

Decision No. 45287

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)
property within the City and County)
of San Francisco.)

Case No. 4084

In the Matter of the Establishment of)
rates, rules and regulations for the)
transportation of property by radial)
highway common carriers and highway)
contract carriers between, and by city)
carriers within, the Cities of Oakland,)
Alameda, Albany, Berkeley, Emeryville)
and Piedmont.)

Case No. 4108

In the Matter of the Investigation)
and Establishment of rates, charges,)
classifications, rules, regulations,)
contracts and practices of East Bay)
Drayage and Warehouse Co., et al.,)
between the Cities of Oakland,)
Alameda, Albany, Berkeley, Emeryville)
and Piedmont.)

Case No. 4109

Appearances

Aaron H. Glickman, for Overland Freight Transfer Co.,
petitioner.
Douglas Brookman and Aaron H. Glickman, for
Merchants Express Corporation, petitioner.
W. M. Cheatham, for Macy's San Francisco and
Western Traffic Conference, interested parties.
Russell Bevans, for Draymen's Association of
San Francisco, interested party.

SUPPLEMENTAL OPINION

By petitions filed in these proceedings, Overland Freight
Transfer Co. and Merchants Express Corporation seek the establishment
of reduced rates applicable to the handling and draying of so-called
"pool shipments" of furniture and furniture parts within San Francisco
and the East Bay drayage area.

A pool shipment is a "lot of property consigned to (a) a carrier
(drayman) with instructions for ultimate delivery to two or more sub-
consignees, or to one subconsignee at more than one delivery address,
or (b) a consignee other than a carrier on which a carrier has
instructions to make ultimate delivery to two or more delivery
addresses of the consignee, or to one or more subconsignees, or to a
subconsignee at more than one delivery address."

Public hearings were had before Examiner Lake at San Francisco.

Petitioners propose the establishment of single factor commodity rates which include transportation, unloading and segregating and all accessorial services attending the handling of pool shipments of furniture and furniture parts except (a) marking, tagging, stenciling or labeling, (b) advancing of outbound freight charges to other carriers, (c) breaking down, leveling off or installing dunnage in pool cars stopped for partial unloading, and (d) storage when carrier, through no fault of its own, is unable to effect delivery of any component part of a pool shipment.

The proposed rates are 70¢ per 100 pounds, minimum charge \$1.35 when the drayman transports the property to a destination within the drayage limits; 50¢² per 100 pounds, minimum charge 95¢ when he does not transport it.³ These rates are lower than the present rates for identical services.

Witnesses for petitioners testified that pool shipments of furniture and furniture parts represented a substantial portion of their shipments, the loss of which was threatened because of the high level of the present rates applicable to this traffic. They introduced exhibits showing that Eastern shippers could consign carload shipments of furniture to nearby communities (not subject to pool shipment rates) where they could be unloaded, segregated and transported to San Francisco or East Bay points at charges less than those which would accrue on like cars forwarded to San Francisco or the East Bay for handling and distribution by draymen. In addition, exhibits were

² According to the witnesses, the 50-cent proposed rate for application where no drayage is involved would seldom be used.

³ The present rates are a combination of rates set forth in Item No. 220 and Item No. 360 series of City Carriers' Tariff No. 1-A (San Francisco) and Item No. 220 and Item No. 830 series of City Carriers' Tariff No. 2-A - Highway Carriers' Tariff No. 1-A (East Bay).

introduced showing that furniture could be shipped from Eastern manufacturing centers via freight forwarder pickup and delivery service at charges substantially less than those resulting under the present rail-drayman pool car arrangement.

The average full cost, before provision for income taxes, has been developed as amounting to 57.28 cents per 100 pounds of which 29.98 cents was said to represent the average cost for drayage. The balance, or 27.30 cents, it was stated, represented costs for unloading, segregating and all other services in handling these shipments. The difference between costs of operation and the proposed rates was said to be sufficient to cover income taxes and provide for a reasonable profit. Witnesses for both parties asserted that the proposed rates would retain the traffic which would otherwise be lost.

The prescription of a single factor basis of rates in lieu of the present separately stated charges for handling and draying, the witnesses testified, was desirable and necessary to satisfy the demands of the shippers; to save time and expense of calculating the various charges; to reduce the cost of billing; and to minimize errors.

No one opposed the sought adjustments. The Traffic Manager of the Retail Furniture Association of California testified in support of the proposal. He alleged that members of the Association were desirous of the lowest possible transportation charges. Although they prefer to handle shipments in pool car lots and not mixed with general freight that is handled by freight forwarders, the prevailing spread between the pool car-drayage charges and the charges of other means of delivery is such that a diversion of the traffic from the local draymen is inevitable unless petitioners' proposals are adopted.

⁴ The costs developed were for operations within San Francisco. According to the witness for Merchants Express Corporation, costs in the East Bay drayage area would be slightly less because of lower wage rates and more efficient terminal facilities.

The present accessorial rates for unloading and segregating pool shipments were extensively revised and substantially increased effective November 15, 1949, based upon proposals made by associations representing the draymen and the showing submitted in support thereof.⁵ The rates herein proposed have been shown on this further record to be reasonable. The petitions will be granted.

