

Decision No. 32504

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 Angeles. }



Case No. 4121

BY THE COMMISSION:

SUPPLEMENTAL OPINION AND ORDER

Minimum rates, rules and regulations for the transportation of property by for-hire carriers within the Los Angeles drayage area have been established by Decision No. 32504 in this proceeding, as amended, (42 C.R.C. 239) and are incorporated in a tariff designated as City Carriers' Tariff No. 4 - Highway Carriers' Tariff No. 5. By petition filed January 10, 1941, United Parcel Service of Los Angeles, Inc., a highway common and city carrier, seeks modification of the existing provisions relating to the transportation of property for wholesale establishments in packages weighing 100 pounds or less.¹

As the tariff now stands it names rates for shipments weighing less than 100 pounds ranging from 10 cents for weights of 1 pound or less to 30 cents for weights of over 50 to but not including 100 pounds. Excepting on certain articles rated higher than first class, the charge for shipments weighing 100 pounds is 40 cents. Where agreed to in advance of shipment, the tariff also

¹ It also seeks modification of the charges provided for the service of collecting and remitting monies in connection with C.O.D. shipments. A public hearing will be had for the receipt of evidence relative to this matter.

provides rates varying with the number of weight units transported per calendar month. Petitioner represents that these forms of minimum rates are not suitable for or adaptable to its parcel delivery operations, and seeks a rate of 9 cents per package plus 1/2 cent per pound or fraction thereof, conditioned, however, upon the shipper's advance election to use this basis.

In support of its proposal, petitioner alleges that it adopted the proposed method of assessing charges more than fifteen years ago and that it and other parcel delivery carriers have employed it for many years.² Petitioner also alleges that parcel delivery carriers experience certain costs which vary with the number of packages rather than with their weight and that the proposed charges give effect to these cost variations. It is claimed, moreover, that the proposed basis would permit the use of a "streamlined" accounting system because computation of charges thereunder would involve only the totalling of the number of packages and of the number of pounds and the application of the rates per package and per pound thereto. This, it is said, would result in economies to carriers and shippers in billing and checking charges. The convenience and simplicity of the proposed basis are claimed to have been important factors in the development of successful parcel delivery operations.

In general, the proposed charges are higher than those established as minimum. That they are not unreasonably high is said

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Petitioner claims that this form of stating rates was originated and is maintained by the United States Parcel Post, which competes with parcel delivery carriers, and that it is in effect for parcel delivery service from Los Angeles to points outside the drayage area. It is also used by petitioner within the drayage area in connection with the delivery of parcels from retail stores, and parcels weighing more than 7 pounds from wholesale establishments. It has been discontinued for other wholesale deliveries pursuant to directions from the Commission, because the charges at the rate of 9 cents per package, plus 1/2 cent per pound, which formerly prevailed, produced charges less than those established as minimum for this service.

to be evidenced by the following rate comparisons. (Rates are stated in cents per shipment.)

<u>Weight of Package (In Pounds)</u>	<u>Single Package Shipments</u>	
	<u>Sought Basis</u>	<u>Existing Basis (Item No. 320 of the tariff)</u>
1	9½	10
2	10	11
3	10½	11
4	11	11
5	11½	11
6	12	13
7	12½	13
8	13	13
9	13½	13
10	14	13

It appears that this is a matter in which a public hearing is not necessary, that the request is reasonable and that it should be granted.

Regulations governing the extension of credit for payment of freight charges have also been prescribed. By Decision No. 32826 of February 20, 1940, in this proceeding, provision was made that these regulations would not be applicable to the transportation of property for the United States, state, county or municipal governments. This exemption, however, was not incorporated in the tariff. This will be done by the order herein.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that City Carriers' Tariff No. 4-Highway Carriers' Tariff No. 5 (Appendix "A" of Decision No. 32504, as amended) be and it is hereby further amended by substituting for the corresponding pages now contained therein, the revised pages attached hereto and by this reference made a part hereof, which pages are numbered as follows:

1st Revised Page 19 (cancels Original Page 19)
1st Revised Page 38 (cancels Original Page 38)

IT IS HEREBY FURTHER ORDERED that tariff filings herein authorized to be made by common carriers may be made on not

less than three (3) days' notice to the Commission and to the public.

