

Decision No. 41488

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment of)	
rates, rules, classifications and)	
regulations for the transportation of)	Case No. 4084
property within the City and County)	
of San Francisco.)	

ORIGINAL

SUPPLEMENTAL OPINION¹

Decision No. 28632 of March 16, 1936, in this proceeding, established minimum rates for San Francisco drayage operations, including specific rates for "wholesale parcel city delivery" service proposed by Draymen's Association of San Francisco.² The general drayage rates were made applicable to the wholesale parcel traffic following cancellation of the parcel rates upon petition of the Association (Decision No. 40057 of March 17, 1947). Subsequent to the issuance of Decision No. 40057; however, certain carriers sought permission to continue to use the parcel rates in their operations. They were granted temporary authority pending hearing and final disposition of their petitions.³

Public hearings were had at San Francisco before Examiner Mulgrew.

¹ The appearances are those listed in Decision No. 41363 of March 23, 1948.

² Transportation of parcels delivered from retail stores (retail parcel city delivery) was exempted from the minimum rates.

³ These carriers are: R. J. Alexander and Ernest Sahli, copartners doing business as California Special Messenger Service and Kelly Transfer Co.; Merchants Parcel Delivery; Frank J. Brown and Carl R. Moore, copartners doing business as A & B Garment Delivery of San Francisco; Bernard La Rossa and John Anello, copartners doing business as Record Express; John R. Barr, doing business as Neighborhood Delivery Service; and Don D'Onofrio, doing business as Donofrio Drayage. Their temporary authorizations were granted by Decisions Nos. 40442, 40477, 40506, 40555 and 41185 of June 24, June 28, July 8 and July 22, 1947, and February 3, 1948.

Under the parcel rates, charges are determined on the basis of 25 cents for each 40 pounds or fraction thereof. There is no maximum weight restriction in connection with this basis. At the hearings, however, no one contended that special rate treatment is necessary for parcel deliveries involving shipments weighing more than 25 pounds. Under the general drayage rates, the minimum charge applicable to shipments weighing 25 pounds or less is 50 cents.

One of the carrier petitioners, supported by interested shippers, contended that the 25-cent parcel rate was necessary and should be retained for all of its shipments weighing up to and including 25 pounds. The Draymen's Association and three of the other five parcel carrier petitioners requested that deviation from the general drayage basis be limited to shipments of 10 pounds or less. These parties proposed a 35-cent rate for such shipments. They also proposed that this rate be made generally applicable rather than restricted to particular carriers or to a class of service. The two remaining petitioners took no active part in the hearings.

According to a statement submitted by the petitioner seeking authority to maintain the 25-cent rate, its operations for the year 1947 resulted in revenues amounting to \$44,395.41 and expenses aggregating \$33,748.33, leaving a "net profit" of \$10,647.08. Admittedly, the statement does not make provision for salaries for the two copartners, each of whom was said to devote some 4 hours per day to the enterprise. One of them testified that the reasonable value of their services was \$100 per month, each. He conceded that wages, fuel, insurance and license costs are now

higher than those actually incurred during 1947. The witness claimed, however, that these increases had been largely offset by the economies resulting from changing from a six-day to a five-day work week and that deliveries of shipments weighing 25 pounds or less under the 25-cent rate would continue to be profitable. Any increase in this rate, he asserted, would result in loss of traffic to parcel post or other means of making deliveries to such an extent that it would prejudice, if not destroy, petitioner's ability to continue operations. Shipper witnesses said that a rate increase would require that other methods be used for these deliveries. They admitted that the considerably cheaper parcel post service was not as desirable as their present arrangements. They said, however, that parcel post would be resorted to in preference to paying higher rates.

The three parcel carriers joining the Association in proposing the 35-cent rate for shipments of 10 pounds and less claimed that this basis would be as great a deviation from the general drayage rates as is justified and necessary for the parcel traffic which they handle. No attempt was made to substantiate this proposal by cost studies, operating statements or other tangible evidence.

The Association urged that the 35-cent parcel rate be made applicable for all carriers and to all classes of service. Its witnesses testified that draymen not authorized to continue to observe the parcel rates had lost business on that account. Rate equality for the transportation of like parcel shipments by all carriers, they claimed, is necessary to remove the undue advantage of the carriers enjoying special rates.

