

ORIGINAL

Decision No. 44562

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
SIGNAL TRUCKING SERVICE, LTD., a  
corporation, for authority to depart  
from the rates, rules and regulations  
of City Carriers' Tariff No. 4,  
Highway Carriers' Tariff No. 5, and  
Highway Carriers' Tariff No. 2, under  
the provisions of the City Carriers'  
Act and of the Highway Carriers' Act. )

Application No. 27666  
(Sixth Supplemental)

Appearances

Edward M. Berol, for applicant.

Joseph C. Gill, for Pacific Freight Lines and Pacific  
Freight Lines Express, interested parties.

E. L. H. Bissinger, for Southern Pacific Company, Pacific  
Electric Company, and Pacific Motor  
Trucking Company, interested parties.

Laird M. Hail, for Southern California Freight Forwarders  
and Southern California Freight Lines,  
interested parties.

SIXTH SUPPLEMENTAL OPINION

By prior orders in this proceeding Signal Trucking Service, Ltd., has been authorized to deviate from the established minimum rates in connection with transportation service it performs for Sears, Roebuck & Co. within and in the vicinity of metropolitan Los Angeles. It now seeks to have its authority extended territorially so as to permit service thereunder between the Los Angeles area and San Diego, Riverside, San Bernardino, Oxnard, Santa Barbara, and Ventura.

Public hearing of the matter was had before Examiner Abernathy at Los Angeles on June 13, 1950.

Signal Trucking Service, Ltd. provides several types of transportation service for Sears, Roebuck & Co.<sup>1</sup> That which is involved herein is a so-called shuttle operation in which trailers loaded with assorted merchandise are moved by truck-tractors from Sears' warehouses to its retail stores and related facilities and unloaded trailers are returned while other trailers are being loaded or unloaded for subsequent movement. On occasion the service includes return transportation of merchandise from the stores to the warehouses. The loading and unloading operations are performed by Sears' employees and the vehicle movements are supervised by Sears' dispatchers.

For shuttle service within 45 constructive miles from the intersection of First and Main Streets, Los Angeles, applicant has been authorized to assess hourly rates, and rates per unit of equipment based on periods of 6, 21, or 25 successive days. A charge has also been authorized for extra trailers. Except for the latter charge, the authorized rates are the same as the minimum vehicle-unit rates established by the Commission for services performed within Los Angeles and Orange Counties.<sup>2</sup> In seeking authority herein to extend its shuttle service to San Diego, Riverside, San Bernardino, Oxnard, Santa Barbara, and Ventura, applicant proposes to assess the rates (other than the hourly rates) heretofore authorized insofar as they apply to shipments of 12,000 pounds or

---

<sup>1</sup> The several services which applicant has been authorized to perform at other than the minimum rates are described in Decision No. 41328, dated March 16, 1948, in this proceeding.

<sup>2</sup> The minimum unit rates referred to herein are set forth in Item Nos. 420 and 430 series in City Carriers' Tariff No. 4, Highway Carriers' Tariff No. 5 (Appendix "A" of Decision No. 32504, as amended, in Case No. 4121).

more. Also, it proposes to assess an additional charge to compensate it for higher wage costs in performing the service involved as compared to the wage costs applicable within the area now being served.<sup>3</sup>

Applicant's president asserted that the shuttle service is a very desirable type of operation in the viewpoint of his company. It involves but little carrier supervision. Classification of shipments is not required. Billing expense is minimized. He said that the volume of the service which is performed under the present authority is substantial and that earnings therefrom, after allowance for income taxes, are as indicated by an operating ratio of 96 percent. This level of earnings, he said, is satisfactory. He was of the opinion that the extended operations would be as profitable.

A witness for Sears, Roebuck & Co. stated that extension of the shuttle operations is desired by his company as a matter of service and convenience. He said that the retail stores at San Diego, Riverside, and at the other points named have been enlarged and that the volume of shipments thereto is increasing. Assertedly, the transportation which may be provided in conformity with the established minimum rates does not adequately meet the needs of the company. Moreover, authorization of the additional shuttle service would enable the company to reduce its present clerical work involved in shipping to the several stores. The witness declared that if the extended service is not authorized his company would perform its own transportation.

