

Decision No. 32440

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of WELLS FARGO BANK & UNION TRUST )  
CO., as executor of the estate of )  
MINNIE I. WORTH, deceased, doing )  
business as C. A. WORTH & CO., to )  
charge less than established mini- )  
mum rate. )

**ORIGINAL**  
Application No. 22747

BY THE COMMISSION:

J. F. Vizzard, for applicant.  
A. L. Whittle, for Southern Pacific Company  
and Pacific Motor Trucking Company,  
interested parties.

FIRST SUPPLEMENTAL OPINION

By Decision No. 32440 of October 10, 1939, in this proceeding, applicant was authorized to transport drugs, drug sundries and liquors for Coffin-Redington Co., from San Francisco to Oakland, Alameda, San Leandro, Emeryville, Berkeley, and Richmond at rates less than the established minimum rates<sup>1</sup> but not less than \$330 per month per truck of capacity not exceeding 4,500 pounds; plus ferry or bridge tolls, drivers' overtime wages and an excess mileage charge of 7 cents per mile for each mile over 50 miles per day a truck is operated. By supplemental application, Fred N. Worth who acquired C. A. Worth & Co. through the distribution of the estate of Minnie I. Worth, deceased, seeks authority to render the transportation service involved in the original application, restricted, however,

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The established minimum rates for the transportation involved are those prescribed in and by Decision No. 31606, as amended, in Case No. 4246, in re Establishment of \*\*\* rates, rules and regulations \*\*\* for the transportation for compensation or hire, of any and all commodities. These rates, stated in cents per 100 pounds, vary with the kind of property shipped, the weight of the shipment and the point of destination.

to operations on not more than 23 days per month per truck, at a rate of \$290 per month per truck, but otherwise subject to the same conditions, including additional charges, as those specified in said Decision No. 32440.

Public hearing on the supplemental application was had at San Francisco before Examiner Mulgrew on February 17, 1940.

Applicant explained that at the time the rate of \$330 per month was authorized, and until February 3, 1940, Coffin-Redington's business was conducted on a six-day week basis; but that on February 3, it changed to a five-day week. He pointed out that both the authorized rate of \$330 for a full month and the sought rate of \$290 for a 23-day month are the same as the San Francisco drayage monthly truck unit rates for equipment of the capacity of that involved herein.<sup>2</sup>

Cost estimates submitted by the applicant show annual expense as \$3,372.03 for five-day week operations and \$3,863.10 for six-day week operations. They reflect labor and running expense for 255 and 306 working days, respectively, on the 23-day and the full month bases. In each case labor is computed for the normal working day and running expense for the maximum mileage of 50 miles per day. Both the previously authorized and the sought bases provide additional charges for overtime and excess mileage. The estimates also reflect insurance expense based on revenue and depreciation said to give recognition to the use of equipment. In other respects there

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See Item No. 810-B of City Carriers' Tariff No. 1 promulgating minimum rates established by Decision No. 28632, as amended, in Case No. 4084, in re Establishment of rates, rules, classifications and regulations for the transportation of property, \*\*\* for compensation or hire, over the public highways of the City and County of San Francisco.

is no difference in the estimates. The following tabulation portrays the estimated annual differences in expense factors.

Expense Factor	23-Day Month	Full Month	Differ- ence
Labor	\$1,920.66	\$2,259.60	\$338.94
Running Expense	567.37	667.50	100.13
Insurance	82.00	99.00	17.00
Depreciation	180.00	215.00	35.00
Other Factors	<u>622.00</u>	<u>622.00</u>	<u>-</u>
Total	\$3,372.03	\$3,863.10	\$491.07

A representative of the interested shipper testified that its position was the same as in the original application, namely, that in the event the application is not granted it will commence proprietary operations, both transbay and in San Francisco. He also testified that applicant would transport fewer shipments on the five-day week operation, as certain shipments would be handled by common carriers.

No one opposed the granting of the supplemental application.

As hereinbefore stated, under both the authority previously granted and that here sought, additional charges are provided for ferry or bridge tolls, overtime wages and excess mileage. Exclusive of such revenue as may accrue thereunder, annual revenue amounts to \$3,480 at the sought rate and \$3,960 at the present rate, a difference of \$480. The record indicates that this reduction in revenue would be offset by a corresponding reduction in expenses. It also indicates that the proposed rate will be compensatory and that if the sought authority is not granted the traffic involved as well as the interested shipper's San Francisco drayage will be lost to for-hire carriage. The supplemental application will be granted. However, the authority will be limited to a one-year period inasmuch as the conclusions upon which it is based are predicated upon present conditions.

O R D E R

Public hearing having been had in the above entitled application, full consideration of the matter and things involved having been had, and the Commission being fully advised,

IT IS HEREBY ORDERED that Fred N. Worth, doing business as C. A. Worth & Co., be and he is hereby authorized to transport drugs, drug sundries and liquors for Coffin-Redington Co., from San Francisco to Oakland, Alameda, San Leandro, Emoryville, Berkeley, and Richmond at rates less than the established minimum rates but not less than \$290 per calendar month per truck of capacity not exceeding 4,500 pounds used not more than 23 days per calendar month; plus ferry or bridge tolls, drivers' overtime wages and an excess mileage charge of 7 cents per mile for each mile over 50 miles per day a truck is operated.

IT IS HEREBY FURTHER ORDERED that the authority herein granted be and it is hereby made subject to the condition that the carrier and the shipper shall maintain and preserve appropriate records showing the amounts paid by the shipper to the carrier for the use of trucking equipment, and for ferry or bridge tolls, drivers' overtime wages, and excess mileage.

The authority herein granted shall expire February 28, 1941, unless sooner changed, cancelled or extended by appropriate order of the Commission.

This order shall become effective February 29, 1940.

Dated at San Francisco, California, this 22<sup>nd</sup> day of February, 1940.

Ray L. Rice  
George P. W. W. W.  
David K. K. K.  
H. Ball  
Justice J. C. C.  
Commissioners