IT IS HEREBY FURTHER ORDERED that in all other respects said Decision No. 32504, as amended, shall remain in full force and effect.

This order shall become effective twenty (20) days after the date hereof.

Dated at San Francisco, California, this 28th day of January, 1941.

W. Baker
R. A. Brown
Ray L. Riley
Justin J. Calver
Francis C. Havenner
Commissioners

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)
* 160-A Cancela 160	<p style="text-align: center;">(1) COLLECTION OF CHARGES</p> <p>(a) Except as otherwise provided in this rule, transportation and accessorial charges shall be collected by the carriers prior to relinquishing physical possession of shipments entrusted to them for transportation.</p> <p>(b) Upon taking precautions deemed by them to be sufficient to assure payment of charges within the credit period herein specified, carriers may relinquish possession of freight in advance of the payment of the charges thereon and may extend credit in the amount of such charges accruing during a calendar month to those who undertake to pay them, such persons hereinafter being called shippers, and collection thereof made not later than the tenth day (excluding Sundays and legal holidays other than Saturday half-holidays) of the calendar month following the delivery of the freight.</p> <p>(c) Where a carrier has relinquished possession of freight and collected the amount of charges represented in a freight bill presented by it as the total amount of such charges, and another freight bill for additional charges is thereafter presented to the shipper, the carrier may extend credit in the amount of such additional charges for a period of 30 calendar days to be computed from the first 12:00 o'clock midnight following the presentation of the subsequently presented freight bill.</p> <p>(d) Freight bills for all transportation and accessorial charges shall be presented to the shippers not later than 12:00 o'clock midnight of the fifth day (excluding Sundays and legal holidays other than Saturday half-holidays) of the calendar month following the delivery of the freight.</p> <p>(e) Shippers may elect to have their freight bills presented by means of the United States mail, and when the mail service is so used, the time of mailing by the carrier, as evidenced by the postmark, shall be deemed to be the time of presentation of the freight bills.</p> <p>(f) The mailing by the shipper of valid checks, drafts, or money orders, which are satisfactory to the carrier, in payment of freight charges within the credit period allowed such shipper may be deemed to be the collection of the charges within the credit period for the purpose of these rules. In case of dispute as to the time of mailing, the postmark shall be accepted as showing such time.</p> <p>(1) Will not apply to the transportation of property for the United States, state, county or municipal governments.</p>
	*Change, Decision No.
	EFFECTIVE FEBRUARY 17, 1941
Correction No. 8	Issued by The Railroad Commission of the State of California, San Francisco, California.

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CITY CARRIERS' TARIFF NO. 4
 HIGHWAY CARRIERS' TARIFF NO. 5

Item No.	SECTION NO. 5 - UNIT RATES, RULES AND REGULATIONS (Continued)	
401-A Cancels 401	<p style="text-align: center;">RULES AND REGULATIONS (Concluded)</p> <p style="text-align: center;">(Items Nos. 400 and 401 series)</p> <p>(d) Rates named in this section are subject to an additional charge at the rate of \$1.00 per man, per hour, minimum charge 50 cents, when shipper requests and carrier furnishes help in addition to the driver. The time for computing the additional charge shall be not less than the actual time in minutes the helper or helpers are engaged in performing the service requested by the shipper. The total time so computed shall be converted into hours and fractions thereof. Fractions of an hour shall be determined in accordance with the table provided by Note 2(b), Item No. 420 series.</p> <p>*(e) Unit rates named in Items Nos. 405 and 410 series are not applicable when shipper requests and carrier furnishes transportation directly from point of origin to point of destination without passing through carrier's terminal.</p>	
◆◆ 405	<p>FREIGHT, regardless of classification, transported between or within the Zones described in Items Nos. 30, 31, 32 and 33 series:</p> <p>The gross weight of each package or piece not to exceed 100 pounds</p> <p>(No allowance shall be made for the weight of containers)</p>	<p style="text-align: right;">Rate</p> <p>9 Cents per package or per piece plus 1/2 cent for each pound or fraction thereof of its gross weight.</p>
	<p>*Change) ◆Increase) Decision No. ●Reduction)</p>	
EFFECTIVE FEBRUARY 17, 1941		
Correction No. 9	Issued by The Railroad Commission of the State of California, San Francisco, California.	