

Decision No. 47567**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation )  
 into the rates, rules, regulations, )  
 charges, allowances and practices ) Case No. 4808  
 of all common carriers, highway )  
 carriers and city carriers relating )  
 to the transportation of property. )

Appearances

Wyman C. Knapp for Shine-Phillips, Incorporated,  
 petitioner, and Mark W. Landini, doing  
 business as Janis Van and Storage Company,  
 interested party.

J. W. Hunt for Theatrical Transportation Agency,  
 L. S. Teel for Teel Brothers, and Jackson W.  
 Kendall for Bekins Van and Storage Company,  
 interested parties.

Charles H. Jacobsen, Transportation Department,  
 Public Utilities Commission of the State of  
 California.

O P I N I O N

This phase of Case No. 4808 relates to a petition filed by Shine-Phillips, Incorporated, a highway permit carrier, seeking increases in the minimum rates for the transportation of property for motion picture studios. Public hearings were held before Examiner Abernathy at Los Angeles on February 13 and 14, March 19, and April 11, 1952.

The present rates were established in 1940 and have not been adjusted since.<sup>1</sup> Petitioner alleges that because of subsequent

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<sup>1</sup> Decision No. 33226, June 18, 1940, Cases Nos. 4246 and 4434.

increases in operating expenses the rates are below the costs of the transportation. It asks that the rates be increased by amounts ranging from 30 to 58 percent.

Figures were submitted by petitioner's accountant to show the present costs of the service. These figures were developed on the basis of the costs of the vehicles used and current costs of gasoline, oil, tires, insurance, maintenance and related items. After calculating hourly cost data, the accountant expanded them to allow for profit. The expanded figures are compared with the present and proposed rates in the table below:

<u>Length of Vehicle Bed</u>	<u>Vehicle Costs per hour plus a return</u>	<u>Present rates per hour</u>	<u>Proposed rates per hour</u>
Not more than 12 feet	\$1.93	\$1.20	\$1.89½
More than 12 ft., less than 14 ft.	2.11	1.50	2.19½
More than 14 ft., less than 18 ft.	2.28	1.75	2.49½
More than 18 ft., less than 21 ft.	2.81	2.35	3.09½
More than 21 ft.	3.67	2.85	3.69½

Note: Drivers' wages, computed at the prevailing rate, are added to the foregoing figures to arrive at the total costs or rates.

According to an exhibit which was submitted by petitioner's president, the proposed rates would yield lesser revenues, on the average, than the minimum rates applicable to the transportation of used household goods or the minimum hourly rates for the transportation of general commodities between points in Los Angeles and Orange Counties.<sup>2</sup>

Representatives of three other carriers supported the

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The minimum rates applicable to the transportation of used household goods are set forth in City Carriers' Tariff No. 3-A, Highway Carriers' Tariff No. 4-A, and the hourly drayage rates are set forth in City Carriers' Tariff No. 4, Highway Carriers' Tariff No. 5.

petition. They declared that they could not operate profitably at the present rates. They urged that the rates be increased.

Notices of the hearings were published in the Commission's calendar and were sent to persons believed to be interested. No one opposed the granting of the petition.

Detailed discussion of the record herein is unnecessary. The evidence shows clearly that the carriers have experienced substantial increases in their operating costs since 1940 and that present costs of transporting property for motion picture studios exceed the rates established by Decision No. 33226, supra. The rates should be increased in order that they may be restored to a reasonable level.

The cost data which petitioner submitted provide an adequate basis for making the necessary rate adjustments. It appears that increases in the rates to reflect the costs, as expanded for profit, should be authorized. Increases in the rates to this extent will not materially affect the level of the carriers' charges inasmuch as the rates which they are generally assessing at present are approximately the same as those sought. The sought rates, it will be noted, are somewhat higher than the costs, plus a return, which petitioner developed.

In addition to seeking the rate increases which are discussed above, petitioner asks that the sought rates be made applicable to transportation of property for the television industry and that furthermore they be made to govern in lieu of all other minimum rates, rules and regulations applicable to transportation of property for

producers of motion pictures and television shows.<sup>3</sup>

The request that the sought rates apply to transportation for motion picture studios and television studios alike appears reasonable inasmuch as it appears that the commodities in each case are generally the same and are transported under similar circumstances. The proposal to make the sought rates supersede other minimum rate provisions may not be adopted, however, for the reason that it goes beyond the announced scope of the present phase of this proceeding. Two other proposals of petitioner which relate to the establishment of rates for specialized equipment and the establishment of mileage rates as alternatives to the hourly rates were not supported by cost evidence and should not be adopted.

