

ORIGINAL

Decision No. 47353

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
Railway Express Agency, Incorporated,)	
a corporation, for an order allowing)	Application No. 32830
revision and changes in classification)	
ratings.)	

Appearances

Eugene M. Prince and Noel Dyer, by Noel Dyer,
 for applicant.
 R. L. Whitehead, for Kraft Foods Co., interested
 party.

O P I N I O N

Railway Express Agency, Incorporated, is an express corporation operating over the lines of railroads and other common carriers. By this application, it seeks authority to increase its intrastate classification ratings on various commodities and to make revisions of a number of classification rules on less than statutory notice.

Public hearing of the application was held at San Francisco on May 8, 1952, before Examiner Jacopi. No one appeared in opposition to the granting of the application.

The articles on which it is proposed to advance the classification ratings are listed in the margin.¹ Under the proposed

¹ The changes sought in the classification ratings involve airplane parts, musical instruments, electronic sound measuring devices, artificial plants or trees, bread, cake, biscuits, cookies, crackers, racing or homing pigeons, hollow candy figures, display racks or stands, cellulose excelsior, feathers, hollow plastic figures, ceramic figurines, live gold fish, aluminum fence gates, insulation material, machine guards, plastic dress forms, fibreboard boxes, certain types of nursery stock, electric clock signs, towers, handcarts, vehicle parts, ventilating devices, wool, ambulance cots, bird attractors or feeders and radio antennae. The proposals are more specifically set forth in Exhibit "C" of the application.

revisions of the classification rules, the existing provisions authorizing the assessment of transportation charges on shipments of bread or cake on the basis of the net weight thereof would be changed to provide instead for the use of the gross weight. The storage charges maintained by applicant on shipments that remain undelivered at the point of destination beyond the free time allowed do not apply on movements of nursery stock and other perishable commodities. It is proposed to make the storage charges applicable on such shipments. Other proposed revisions of the classification rules involve changes in packing requirements, the clarification of the application of a number of rules, the restoration of provisions inadvertently omitted when the classification was reissued and the correction of various printing errors.

Applicant's regional traffic manager explained the proposed adjustments. The articles for which the present classification ratings would be raised consist largely of so-called light and bulky commodities which occupy a disproportionate amount of space in relation to the weight. These articles generally are fragile and are highly susceptible to damage in handling. Assertedly, the present ratings do not appropriately reflect the transportation characteristics of the commodities in question. The changes proposed in the packing requirements for various other articles are designed to achieve more effective protection of shipments while in transit. The witness said that authorization of the proposals would bring the classification ratings and rules in question into conformity with those that have been in effect on interstate traffic and in other states since the first half of the year 1951.

The traffic manager also offered evidence relative to the proposals to assess the transportation charges on shipments of bread

and cake on the basis of the gross weight instead of the net weight and to increase the rating on racing or homing pigeons. Assertedly, the present net weight provisions were established many years ago when bread and cake usually were shipped in heavy baskets and other containers that weighed considerably more than the articles forwarded therein. The net weight basis was adopted under those conditions to enable the traffic to move by applicant's express service. The witness stated that in recent years bread and cake have been shipped mainly in lightweight pulpboard boxes and the unusual conditions on which the net weight provisions were founded no longer prevail. It was pointed out that applicant's tariff rules provide for the use of gross weights for calculating the charges on all other express traffic that is subject to weight rates, a large proportion of which also moves in pulpboard boxes. The supervisors of operations in the San Francisco Bay and Los Angeles areas explained that bread and cake movements involve special services not ordinarily necessary on other traffic. Assertedly, no substantial reasons now exist for according shipments of bread and cake a more favorable weight basis than that applicable to other commodities. The record shows that the gross weight basis sought herein has been in effect on interstate traffic and on intrastate movements in other states for about two years.

In regard to the proposed increase in the ratings on racing or homing pigeons, the testimony of the regional traffic manager and of the terminal agent at Sacramento shows that the movements require special services and careful handling. The shipments are made to various places where the birds are liberated by applicant's employees to fly back to the points of origin. At the latter points, the shippers use applicant's facilities while they record and band the birds and wire-seal the containers. The shipments must be loaded in express cars so as to provide ventilation, freedom from drafts and

accessibility for watering. At the points of destination, the wire-seals are inspected on arrival and again before the birds are liberated by applicant's employees. The birds are released at the particular times specified by the shippers in open spaces that are free of wires or other obstructions. Assertedly, the present rating of 1st class does not give appropriate effect to these unusual transportation characteristics. The witnesses stated that the sought rating on racing or homing pigeons now applies on interstate movements and on shipments between points in other states involving handling and services similar to those described herein.

The regional traffic manager said that the proposed changes in classification ratings and rules would not affect a substantial amount of California intrastate traffic. He calculated that additional revenue amounting to \$10,575 per year would be derived from the sought adjustments on the intrastate traffic.

The record is persuasive that the changes proposed in the classification ratings and rules are reasonable and should be authorized.

Upon careful consideration of all of the facts and circumstances of record, the Commission is of the opinion and hereby finds that the increased classification ratings and the revisions of classification rules as proposed by applicant have been justified. The application will be granted.

ORDER

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

IT IS HEREBY ORDERED that Railway Express Agency, Incorporated, be and it is hereby authorized to establish, on not less than

five (5) days' notice to the Commission and to the public, increased classification ratings and revisions of classification rules as proposed in the application filed in this proceeding.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall expire unless exercised within sixty (60) days after the effective date of this order.

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

Dated at San Francisco, California, this 24th day of June, 1952.

R. J. [Signature]
President

Justus F. [Signature]

Harold [Signature]

[Signature]

[Signature]
Commissioners