

ORIGINAL

Decision No. 47576

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)
of all common carriers, highway)
carriers and city carriers relating)
to the transportation of property.)

Case No. 4808

Appearances

- Robert J. Van Liew, for Blue Bell, Inc., petitioner.
- R. D. McLaughlin, for Fresno County and City Chamber of Commerce, interested party supporting petitioner.
- C. A. Millen, for Valley Express Company and Valley Motor Lines, interested parties supporting petitioner.

SUPPLEMENTAL OPINION

By petition, Blue Bell, Inc., seeks the establishment of reduced less-carload and less-truckload minimum rates for the transportation of work clothing.

A public hearing was held at Fresno on July 16, 1952, before Commissioner Potter and Examiner Mulgrew.

The commodities involved are dungarees, coveralls, overalls, breeches, pants, shirts and jackets. They are made from cotton fabrics (denim, jeans, twills, drills, chambrays, cottonades, flannels, coverts, poplins, corduroys, duck, moleskins and whipcords). They are described in the trade as "staple work clothing."

Transportation of the clothing in question is subject to the state-wide minimum class rates set forth in Highway Carriers' Tariff No. 2 (Appendix "D" to Decision No. 31606, 41 CRC 671 (1939), as amended). The tariff is governed by the ratings designated

in the Western Classification and by certain exceptions thereto. Clothing is subject to the classification's less-carload and less-truckload rating of first class. No distinction is made between cotton work clothing and other clothing.

Petitioner proposes that staple work clothing, as hereinbefore described, be made subject to a fourth class exception rating when shipped in bales or cartons. It also proposes that work shirts when shipped in inner containers in cartons be made subject to a third class exception rating. The petition is limited to transportation from and to Fresno. However, the hearing was scheduled to receive evidence on state-wide rates for work clothing. Petitioner has no objection to the sought ratings being made applicable on a state-wide basis.

Petitioner's plants are situated in midwestern and southern states. It now ships in less-carload quantities directly from the plants to points in California and other Mountain-Pacific states. It plans to change its distribution methods in these states by shipping carload lots to Fresno, by warehousing the clothing at Fresno, and by subsequently reshipping from Fresno to its western sales outlets. The rail lines have established a reduced carload rate on work clothing pursuant to petitioner's application therefor. The Fresno area's development as a cotton center, petitioner also represents, leaves little doubt that in the future fabrics used for work clothing will be manufactured in that area and that the clothing will then be made locally.

Petitioner's general traffic manager testified that throughout the area east of the Rocky Mountains cotton work clothing in less-carload and less-truckload quantities is accorded exception ratings and class and commodity rates ranging from 50 to 70 percent

of first class rates. This, he said, recognizes the relatively low value and high density of work clothing. He stated that values ranged from \$8.75 to \$33.75 per dozen garments and that densities ranged from 20.2 to 26.0 pounds per cubic foot. Other favorable transportation characteristics, he asserted, are that work clothing is not readily susceptible to damage in transit and that there is a regular and heavy volume of movement. His company's records, he said, show no appreciable damage experience and disclose the volume of business which would be distributed from Fresno as amounting to over 1,500,000 pounds annually.

The transportation characteristics of work clothing, the traffic manager said, are also recognized in the rate scales and uniform freight classification established for general application east of the Rocky Mountains following the Interstate Commerce Commission's investigations in its Dockets Nos. 28300, Class Rate Investigation, 1939 and 28310, Consolidated Freight Classification. The less-carload basis so established is 77½ percent of first class. Negotiations are under way, he said, to continue in effect the lower exception ratings and commodity rates of from 50 to 70 percent of first class. The outcome of these negotiations, he predicted, may not be known for some time.

The Mayor of the City of Fresno, acting pursuant to a resolution of the Fresno City Commission, appeared at the hearing in support of the application. Similarly, the manager of the Industrial Department of the Fresno County and City Chamber of Commerce, acting under a resolution of the Chamber's Board of Directors, also appeared in support of the application. These witnesses stressed the importance of cotton to the Fresno area, the central location of Fresno with respect to distribution to California

points, and the desirability of developing local manufacturing and distributing of cotton products. They view the distribution method planned by petitioner as an important step in the city's and the area's development and urge that this development not be hampered by freight rates which discourage the locating of distributing and manufacturing establishments in the Fresno area. These witnesses, as well as a witness from the California Department of Employment, testified with respect to trends in employment in the Fresno area and problems created by peak seasonal employment requirements. The development of local manufacturing and distributing of cotton products, they stated, is desirable from the standpoint of stabilizing employment.