It is not disputed and the record shows that the 50-cent minimum charge now applicable under the general drayage rates is too high for shipments of small parcels. The 25-cent rate for "wholesale parcel city delivery" service involving shipments weighing 40 pounds and less was canceled by Decision No. 40057, supra, on the strength of the Association's representations that uncertainty in regard to its application had led to its misuse and that carriers and shippers would not be deprived of that rate in proper cases because authority to charge less than the general rates could be sought and obtained under Section 10 of the City Carriers' Act. The rate increase from 25 to 35 cents and the accompanying reduction of the maximum weight from 40 to 10 pounds here proposed in the basis of charges for certain of the carriers was, as has hereinbefore been indicated, not supported by any concrete evidence demonstrating the reasonableness and propriety of the sought adjustment. On the other hand, the showing made by the carrier seeking the retention of the 25-cent rate for shipments of 25 pounds or less is based on the results of actual operations. It is reasonably clear from this showing that the imposition of a higher rate basis is not justified.

In view of the foregoing, and particularly the undisputed evidence relating to the necessity for rate equality regardless of the class of service or the carrier rendering it, the 25-cent rate will be established for general application in connection with shipments of 25 pounds or less. Under the drayage rates, the minimum charge for shipments weighing over 25 but not over 50 pounds is 63 cents and that for shipments weighing over 50 but not over 75 pounds is 76 cents. If these minimum charges are not revised,

it will be cheaper to make separate smaller shipments than single shipments within these weight ranges. It is obvious that such a rate situation would not be desirable. The 63-cent charge will, therefore, be reduced to 50 cents and the 76-cent charge to 75 cents. The temporary authorizations now held by petitioners will be canceled concurrently with the effectiveness of these rate adjustments.

Upon consideration of all the facts of record, we are of the opinion and find that petitioners' proposals have been justified and should be granted to the extent hereinbefore indicated.

Attention has been directed to the fact that Decision No. 41363 of March 23, 1948, promulgating the drayage rates in City Carriers' Tariff No. 1-A, inadvertently restricted the exemption of property transported in dump trucks and household goods traffic, changed ratings on bottles and liquors, and placed the minimum tonnage requirement for the rate on commodities transported for wholesale hardware houses on a monthly basis. These inadvertences will be corrected.

O R D E R

Based upon the evidence of record and upon the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that City Carriers' Tariff No. 1-A (Appendix "A" of Decision No. 41363 of March 23, 1948) be and it is hereby amended by substituting therein the following revised pages, which pages are attached hereto and by this reference made a part hereof:

First Revised Page 4	cancel	Original Page 4
First Revised Page 15	cancel	Original Page 15
First Revised Page 21	cancel	Original Page 21
First Revised Page 26	cancel	Original Page 26
First Revised Page 29	cancel	Original Page 29
First Revised Page 40	cancel	Original Page 40

IT IS HEREBY FURTHER ORDERED that, except to the extent provided for in the preceding ordering paragraph, the petitions of R. J. Alexander and Ernest Sahli filed May 1, 1947, Merchants Parcel Delivery filed June 27, 1947, Frank J. Brown and Carl R. Moore filed July 1, 1947, Bernard La Rossa and John Anello filed July 16, 1947, Draymen's Association of San Francisco filed September 6, 1947, Don D'Onofrio filed January 27, 1948, and John R. Barr filed January 29, 1948, be and they are hereby denied; and that, upon the effectiveness of the rates contained in Item No. 425 of First Revised Page 40 of City Carriers' Tariff No. 1-A, the temporary authority granted petitioners by Decisions Nos. 40442, 40477, 40506, 40555 and 41185 in this proceeding, be and it is hereby canceled.

The effective date of this order shall be the date hereof in regard to the adjustments made by First Revised Pages 15, 26 and 29 and by Item No. 450-A of First Revised Page 40 of City Carriers' Tariff No. 1-A, and twenty (20) days from the date hereof in all other respects.

Dated at San Francisco, California, this 20th day of April, 1948.

R. J. [Signature]
James J. Gallivan
W. H. [Signature]
[Signature]
Commissioners

INDEX OF COMMODITIES

Only those articles which are named in commodity items or in Ex-
ceptions to the Western Classification are shown in the following list.