Upon careful consideration of all of the facts and circumstances of record, the Commission is of the opinion and hereby finds that Decision No. 33226 in Cases Nos. 4246 and 4434 should be amended to the extent hereinbefore indicated and as provided in the order which follows, and that in all other respects the proposals considered herein are not justified. Revisions in the Commission's minimum rate tariffs, necessary to reflect the effect thereon of the amendments hereinafter provided, will be accomplished by separate orders.

#### O R D E R

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

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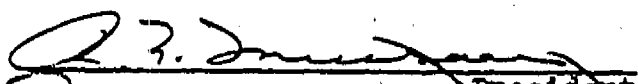

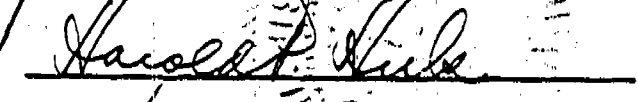

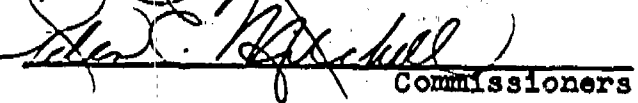
At present the minimum rates, rules and regulations which were established by Decision No. 33226 apply in lieu of other minimum rate provisions only when the shipper and carrier enter into a written agreement for their use prior to the time that the transportation commences.

IT IS HEREBY ORDERED that Decision No. 33226 in Cases Nos. 4246 and 4434 be and it is hereby amended to the extent set forth in Appendix "A" attached hereto and by this reference made a part hereof.

IT IS HEREBY FURTHER ORDERED that in all other respects the petition filed August 24, 1951, by Shine-Phillips, Incorporated, be and it is hereby denied.

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

Dated at San Francisco, California, this 11<sup>th</sup> day of August, 1952.

  
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President  
  
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Commissioners

APPENDIX "A" TO DECISION NO. 47567

Amendments to Appendix "A" of Decision No. 33226  
in Cases Nos. 4246 and 4434.

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1. Change appendix heading, top of page 1, to read:

Appendix "A" of Decision No. 33226 in Cases Nos. 4246 and 4434, naming minimum rates, rules and regulations for the transportation of property from or to motion picture or television studios and location sites by radial highway common carriers, highway contract carriers and city carriers.

\*\* Change

2. Substitute Item No. 40-A as follows for Item No. 40:

APPLICATION OF APPENDIX - COMMODITIES

Subject to the provisions of Item No. 50, rates in this appendix apply for the transportation of all commodities shipped by or consigned to a person, firm or corporation engaged in the production of motion pictures or television shows as a business, when the transportation is from or to a motion picture or television studio or from or to a site which is being used or which has been selected for use in connection with a motion picture or television production, except

- (a) Commodities transported in dump trucks, for which rates are provided in City Carriers' Tariff No. 6 and Highway Carriers' Tariff No. 7 (Appendix "A" of Decision No. 32566, as amended, in Cases Nos. 4246 and 4434); and
- (b) Commodities transported in bulk in tank trucks, tank trailers, tank semitrailers or a combination of such vehicles.

\*\* Change

3. Substitute Item No. 80-A as follows for Item No. 80:

Item No.	TYPE OF EQUIPMENT				
	MOTOR VEHICLES			TRAILERS	
80-A	(1) Length in Feet But Not Over	(2) Rate Per Hour (in cents)	Type	Number of Axles	(3) Rate in Cents per day of 24 hours
	0	12			190 (A)
12	14	210 (A)	Full	2	750
14	18	230 (A)	Dollies	1	500
18	21	280 (A)	Horse	2	350
21		365 (A)			
Minimum Charge Shall be the charge for 1 hour			Minimum charge Shall be the charge for 1 day		
Rates are subject to the charges provided in Item No. 60.					
<p>(1) Length shall be measured from the head board of the body to the tailgate and will be the lineal floor measurement. It will not include the tailgate or space over cab.</p> <p>(2) Motor vehicles equipped with more than two axles will be subject to a rate of 365 cents (A) per hour regardless of length of vehicle.</p> <p>(3) Trailer rates apply only when attached to or drawn by motor vehicle equipment.</p> <p>(A) Denotes increase.</p>					

(End of Appendix)