Valley Lines (Valley Express and Valley Motor) also supported the granting of the application. Their traffic manager stated that his companies' inbound tonnage to Fresno greatly exceeds their outbound tonnage and that additional outbound traffic, such as that in prospect here, would help his companies by providing a better balance in their operations. He said further that the rates here proposed are considerably higher than the truckload rates on agricultural products upon which his companies now principally rely for revenues from outbound freight.

The City, the Chamber of Commerce, and Valley Lines, like petitioner, do not object to the sought lower ratings and rates being made applicable on a state-wide basis.

The customary notice of hearing was sent to numerous shippers, carriers and other interested parties. No one appeared in opposition to the granting of the petition.

In California under Highway Carriers' Tariff No. 2, third class rates are 80 percent of first class and fourth class rates 70

percent of first class. East of the Rocky Mountains, third class rates are generally 70 percent of first class and fourth class rates 55 percent of first class. It will be observed that the closest basis under the California rate scales to the 77½ percent of first class basis established east of the Rocky Mountains for work clothing is third class (80 percent of first). Work clothing was not accorded a basis as low as fourth class and in fact was assigned a rating somewhat higher than third class for transportation east of the Rocky Mountains.

Petitioner offered no comparisons of densities and values of work clothing with other commodities now accorded fourth class ratings and rates in California under Tariff No. 2. It did not undertake otherwise to justify the sought fourth class basis from a classification standpoint. Third class ratings and rates are substantially equivalent to the basis established in the new Uniform Classification recently established for general application east of the Rocky Mountains under Docket No. 28310, supra. This basis appears reasonable for use also in connection with California traffic in the light of the evidence submitted. It will be made applicable state-wide so that no discrimination will result from the adjustment. It will also be made applicable to carload and truckload lots because it is a lower basis than the existing second class carload and truckload ratings and rates.

In the index of commodities, page 5 of Tariff No. 2, changes resulting from the addition of beverage compounds to the tariff by another order entered today in this proceeding will also be made.

Upon consideration of all the facts and circumstances of record we are of the opinion and hereby find that third class ratings

and rates for staple work clothing as hereinbefore described have been justified and that proposed lower ratings and rates have not been justified.

O R D E R

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

IT IS HEREBY ORDERED that Highway Carriers' Tariff No. 2 (Appendix "D" to Decision No. 31606 as amended) be and it is hereby further amended by incorporating therein, to become effective September 10, 1952, the revised pages attached hereto and by this reference made a part hereof, which pages are numbered as follows:

Thirteenth Revised Page 5 Cancels Twelfth Revised
Page 5
Eighth Revised Page 37 Cancels Seventh Revised
Page 37

IT IS HEREBY FURTHER ORDERED that tariff publications of common carrier respondents filed pursuant to this order may be made effective not earlier than September 10, 1952, and on not less than five (5) days' notice to the Commission and to the public; and that said respondents be and they are hereby authorized to depart from the provisions of Article XII, Section 21, of the Constitution of the State of California and from the provisions of Section 460 of the Public Utilities Code to the extent necessary to exercise the authority granted herein.

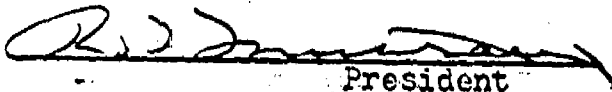
IT IS HEREBY FURTHER ORDERED that, except to the extent provided for in the preceding ordering paragraphs hereof, the petition

of Blue Bell, Inc., filed June 7, 1952, in this proceeding, be and it is hereby denied.

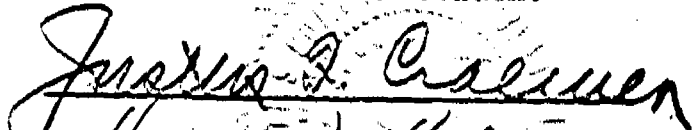
In all other respects said Decision No. 31606, as amended, shall remain in full force and effect.

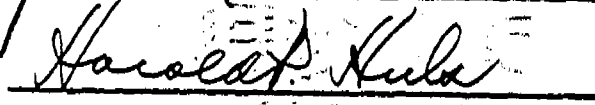
This order shall become effective twenty (20) days after the date hereof.


