

Decision No. 35901

387

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of EARL H. ROBINSON, doing business )  
under the firm name and style of, ) Application No. 23887  
ARROW TRANSFER, to charge less than )  
established minimum rates. )

ORIGINAL

BY THE COMMISSION:

Appearances

- Earl H. Robinson, in propria persona,
- Elaine G. Dill, for The Truck and Warehouse Association of San Diego and Imperial Counties, interested party,
- C. A. Hodgman, for San Diego Chamber of Commerce, interested party.

FIRST SUPPLEMENTAL OPINION

By supplemental application Earl H. Robinson, a city carrier doing business as Arrow Transfer, seeks renewal of authority granted by Decision No. 34346 of June 24, 1941, in this proceeding. By that decision he was authorized to assess rates and accessorial charges less than those established by the Commission as minimum for the transportation of flour between points within the City of San Diego.

Public hearing on the supplemental application was had before Examiner Bryant at San Diego on October 8, 1942.

The record shows that flour in carload quantities of 62,000 pounds or greater is purchased by various San Diego bakeries. The bakeries are not served directly by rail facilities, and the flour is received by them at public team tracks. The transportation involved in this application is the handling of this flour from the team tracks to the bakeries.

Applicant testified that since the authority was originally

granted in June, 1941, the wages of drivers and helpers had advanced, and there had been some reduction in the efficiency of the helpers. He explained also that the tonnage had increased, and, with the recent addition of an eighth bakery to his list of regular customers, he was now handling 100 per cent of the flour received by San Diego bakeries in carload lots.<sup>1</sup> In other respects, he asserted, there had been no important change in the operation. He stated that in recent months he had been assessing rates one-half cent higher than those for which authority is here sought, but declared nevertheless that the proposed rates were necessary and reasonable as minimum.

Information concerning the cost of performing the service was introduced by a transportation accountant employed by applicant. The cost studies were prepared in the same manner as those upon which the authority was originally granted, the only modification being that the earlier studies were based upon 1940 records whereas those now offered reflect experience for the year 1941. The new figures, like the earlier ones, do not make provision for return on capital investment, depreciation of buildings owned, or for certain other items, but do include most of the usual overhead expenses. Converted to a weight basis on representative shipments, the costs developed in the latest exhibits range from 3.39 cents to 4.86 cents per 100 pounds, including the delivery and accessorial services. These may be compared with the proposed rates ranging from 4 cents to 6 cents per 100 pounds, plus accessorial charges of one-half cent or one cent per 100 pounds.

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<sup>1</sup> The supplemental application asks that the authority heretofore granted be extended to include shipments handled for Cramer's Bakery, Division of Interstate Bakeries.

The San Diego Chamber of Commerce appeared in support of the supplemental application, and urged that it be granted. No one appeared in opposition.

The evidence on the supplemental application, like that developed on the original record, is convincing that Robinson enjoys economies in operation which make the established minimum rates and charges excessive for the particular movements here under consideration. According to the latest exhibits his cost of performing the service is from 9 to 12 per cent higher than the costs which were developed on the original record; and these exhibits are subject to criticisms similar to those which were directed to the original studies (Decision No. 34346, supra). Nevertheless, the margin between the cost of performing the service as developed by these exhibits and the gross revenue which would accrue under the proposed rates and charges appears to be fairly broad, and, considered as a whole, the evidence is persuasive that the proposed rates and charges have been and, for the near future at least, will be, compensatory.

Upon consideration of all the facts and circumstances of record, we are of the opinion and find that the rates and charges proposed in and by the first supplemental application in this proceeding, as modified at the hearing, will be reasonable for the transportation here involved. The application will be granted accordingly.

The findings herein are necessarily predicated upon existing conditions, and the authority hereinafter granted will therefore be limited to a period of one year. If, prior to the date of expiration, applicant is of the opinion that an extension is justified, an appropriate supplemental application should be seasonably filed.<sup>2</sup>

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<sup>2</sup> The authority granted by Decision No. 34346 expired with June 24, 1942. The first supplemental application was filed June 30, 1942.

O R D E R

First supplemental application in this proceeding having been duly heard and submitted,

IT IS HEREBY ORDERED that applicant, Earl H. Robinson, 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 and charges less than the minimum rates and charges heretofore established by the Commission, but in no event less than those provided in said Appendix "A".

IT IS HEREBY FURTHER ORDERED that in connection with transportation for which rates are provided in Appendix "A" hereto applicant shall issue and preserve a freight bill for each shipment received for transportation, in accordance with the requirements of Decision No. 35055, as amended, in Cases Nos. 4246, 4439 et al, and shall observe in connection with such transportation all rules and regulations established in and by City Carriers' Tariff No. 7, Highway Carriers' Tariff No. 9 (Appendix "A" to said Decision No. 35055), as amended, which are not inconsistent with those specifically provided in Appendix "A" hereto.

IT IS HEREBY FURTHER ORDERED that in connection with transportation for which rates are provided in Appendix "A" hereto applicant shall abstain from quoting, assessing, charging or collecting rates or accessorial charges based upon a unit of measurement different from that in which such rates and charges are stated.

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 <sup>26</sup> 21 day of October, 1942.

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*Francis X. Staven*  
*Richard Dickse*  
Commissioners

APPENDIX "A"

ITEM NO. 10 - APPLICATION OF RATES

(a) Rates provided in this appendix apply only for the transportation of flour in shipments subject to a minimum weight of 30,000 pounds, for shippers and consignees listed in Item No. 30, between points within the corporate city limits of San Diego.

(b) Rates include unloading from rail car at point of origin, and tailgate unloading at point of destination. (See Item No. 50 for accessorial charges for delivery beyond tailgate.)

ITEM NO. 20 - DEFINITION OF TERMS

(a) SHIPMENT means a quantity of freight tendered by one shipper on one shipping document at one point of origin at one time for one consignee at one point of destination.

(b) TAILGATE UNLOADING means unloading of the shipment from carrier's equipment and placing it at a point not more than 25 feet distant from said equipment.

ITEM NO. 30 - SHIPPERS AND CONSIGNEES

Mrs. Conkling's Bakery  
Continental Baking Company  
Fisher Flouring Mills Company  
Franco Superior Bakery  
Snowflake Bakery  
Southern California Baking Company  
Winter Baking Company  
Cramer's Bakery, Division of Interstate Bakeries

ITEM NO. 40 - EXPLANATION OF ZONES

Zones referred to herein are Zones 1, 2 and 3 as described in Rule No. 30 of City Carriers' Tariff No. 7, Highway Carriers' Tariff No. 9, in so far as such zones embrace territory within the corporate city limits of San Diego.

ITEM NO. 50 - ACCESSORIAL CHARGES

(a) When delivery service other than tailgate unloading is performed, the following accessorial charges shall be made:

(1) For delivery beyond tailgate at street level, including stacking if required, not to exceed 12 sacks high, one-half cent per 100 pounds.

(2) For delivery beyond tailgate at street level, including stacking in excess of 12 sacks high, one cent per 100 pounds.

(3) For delivery beyond tailgate at other than street level, without stacking, one-half cent per 100 pounds.

(4) For delivery beyond tailgate at other than street level, including stacking, one cent per 100 pounds.

ITEM NO. 60 - RATES

Minimum Weight 30,000 Pounds

<u>From Rail Team Tracks in Zone 1 to points in</u>	<u>Rates in Cents per 100 pounds</u>
Zone 1	4
Zone 2	5
Zone 3	6

  

<u>From Rail Team Tracks in Zone 2 to points in</u>	
Zone 1	5
Zone 2	4
Zone 3	6

End of Appendix "A"