COMMODITY	Item Number	COMMODITY	Item Number
Chemicals	290	Drill, Cotton	290
Chicory	290	Drug and Chemical Houses	290
Chips, Soap	510	Drugs or Medicines, N.O.S.	290
Chocolate	290	Dry Goods Houses, Wholesale	420
Cigars and Cigarettes	290	Duck, Cotton	290
Cloth and Clothing	290	Dyes	290
Cloth, Shade	330		
Cocoanuts	620	Egg Case Fillers	300
Coffee, Green	400, 520	Eggs	300
Coffee, Roasted	290	Electric Globes or Shades	300
Collars, Cloth	290	Electrical Appliances	300
Conduit	290	Enamelware	300
Confectioners' Supplies	290	Excelsior	300
Containers, Empty	690	Explosives	300
Copper	280	Extracts	300
Copperage Stock	290		
Copra	290, 520	Feathers	300
Cordage	290	Feed	300, 390, 520
Corduroy, Cotton	290	Fence Material	300
Cork	290	Fertilizers	300, 520
Corn	660	File Cabinets	460
Corn Husks	290	Files, Letter	460
Costumers	460	Fire Escapes	300
Cotton	290, 520	Fire Extinguishers	300
Cranberries	610	Fire Works	300
Crates	690	Fish	300
Crockery	290	Fish Meal	520
Cucumbers	660	Fixtures, Gas and Electric	300
Curtain Poles or Rods	290	Floss	300
Cutlery	290	Flour	290, 390, 520
Cylinders	290, 520	Flue Lining	300, 520
		Forms, Display	300
Dairy and Dairy Product		Freezers	300
Companies	290	Freight	*425, 520
Dates	290	Fruit, Canned, Dried or Glazed	300
Denim, Cotton	290	Fruit, Fresh, N.O.S.	630
Department Stores, Wholesale	420	Furnaces	390
Desks	290, 460	Furniture, N.O.S.	300
Dessert Preparations	290	Furniture, Printers	320
Disinfectants	290	Furniture Polish	300
Dog Biscuits	290	Furniture Stock	300
Doors	290		

* Change, Decision No. 41486

EFFECTIVE MAY 20, 1948

Issued by The Public Utilities Commission of the State of California,
San Francisco, California.

Correction No. 1

Item No.	SECTION NO. 1--RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)
50-2 Cancels 50	<p style="text-align: center;">APPLICATION OF TARIFF--COMMODITIES</p> <p>Rates in this tariff apply for the transportation of all commodities except the following:</p> <ul style="list-style-type: none">(a) Used property, viz.: household goods, office and store fixtures and equipment, as described in and for which rates are provided in City Carriers' Tariff No. 3 (Appendix "A" of Decision No. 32629 of December 7, 1939, or as amended, in Case No. 4434), and used property as described therein transported for the United States, State, County or Municipal governments.(b) Fruit and Vegetables except as provided for in Section 7 of this tariff.* (c) Property transported in dump trucks.(d) Property transported in tank trucks.(e) The following described property, when tendered to one carrier at one time in a single lot consisting of identical articles for distribution to not less than eight (8) separate addresses and where the weight of each delivery does not exceed 25 pounds: Printed Matter, viz.: Books, Magazines, Periodicals, Directories, Pamphlets, Rating Books, Registers or Services; Advertising Matter.(f) Pickup and delivery of common carrier shipments transported from or to points outside the San Francisco City limits under through pickup and delivery rates.(g) Unloading and distribution of freight forwarders' cars originating at points outside the State.(h) Parcels delivered from retail stores (Parcel City Delivery), also returned parcels, viz.: parcels returning to original retail store shipper via the carrier handling the outbound movement.(i) Telephone Directories, new, distributed to subscribers; old, picked up from subscribers.(j) Voting booths, ballot boxes, election tents and election supplies, when transported from or to polling places.(k) Commodities which consist of or contain materials essential to National Defense and which have been donated to and are transported for the United States government, governmental agencies, or nonprofit organizations acting for or in behalf of said government in the collection, assembly or transportation of said commodities in connection with the recovery of said essential materials from the commodities transported.(l) Accessories and supplies, motion picture; film, motion picture.(m) Fat, sweet cream, concentrated, frozen.(n) Newspapers, not scrap or waste.
	*Change, Decision No. 41488
	EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE
	Issued by The Public Utilities Commission of the State of California, San Francisco, California. Correction No. 2