Dated at San Francisco, California, this 11th day of August, 1952.




President









Commissioners

INDEX OF COMMODITIES (Continued)			
COMMODITY	Item Number	COMMODITY	Item Number
Candles (M)	723-726	Compounds, paint, lacquer or varnish reducing, removing or thinning	377
Candy	360	Compound, radiator or cleaning (M)	723-726
Canned Goods and Other Articles as described in Item No. 610 series	320, 360, 610 620, 630	Compound, rust preventing or removing (M)	723-726
Cants, Wheel, wooden	660, 690	Compound, type cleaning (M)	723-726
Cants, wooden	365	Compound, waterproofing (M)	723-726
Caps, column	660, 690	Confectionery	360
Caps, Sand Line	365	Containers, Beverage	600
Carriers (used packages)	330	Cooler Closets	660, 690
Cases (Built-in Fixtures)	660, 690	Corn	(1), 652, 652½, 654
Casing, Door and Window Panel	660, 690	Corn Cobs	652, 652½, 654
Casing Shoes	365	Cornice Brackets	660, 690
Castings, Swing Post	365	Corn, Kaffir	652, 652½, 654
Catchers, Tubing	365	Corn Steep Water	652, 652½, 654
Catsup	(1)	Countershafts, Oil Well	365
Cement, pipe fitting (M)	723-726	Covers, cotton cloth	335
Cereal and Nuts combined	360	Covers, Guy Wire	660, 690
Cereal Food	360	Covers, Thief Hole	365
Cereal Food Preparations	655, 656	Cow Peas	652½, 654
Cereals, cooked	655, 656	Cranes, Derrick	365
Chaff	652, 652½, 654	Cross Arms, wooden	660, 690
Charcoal (M)	652½, 654	Crystals, Citrus Fruit Juice	360
Cheese (including cottage and pot cheese) (M)	315, 605	Cupboards	660, 690
Chests of Drawers	660, 690	Cylinders, Well Pump	365
Chili, ground	(1)	Darso	652, 652½, 654
China Closets	660, 690	Derrick Cranes	365
Chloride of Lime Bleach	730	Derricks	365
Chocolate	360	Dessert Preparations	360
Chocolate Coating	360	Disinfectants	730
Chops	652, 652½, 654	Distillers' Grains	652, 652½, 654
Chowders	(1)	Doors	660, 690
Citrus Fruit Juice	360	Drain Pipe Solvent	730
Powders or Crystals	365	Dressing, Automobile Top (M)	723-726
Clamps	365	Dressing, Belt (M)	723-726
Clamps, Disconnecting, Drilling, Drive or Gas Packing	365	Dressing, Salad	(1)
Clay, Fire (1)	365	Drill Bitheads	365
Clippings	652, 652½, 654	Dry Milk Solids	(1)
Clothing, staple work	333	Durra	652, 652½, 654
Coating, Chocolate	360	Dust, Elevator	652, 652½, 654
Cocoa	360	Earth, Infusorial	650
Cocoanut, prepared	(1)	Eggs, Shelled	360
Coffee	360	Egyptian Wheat	652, 652½, 654
Coffee Substitutes	360	Elevator Dust	652, 652½, 654
Colorings, Confectioners	360	Elevators, Pipe or Sucker Rod	365
Columns	660, 690		
Compound, anti-freeze (M)	723-726		
Compound, carbon removing (M)	723-726		

Compound, cleaning (M)	723-726	Emmer	652, 652 $\frac{1}{2}$, 654
Compounds, Cleaning, Scouring or Washing	730	Engines (M)	365
Compound, electrical insulating (M)	723-726	Ether (M)	723-726
Compounds; Flavoring	360	Exterminators, vermin (M)	723-726
Compounds, Food Curing, Preserving or Seasoning	360	Extracts	360
Compounds, Lard	360	Extracts, Malt	600
#Compound, malt, milk and cocoa	360, 375	Farina	652, 652 $\frac{1}{2}$, 654
#Compound, milk and cocoa	375	Feed; Animal	(1), 652, 652 $\frac{1}{2}$, 654
Compounds, Oil Well Drilling Mud	365	Feed; Barley Hay	652 $\frac{1}{2}$; 654
Compound, paint thinning (M)	723-726	Feed, Bean Straw (M)	652 $\frac{1}{2}$, 654

Addition, Decision No. 47576

(1) See "Canned Goods and Other Articles as described in
Item No. 610 series."