---

<sup>3</sup> Shipments of less than 12,000 pounds assertedly are not involved herein. Applicant originally sought to apply the same rates to the proposed service as are authorized for the present shuttle operations. At the hearing, however, it modified its proposal to the basis indicated.

Representatives of railroads and other carriers participated in the proceeding as interested parties. Granting of the application was not opposed.

The record is convincing that the transportation which is required by Sears, Roebuck & Co. in supplying its retail stores and related facilities referred to herein is a specialized type of service which is not available under the established minimum rate provisions. Deviation from such provisions appears necessary to preserve the service for for-hire carriage. It has been shown that the sought rates will be sufficiently compensatory. Upon careful consideration of all of the evidence of record the Commission is of the opinion and finds as a fact that subject to the additional charges and conditions set forth in the following order the rates which have heretofore been authorized in this proceeding by Decision No. 41870, as amended by Decision No. 42430, will be reasonable within the meaning of Section 11 of the Highway Carriers' Act for the shuttle transportation service involved herein. The application will be granted by appropriate amendment to Decision No. 41870. Except as provided by the order which follows, the authority will be automatically subject to all of the provisions of said decision, as amended, relating to the shuttle delivery service heretofore authorized.

O R D E R

This supplemental application having been duly heard and submitted, full consideration of the matters and things involved having been had, and the Commission now being fully advised,

IT IS HEREBY ORDERED that Appendix "A" of Decision No. 41870 of July 20, 1948, as amended by Decision No. 42430 of January 18, 1949, in this proceeding be and it is hereby amended as shown in Appendix "A" attached hereto and by this reference made a part hereof.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 25<sup>th</sup> day of July, 1950.

R. J. Indurain  
James J. Warner  
Robert L. Lawrence  
Harold H. Huls  
Frederick T. Totten  
Commissioners

APPENDIX "A" TO DECISION NO. 44362.  
IN APPLICATION NO. 27666 (SIXTH SUPPLEMENTAL)

Amendments to Appendix "A" to Decision No. 41870 in Application No. 27666 (Third Supplemental):

1. Substitute First Revised Page 1, attached hereto, for Original Page 1 of said Appendix "A" to Decision No. 41870.
2. Add the following rules and regulations to the rules and regulations shown for shuttle delivery service on page 4.

(e) Charges on shipments transported in shuttle delivery service to or from San Diego, Riverside, San Bernardino, Ventura, Santa Barbara, and Oxnard shall not be less than those applicable to shipments of 12,000 pounds.

(f) Charges on shipments transported in shuttle delivery service to or from San Diego, Riverside, San Bernardino, Ventura, Santa Barbara, and Oxnard shall be constructed by adding to the charge computed at the rates provided on page 3 in Columns 1, 2, 3, 4, and/or 5 any charge accrued or paid for drivers' wages which is in excess of the charge which would have accrued at the regular and/or overtime wage rates in effect on June 13, 1950, for drivers engaged in making deliveries in shuttle delivery service in accordance with provisions of Decision No. 41870, as amended, in this proceeding within the area described in paragraph (a) on First Revised Page 1 of this appendix.

(End)

First Revised Page 1  
Cancels  
Original Page 1

APPENDIX "A" TO DECISION NO. 41870  
IN APPLICATION NO. 27666 (THIRD SUPPLEMENTAL)

Naming

Rates, rules, regulations, conditions and restrictions  
applicable to the transportation of property for Sears,  
Roebuck & Co.

- (a) Between points within a radius of 45 constructive miles, computed in accordance with the provisions of Distance Table No. 3 (Appendix "A" of Decision No. 31605, as amended, in Case No. 4246), from the intersection of First and Main Streets, Los Angeles; and
- (b) (Applicable only to transportation of property by shuttle delivery service) Between points as designated in above paragraph (a) on the one hand and points within the corporate limits of the cities of San Diego, Riverside, San Bernardino, Ventura, Santa Barbara, and Oxnard on the other hand.

The transportation services designated herein are described in Decision No. 41328 in Application No. 27666 (Second Supplemental).