

ORIGINAL

Decision No. 42610

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
VERYL CALLISON (CALLISON TRUCK LINES),)
GEORGE S. BUTLER AND MARJORIE E.)
BUTLER, CO-PARTNERS (BUTLER FREIGHT)
SERVICE), and J. M. ATTHOWE (EAST BAY)
DRAYAGE & WAREHOUSE CO.), for author-)
ity to establish joint rates for the)
transportation of property.)

Application No. 29662

Appearances

Marvin Handler, for applicants.
J. Richard Townsend and Harold M. Hays,
for Intercity Transport Lines, Intercity
Motor Lines and Eureka-Garberville Truck
Line, protestants.
Hugh W. Hendrick, for Elmer Ahl Company,
interested party.

O P I N I O N

Applicants are highway common carriers of general commodities. Callison Truck Lines operates between San Francisco and East Bay points, on the one hand, and Garberville, Eureka, Arcata and intermediate points, on the other. It also provides local service between Garberville and Arcata. Butler Freight Service operates between Eureka and Crescent City via Arcata. East Bay Drayage & Warehouse Co. renders local service between Berkeley and other East Bay points. They seek authority, under Section 50-3/4(c) of the Public Utilities Act, to establish rates between points in the San Francisco Bay and Garberville-Eureka areas, on the one hand, and points north of Arcata to and including Crescent City, on the other.

Public hearings were had at San Francisco before Examiner Mulgrew.

Callison and Butler maintain joint rates on fish and fishing equipment and supplies between Crescent City and Klamath and the San Francisco Bay District. Callison and East Bay Drayage maintain

joint rates on general commodities between the Garberville-Arcata area and Oakland, Alameda and Emeryville. Callison's local rates apply in the Garberville-Arcata area and between that area and San Francisco, Oakland, and other points in the Bay District. On general commodities transported by applicants from and to points north of Arcata to and including Crescent City, combination rates apply. Applicants propose to establish joint rates for this traffic. The proposed rates are lower than the existing combination rates. Generally, they are on the same level as the local rates of Intercity Transport Lines, an express corporation serving the same points. Intercity, however, does not maintain carload (truckload) rates between these points. Applicants propose to establish such rates. With few exceptions, all of the proposed rates are on the minimum rate levels. No rates lower than the corresponding minimum rates are sought.

Traffic handled under the proposed joint rates would be interchanged between Callison and Butler at Eureka and between Callison and East Bay Drayage at Berkeley. Applicants have arrived at mutually satisfactory bases of divisions. Second-day delivery will be provided.

Witnesses for applicants testified that they have adequate equipment, personnel and facilities for the proposed service; that a substantial volume of traffic originates in the San Francisco Bay district for transportation to points north of Arcata; that applicants now perform through service under combination rates; and that with their present schedules and improved interchange arrangements deliveries on the second day would be made without difficulty. The witnesses claimed that the existing joint rate arrangements have been profitable. They expressed the opinion that the proposed rates would similarly result in profitable operations and would permit applicants

to compete with radial highway common and highway contract carriers which may now observe rates on the levels here proposed to be established.

Several shippers testified that they favored the granting of this application. They said that Callison's existing service to and from Arcata and Eureka and other points is satisfactory. They objected to the combination rates on traffic from and to points north of Arcata. They stated that it would be desirable to have available an alternative common carrier service from and to those points at competitive rates.

Intercity opposed the granting of the sought authority. It claimed that the establishment of joint rates as proposed would not develop any new traffic or serve any public need; that any movement under these rates would involve diversion of traffic from Intercity's express service; and that the proposed interchange arrangements and schedules would not be practicable. Its secretary-traffic manager pointed out that Butler now performs the underlying carriage for Intercity's express operations in the area between Eureka and Crescent City. He claimed that if this application is granted Butler as Intercity's agent would compete with his own line for traffic. Intercity also objected to the proposed carload rates. Its witness asserted that carload (truckload) traffic does not move to points north of Arcata under common carrier tariffs and that the only result of establishing carload rates would be to reduce revenues on split delivery shipments.

The record is persuasive that the operations in question can be conducted by applicants on a satisfactory basis under the proposed rates. Shippers desiring to use applicants' service for through transportation between the points involved should not be required to pay higher rates. We are, therefore, of the opinion and accordingly

find that the sought joint rates have been justified and should be approved.

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 applicants be and they are hereby authorized, within sixty (60) days after the effective date of this order and on not less than ten (10) days' notice to the Commission and the public, to establish joint through highway common carrier rates, as requested, and that tariff filings made pursuant to this order shall in all other respects comply with the provisions of General Order No. 80.

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

Dated at San Francisco, California, this 15th day of March, 1949.

W. J. Zimmerman
Justus F. Gaudin
Joseph H. Gaudin
Harold P. Gaudin

Commissioners

CORRECTION

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