

Decision No. 32306.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of COAST LINE TRUCK SERVICE, INC., ) Application No. 23416  
a corporation, to charge less than )  
established minimum rate. )

Appearance

Carl R. Schulz, for applicant

BY THE COMMISSION:

ORIGINAL

O P I N I O N

Coast Line Truck Service, Inc., as a highway contract carrier, seeks authority to charge less than the established minimum rates for the transportation of shark meat from San Francisco to Moss Landing. The matter was publicly heard and submitted in San Francisco on May 2, 1940, before Examiner Preston W. Davis.<sup>1</sup>

Moss Landing is located on Monterey Bay, approximately nine miles south of Watsonville. The constructive highway mileage from San Francisco to this point is 112 miles. The minimum rate in effect for the transportation of shark meat from San Francisco to Moss Landing is the 4th class rate of 17½ cents per 100 pounds, subject to a minimum weight of 24,000 pounds. Applicant seeks authority to charge, in lieu thereof, a rate of 15 cents per 100 pounds, and is willing to have this rate made subject to a minimum weight of 30,000 pounds.

<sup>1</sup>

The original application also sought reduced rates from Santa Barbara to Moss Landing; however, the latter transportation was eliminated from the application by oral amendment at the hearing.

The record shows that an estimated quantity of 5,000 tons of shark meat will be shipped by California Packing Corporation during the 1940 season from a point on the San Francisco waterfront near Fishermen's Wharf to the fertilizer manufacturing plant of that company at Moss Landing. Applicant has been promised a contract to perform this transportation in the event it obtains authority to charge a rate of 15 cents per 100 pounds; otherwise, California Packing Corporation expects to perform the transportation itself in leased or proprietary equipment.

The transportation conditions expected to be encountered in this transportation are assertedly exceptionally favorable. The shark season usually extends through the months of June, July and August and loads are ordinarily available at all times during the day and night. The shark meat is shipped in bulk and truck and semi-trailer units equipped with detachable steel bodies, similar to garbage disposal bodies, will be used. Three or four trucks will be devoted exclusively to this service and will be kept in operation approximately sixteen hours per day. Employees of the shipper will perform both the loading and unloading. It was estimated that a load of fifteen tons would take approximately one hour to load and forty-five minutes to unload.

Applicant's secretary-treasurer introduced exhibits in which the full cost of performing the service here involved was estimated as being \$2.54 per ton, or slightly over 12½ cents per 100 pounds, as compared with the rate of 15 cents per 100 pounds sought. In general, this study reflects the actual costs incurred on all of applicant's equipment during the period between September 30, 1939, and March 31, 1940, allocated to the transportation from San Francisco to Moss Landing on a time and mileage basis. In some instances costs developed by a Commission engineer in a general merchandise study were used (Exhibit 1 in Case No. 4246), it being

explained that applicant was operating a considerable amount of new equipment during the period selected for the study and that, for that reason, the actual costs incurred for such items as tires and repairs were probably below normal. The witness testified that from the standpoint of size and cost of operation the equipment to be used in the transportation of shark meat was representative of the equipment used in the balance of its operation.<sup>2</sup>

No protest to the granting of the application was made. Applicant's witness stated that his company had no objection to the sought rates being made available to all carriers, should that be deemed desirable by the Commission.

The evidence indicates that due to the volume of tonnage available and to the convenient loading and unloading facilities, applicant will experience an unusually high use factor in this operation. The cost showing justifies the conclusion that the sought rate will be compensatory, provided it be limited to shipments weighing not less than 30,000 pounds. Under these circumstances, we are of the opinion and find that a rate of 15 cents per 100 pounds, minimum weight 30,000 pounds, will be reasonable for the transportation here involved. With the modification indicated the application will be granted.

#### ORDER

A public hearing having been held in the above entitled application, and based upon the evidence there received and upon

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<sup>2</sup> Coast Line Truck Service, Inc. operates as a highway common carrier between certain points other than the points here involved. It has nine units of equipment, only one being smaller than required for the transportation of shark meat in fifteen ton loads and two being larger.

the conclusions and findings contained in the preceding opinion,

IT IS HEREBY ORDERED that Coast Line Truck Service, Inc., operating under permit as a highway contract carrier, be and it is hereby authorized to transport shark meat from San Francisco to Moss Landing under contract with California Packing Corporation, for a rate less than the established minimum rate but not less than 15 cents per 100 pounds, minimum weight 30,000 pounds.

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

This order shall become effective ten (10) days after the date hereof.

Dated at San Francisco, California, this 21<sup>st</sup> day of May, 1940.

Ray L. Riley  
James R. Miller  
Robert A. DeWitt  
H. H. K. K.  
Justus J. Coenen  
Commissioners.