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)								
180 4-20-48	<p style="text-align: center;">GUARANTEE OF MINIMUM TONNAGE</p> <p>Rates based upon monthly or annual tonnage requirements shall apply: (1) When not less than the required minimum tonnage has been transported, or (2) When less than the required minimum tonnage has been transported under the shipper's guarantee to ship not less than said minimum tonnage. The deficiency between the actual weight of the commodities transported and the minimum tonnage requirement shall be charged for at the lowest rate in the item or items naming the applicable rates subject to monthly or annual tonnage requirements.</p>								
190 4-20-48	<p style="text-align: center;">MARKING OF PACKAGES</p> <p>For the service of marking packages when incidental to transportation by the carrier, the following charges shall be made: 3 line stencil or less one cent per package, minimum charge 31 cents When more than one stencil is used, the minimum charge shall apply to each stencil used.</p>								
6200-A Cancels 200	<p style="text-align: center;">MINIMUM CHARGE</p> <p>Except as otherwise provided, on shipments moving under class rates the minimum charge per shipment shall be as follows:</p> <table style="width: 100%; border: none;"> <thead> <tr> <th style="text-align: left;">Weight of Shipment</th> <th style="text-align: right;">Minimum Charge In Cents</th> </tr> </thead> <tbody> <tr> <td>75 pounds or less</td> <td style="text-align: right;">See Note</td> </tr> <tr> <td>Over 75 pounds but not over 100 pounds ...</td> <td style="text-align: right;">85</td> </tr> <tr> <td>Over 100 pounds</td> <td style="text-align: right;">110</td> </tr> </tbody> </table> <p>Note - For charges see Item No. 425 series</p>	Weight of Shipment	Minimum Charge In Cents	75 pounds or less	See Note	Over 75 pounds but not over 100 pounds ...	85	Over 100 pounds	110
Weight of Shipment	Minimum Charge In Cents								
75 pounds or less	See Note								
Over 75 pounds but not over 100 pounds ...	85								
Over 100 pounds	110								
<p>o Reduction, Decision No. 41488</p>									
<p style="text-align: right;">EFFECTIVE MAY 20, 1948</p>									
<p>Issued by The Public Utilities Commission of the State of California, San Francisco, California. Correction No. 3</p>									

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)			
	EXCEPTIONS TO WESTERN CLASSIFICATION (Continued)			
	ARTICLE	RATING	ARTICLE	RATING
	Acids:		Blocks, Butcher.....	3
	In glass.....	1	Boats, min. wt. 500 lbs.	D1
	In barrels or metal containers.....	3	Boiler Compound.....	3
	Adding Machines:		Boiler Tubes.....	3
	In boxes.....	1½	Boilers, Range.....	2
	Loose, O.R.	D1	Boots and Shoes.....	1½
	Adding Machine Stands.....	D1	Boot and Shoe Findings.....	2
	Advertising Matter in barrels, boxes or bundles.....	2	*Bottles, glass.....	3
	Agricultural Implements:		Box Shooks, Wooden.....	3
	S.U.	1½	Boxes, Egg, Pulpboard containing moulded compartments.....	1½
	K.D.	2	Boxes, Paper:	
	Alcohol.....	1	K.D.	2
	Ammonia:		S.U.	D1
	In glass.....	2	Bran in sacks.....	3
280-A	In cylinders or drums.....	3	Brass or Copper:	
Cancels	Ammunition.....	3	In bundles or crates.....	3
280	Anchors N.O.S.	3	Bars or ingots.....	3
	Anchors weighing each over 2000 lbs.	1	Brick, loose or in packages.....	4
	Asbestos:		Brooders or incubators:	
	In cases.....	2	S.U.	1½
	Loose.....	1½	K.D.	2
	Athletic Goods (See Sporting Goods)		Broom Corn in bales.....	1
	Automobile Fenders.....	1½	Broom Handles.....	2
	Automobile Accessories and Parts, N.O.S.	2	Brooms in bundles.....	1
	Awnings and Fixtures (See Tents)		Burial Cases.....	1
	Babbit Metal, Bar, Pig, or Slab.....	4	Burial Caskets or Coffins.....	1½
	Bagging and Bags, old N.O.S.	3	Burlap and Bags in compressed bales.....	4
	Barbers' Chairs.....	1	Butter in cartons.....	3
	BARRELS:		Cabinets N.O.S.	1½
	Beer.....	3	Candy and Confectionery N.O.S. ...	3
	Wine.....	1½	CANS OR PAILS:	
	Other than Beer or Wine... ..	D1	Empty, N.O.S.	1
	Batteries:		Milk or Oil, in crates.....	1½
	Other than dry:		Canvas, Cotton or Duck.....	3
	In cases.....	2	CAPS FOR BOTTLES OR JARS:	
	Loose.....	1	Aluminum.....	1
	Battery Boxes.....	1½	N.O.S.	3
	Batting, Cotton.....	1	Carbide.....	3
	Beans, Cocoa.....	4	Carbon, Arc Light or Battery.....	3
			Carpet.....	1
			Carpet Lining in bales or boxes..	2
			Carpet Sweepers in boxes or crates.....	1

Beans, dried, N.O.S.	
In mats or bags.....	4
Beans, Vanilla.....	1
Beaver Board:	
In boxes or crates.....	3
Loose.....	1
Bolting.....	3
Beverages, non-alcoholic, N.O.S.	3
Bicycles, in boxes or crates.....	D1
Bird Food or Seed, in packages.....	4
Blackboards:	
In boxes or crates.....	3
Loose.....	1

