

Decision No. 36327

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 Red Line Parcel Service to charge) Application No. 23342
 less than established minimum rates.)

BY THE COMMISSION:

ORIGINALSECOND SUPPLEMENTAL OPINION AND ORDER

This proceeding involves retail parcel delivery service performed by applicant for certain department stores and specialty shops situated in San Jose. To points in a designated area contiguous to San Jose, applicant has been authorized by Decision No. 35390 of May 19, 1942, in this proceeding, to observe rates less than those otherwise established as minima for this transportation. This authority will expire May 19, 1943. Its extension for a one-year period is now sought.

Applicant claims that the operations involved are, in all essential respects, similar to those of other parcel delivery carriers which have been exempted from observing the prescribed minimum rates. It is represented that the value of the commodities ordinarily transported and the value of applicant's service to the interested shippers are such that they require that rates not higher than those previously authorized be maintained. Higher rates, it is claimed, would result in loss of traffic to parcel post service

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The authorized rates are 15, 12½ and 10 cents per package, depending upon the weekly revenue derived from the transportation service performed for the shipper. The 15-cent rate applies where the revenue is less than \$2 per week, and the 12½ and 10-cent rates where minimum revenues are \$2 and \$10, respectively. Under the prescribed minimum rates, established by Decision No. 31606 (41 C.R.C. 671), as amended, the charge for this transportation is 42 cents per shipment, regardless of weekly revenue.

and to proprietary carriage. Assertedly, applicant's services are not competitive with any other for-hire carrier. Revenues from the rates heretofore authorized in this proceeding are said to have been sufficient to produce satisfactory operating results.

It appears that this is a matter in which a public hearing is not necessary and that the proposed extension of authority is justified. Therefore, good cause appearing,

IT IS HEREBY ORDERED that the authority granted C. J. Nagel, an individual doing business as Red Line Parcel Service, by Decision No. 35390 of May 19, 1942, in the above entitled application, be and it is hereby extended to May 19, 1944, unless sooner changed, canceled or further extended by appropriate order of the Commission.

This order shall become effective May 19, 1943.

Dated at San Francisco, California, this 4th day of May, 1943.

Frank P. Adams
J. J. Adams
Arthur D. Adams
Richard Adams
W. M. Adams
 Commissioners