ) Application No. 22334  
lished by Decision No. 30600, as )  
amended )

BY THE COMMISSION:

OPINION AND ORDER

ORIGINAL

By this application authority under Section 10 of the City Carriers' Act and Section 11 of the Highway Carriers' Act is sought by Cole McGee to transport paper and paper articles 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 shipper intended to be served is Fibreboard Products, Inc.

It is alleged in the application that the established minimum rates are excessive for the transportation performed by applicant and, moreover, that they are resulted or will result in the loss to other carriers 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 pointed out that by Decision No. 31350 of October 3, 1938, in Application No. 22086, Reader Transportation Service was authorized to assess rates

lower than the established minimum rates for transportation similar to that here involved and that by Decision No. 31379 of October 20, 1938, in Application No. 22283, F. Teskey was also granted equivalent authority.

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 this carrier should not be required to charge higher rates than are charged by competing carriers offering similar services. The rates here sought to be charged appear to be identical with those which Reader Transportation Service and F. Teskey were authorized to charge by the decisions hereinbefore mentioned. Under these circumstances this is not a matter in which a public hearing is necessary. The application will be granted. Therefore, good cause appearing,

IT IS HEREBY ORDERED that Cole McGee 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 5<sup>th</sup> day  
of November, 1938.

*Raymond B. ...*

*George P. ...*

*Ray L. ...*

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 Fibreboard Products, Inc., between points within the zones described in Item No. 30.

ITEM NO. 20 - COMMODITIES

Paper viz.:

Boxboard

Containers, viz.:

Corrugated

Fibre

Cardboard

Chipboard

Converting paper

Corrugated sheets

Paper Articles, viz.:

Boxes, fibreboard, pulpboard  
or strawboard

Cans

Cans, Ice Cream

Partition, partition

parts, liners and pads,

corrugated or

fibre.

ITEM NO. 30 - 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; northeast 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 Valley Boulevard; east on Valley 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

ITEM NO. 30 - ZONES (Concluded)

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. 40 - 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