CARRIAGES, BABY:	
S.U.	D1
K.D. in crates.....	1 1/2
Go-carts-S.U.	1 1/2
K.D. in crates.....	1
Carriers (Alc, Beer, Porter, Stout, Wine) empty, returning..	3
Castings, N.O.S.	3
Celluloid Goods.....	1
CEMENT:	
Building.....	4
Liquid.....	3
Cereal Products requiring cook- ing, Feed and Flour in pack- ages - inhaul only.....	4

*Change, Decision No. 41488

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

Issued by The Public Utilities Commission of the State of California,
San Francisco, California.

Correction No. 4

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)			
EXCEPTIONS TO WESTERN CLASSIFICATION (Continued)				
	ARTICLE	RATING	ARTICLE	RATING
	IRON OR STEEL: (Cont'd)		Liquors, Malt, viz.: Ale, Beer, Porter or Stout:	
	Billots, Cold Rolled		In packages weighing each less than 30 lbs.	3
	Forgings, Spring, Tool		In packages weighing each 30 lbs. or over.....	4
	Steel or Welding Rods.....	3	Lockers, Steel:	
	Precision Steel: Loose.....	2	S.U.	1½
	In boxes or crates.....	3	K.D. in boxes or crates.....	3
	Ironing Boards.....	1	Loose.....	1
	Jacks or Jackscrews N.O.S..	3	Lye.....	4
	Jams and Jellies:		Macaroni or Spaghetti.....	2
	In packages weighing each less than 30 lbs.	3	Machinery in crates or on skids...	1½
	In packages weighing each 30 lbs. or over.....	4	Magazines and Periodicals.....	3
	Juice, fruit or vegetables, canned.....	4	Malt.....	4
	Jute in bags or bales, compressed.....	3	Marble:	
	Kalsomine.....	4	Blocks.....	4
	Kapok.....	3	Slabs in crates.....	3
	Kernels, Fruit.....	3	Slabs loose.....	2
	Labels.....	3	Margarine.....	3
	Lacquered Ware.....	1	Mats, door.....	1
310-A	Ladders: K.D.	1	Meal, Blood, Bone or Fish.....	4
Cancels	N.O.S.	D1	Meats, Canned:	
310	Lamp Black.....	3	In packages weighing each less than 30 lbs.	3
	Lamp Shades, Cloth or Paper..	D1	In packages weighing each 30 lbs. or over.....	4
	Lamp Shades or Reflectors, iron or steel.....	1	Meters in boxes.	2
	Lard or Lard Substitutes...	3	Milk, condensed or evaporated.....	4
	Lath, Metal.....	2	Millinery.....	D1
	Lead:		Mineral Water.....	3
	Sheet.....	3	Molasses.....	4
	Leather Belting.....	3	Moss N.O.S.	1
	Leather Goods N.O.S.	1	Motorcycles.....	1½
	Leather, Rough Sole.....	2	Mucilage in boxes.....	3
	Life Preservers.....	D1	Mustard.....	4
	Lighting Fixtures or Parts..	1	Nails N.O.S.	4
	Lights, Sidewalk or Vault..	3	Neckwear in cartons.....	1
	Lime.....	4	Nets and Netting, Wire.....	1
	Lime, Chloride of.....	4	Nitre.....	4
			Noodles.....	2

Linoleum.....	3	Nuts, Edible:	
Liquors, Domestic:		In shell.....	3
*City Delivery.....	1	Shelled, in bags or boxes.....	4
Inhaul, Shipping, and		Oakum, in bales.....	2
transportation from		Oars in bundles or crates.....	2
liquor bottling plants		Ochre.....	4
to wholesalers or public		Oil Cake.....	4
warehouses.....	3	Oil, cooking.....	3
Liquors, Imported:		Oil, lubricating.....	3
City Delivery.....	1		
Inhaul or Shipping.....	2		

*Change, Decision No. 41622

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

Issued by The Public Utilities Commission of the State of California,
San Francisco, California.

Correction No. 5

*450-A Cancels 450	HARDWARE HOUSES, WHOLESale, Commodities trans- ported for Minimum charge 39 cents per shipment.	10	9000 tons per Calendar year
ó Reduction * Change, effective April 20, 1948) Decision No. 41488			
EFFECTIVE MAY 20, 1948 (EXCEPT AS NOTED)			
Issued by The Public Utilities Commission of the State of California, San Francisco, California.			
Correction No. 6			