

ORIGINAL

Decision No. 36424

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
A. M. Gross and F. Gross, co-partners)	
doing business under the firm name)	
and style of Gross Systems, for)	Application No. 22240
authority to charge less than mini-)	
mum rates under the provisions of)	
the Highway Carriers' Act.)	

BY THE COMMISSION:

FIFTH SUPPLEMENTAL OPINION AND ORDER

This application involves the city and highway carrier service performed by applicants for Certified Grocers, Inc., a wholesale grocery concern. Applicants transport merchandise from Certified Grocers' warehouse in Vernon to retail stores within a 100-mile radius of that warehouse. For this service, they have been authorized to observe rates lower than those established as minima.¹ This authorization is scheduled to expire June 11, 1943. Its extension for a one-year period is now sought.

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Permission to observe rates lower than those otherwise prescribed as minima was first granted by Decision No. 32960 of April 2, 1940, in this proceeding. Under the rate basis thus authorized applicants observed rates ranging from 5 cents per 100 pounds for distances of 5 miles or less to 16½ cents for distances of over 75 but not over 100 miles. This authorization was amended, effective April 7, 1942, by increasing the rate level approximately 10 per cent and on this basis applicants' rates range from 5½ to 18 cents. These rates, unlike the minimum rates otherwise applicable, apply to the transportation of property of all descriptions and without regard to the weight of individual shipments. They are approximately the same as the fourth class rates established for shipments weighing 20,000 pounds or more by Decision No. 31606 (41 C.R.C. 671), as amended.

Applicants represent that, although some increases in operating costs have been experienced since their present rate basis was authorized, these increases have not impaired their ability to handle the traffic involved at a satisfactory profit. Increased costs, applicants claim, have been offset by operating economies resulting chiefly from a reduction in the number of delivery schedules. Operations under these changed conditions are said to have been profitable.

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

IT IS HEREBY ORDERED that the expiration date of the authority granted by Decision No. 32960 of April 2, 1940, as amended, in the above entitled application, be and it is hereby extended to June 11, 1944, unless sooner changed, canceled or further extended by appropriate order of the Commission.

This order shall become effective June 11, 1943.

Dated at San Francisco, California, this 8th day of June, 1943.

Francis D. Stevenson
W. H. Miller
Arthur J. Cochran
Richard H. Moore
Francis D. Long
Commissioners