(M) Denotes articles on which application of rates is limited
to mixed shipments.

EFFECTIVE SEPTEMBER 10, 1952

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

Correction No. 474

Item No.	SECTION NO. 1 -- RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)	
	EXCEPTIONS TO WESTERN CLASSIFICATION AND EXCEPTION SHEET (Continued)	
	PACKING REQUIREMENTS	
300-B Cancels 300-A	<p>Except as otherwise provided, articles will not be subject to the packing requirements of the Western Classification or Exception Sheet, but may be accepted for transportation in any container or any shipping form, providing such container or form of shipment will render the transportation of the freight reasonably safe and practicable.</p> <p>If two or more ratings which are subject to different packing requirements are provided for an article in the form in which it is shipped, the lowest of such ratings will apply.</p> <p>The term "form in which it is shipped" means the form of the article itself as prepared for shipment or for the trade (exclusive of packing requirements), such as set up, knocked down, nested, not nested, compressed, not compressed, folded flat, not folded flat, in metal can inner containers, in glass bottle inner containers, in carton inner containers, in bulk (not in inner containers), dry, liquid, paste, solid, powdered, granulated. The term "packing requirements" means (1) the outer shipping containers such as boxes, barrels, crates, bags, and (2) the shipping forms such as bundles, bales, rolls, loose, on skids (other than lift truck or platform), which are provided in the Western Classification or Exception Sheet.</p>	
305	Batteries, dry cell, electric, less carload---	Class Rating 4
310	Beverages, malt, viz.: Ale, Beer, Beer Tonic, Porter, Stout, less carload-----	4
315	<p>Butter, dairy Cheese (including cottage cheese and pot cheese) Margarine</p> <p>(1) Applies only in connection with rates for mixed shipments determined under the provisions of Item No. 90 series.</p>	(1)4
320-B Cancels 320-A	Canned Goods and Other Articles as described in and subject to the provisions of Item No. 610 series, less carload-----	90% of 4
330-C Cancels 330-B	<p>Carriers (used packages), second-hand, empty, as described in and subject to the provisions of Item No. 300 series of the Exception Sheet:</p> <p>Less than carload-----</p> <p>(1) Subject to minimum rate of 21 cents per 100 pounds or actual 4th class rate, whichever is lower.</p> <p>Carload:</p> <p>Minimum weight 12,000 pounds-----</p> <p>Minimum weight 30,000 pounds-----</p> <p>(2) Not to exceed less-than-carload rate.</p>	<p>(1) One-half of 4</p> <p>(2)B (2)E</p>

#333	<p>Clothing, staple work, viz.: Dungarees, coveralls, overalls, breeches, pants, shirts or jackets (see Note 1) made of any one or any combination of the following fabrics made wholly of cotton:</p> <table border="0"> <tr> <td>Denim</td> <td>Drills</td> <td>Flannels</td> <td>Corduroys</td> <td>Moleskins</td> </tr> <tr> <td>Jeans</td> <td>Chambrays</td> <td>Coverts</td> <td>Duck</td> <td>Whipcords</td> </tr> <tr> <td>Twills</td> <td>Cottonades</td> <td>Poplins</td> <td></td> <td></td> </tr> </table> <p>NOTE 1.-Includes work jackets with blanket lining made of cotton and not to exceed 50% of wool shoddy.</p>	Denim	Drills	Flannels	Corduroys	Moleskins	Jeans	Chambrays	Coverts	Duck	Whipcords	Twills	Cottonades	Poplins			6 3
Denim	Drills	Flannels	Corduroys	Moleskins													
Jeans	Chambrays	Coverts	Duck	Whipcords													
Twills	Cottonades	Poplins															
335	Covers, hood, radiator, seat, spring, steering wheel, tire or top, cotton cloth, not fitted or formed, less carload -----	3															
340	Flowers, fresh, cut, less carload -----	1															
350	Fruit, dried, including Raisins, Prunes (dried), Figs (dried), and Fig Pulp or Fig Paste, less carload -----	90% of 4															
# Addition) Decision No. 47576 & Reduction)																	
EFFECTIVE SEPTEMBER 10, 1952																	
Issued by the Public Utilities Commission of the State of California, San Francisco, California. Correction No. 475																	