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, as amended, in Case No. 4084) be and it is hereby further amended by incorporating therein, to become effective March 1, 1951, Seventh Revised Page 23 cancels Sixth Revised Page 23, and First Revised Page 23-A cancels Original Page 23-A, attached hereto and by this reference made a part hereof.

IT IS HEREBY FURTHER ORDERED that City Carriers' Tariff No. 2-A - Highway Carriers' Tariff No. 1-A (Appendix "A" of Decision No. 41362, as amended, in Cases Nos. 4108 and 4109) be and it is hereby further amended by incorporating therein, to become effective March 1, 1951, Fifth Revised Page 19 cancels Fourth Revised Page 19, and First Revised Page 19-A cancels Original Page 19-A, attached hereto and by this reference made a part hereof; and that any tariff publications of common carrier respondents in Case No. 4109 filed as a result of this order may be made effective

⁵ See Decision No. 43457 of October 25, 1949 (49 Cal.P.U.C. 169) in these proceedings.

*** Rate canceled; Item No. 222 series applies. }
* Change }
o Reduction }
△ Change; no increase nor reduction }

Decision No. 45287

EFFECTIVE MARCH 1, 1951

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

Correction No. 15

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)
*221-A Cancels 221	<p>POOL SHIPMENTS (Continued) (Items Nos. 220, 221 and 222 series)</p> <p>NOTE 1.--Pool shipment means a lot of property consigned to (a) a carrier, with instructions for ultimate delivery to two or more sub-consignees, or to one subconsignee at more than one delivery address, or (b) a consignee other than a carrier on which a carrier has instructions to make ultimate delivery to two or more delivery addresses of the consignee, or to one or more subconsignees, or to a subconsignee at more than one delivery address, located within the zones described in Item No. 40 series. Each component part of the pool shipment for each ultimate point of destination shall be considered as a separate shipment.</p> <p>NOTE 2.--No additional charge shall be made on quantities of 20,000 pounds or more, or when transportation charges are computed upon a weight of not less than 20,000 pounds, delivered to one point of destination.</p>
#222	<p>POOL SHIPMENTS (Continued) (Items Nos. 220, 221 and 222 series)</p> <p>Pool Shipments as described in Note 1, Item No. 221 series, viz.: Furniture or Furniture Parts as described under those headings in Western Classification.</p> <p>(a) Unloading, segregating, or unloading and segregating; including transportation and accessorial services described in paragraphs (b), (c) and (e) of Item No. 220 series, 70 cents per 100 pounds, minimum charge \$1.35 per shipment.</p> <p>(b) Unloading, segregating, or unloading and segregating; including accessorial services described in paragraphs (b), (c) and (e) of Item No. 220 series, 50 cents per 100 pounds, minimum charge 95 cents per shipment.</p>
# Addition) Decision No. 45287 * Change)	
EFFECTIVE MARCH 1, 1951	
Issued by the Public Utilities Commission of the State of California, San Francisco, California. Correction No. 16	

*** Rate canceled; Item No. 221 series applies.)
* Change)
o Reduction)
△ Change; no increase nor reduction.)

Decision No. 45287

EFFECTIVE MARCH 1, 1951

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

Correction No. 53

Item No.	SECTION NO. 1 - RULES AND REGULATIONS (Continued)
#221	<p>POOL SHIPMENTS (Continued) (Items Nos. 220 and 221 series)</p> <p>Pool shipments as described in Note 1, Item No. 220 series, viz.: Furniture or Furniture Parts as described under those headings in current Classification.</p> <p>(a) Unloading, segregating, or unloading and segregating; including transportation and accessorial services described in paragraphs (b), (c) and (e) of Item No. 220 series, 70 cents per 100 pounds, minimum charge \$1.35 per shipment.</p> <p>(b) Unloading, segregating, or unloading and segregating; including accessorial services described in paragraphs (b), (c) and (e) of Item No. 220 series, 50 cents per 100 pounds, minimum charge 95 cents per shipment.</p>
230	<p>PROGRESSION OF CLASSES ABOVE FIRST CLASS</p> <p>The progression of classes above first class is $1\frac{1}{2}$, $1\frac{1}{2}$, $1-3/4$, D1, $2\frac{1}{2}$tl, 3tl, $3\frac{1}{2}$tl and 4tl.</p>
240	<p>SHIPMENTS TO BE RATED SEPARATELY</p> <p>Rates names herein apply to single shipments of property. Two or more single shipments shall not be combined and billed as one shipment, but must be carried as separate shipments, and at rates not less than the established minimum rates for each shipment.</p> <p>When shipments are delivered to or received from other carriers, each bill of lading or freight bill shall be considered as a separate shipment and charges assessed accordingly.</p>
250	<p>CHARGES BASED ON VARYING MINIMUM WEIGHTS</p> <p>When two or more class or commodity rates for identical service with different minimum weights are provided herein and the charge based on actual weight (but not less than the minimum weight) and the higher rate exceeds the charge based on the lower rate subject to the higher minimum weight, the latter will apply.</p>
# Addition, Decision No. 45287	
EFFECTIVE MARCH 1, 1951	
Issued by the Public Utilities Commission of the State of California, San Francisco, California. Correction No. 54	

