

ORIGINALDecision No. 48103

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 WESTERN COMPRESS COMPANY for an)
 order authorizing a rate increase) Application No. 33755
 on less than thirty days' notice.)

Appearances

Ray J. Coleman, for applicant.

N. C. Cochyon, for California Compress Company,
interested party.Basil B. Bell, for Pacific Compress and Warehouse
Company, interested party.O P I N I O N

Western Compress Company, a California corporation, is engaged in the business of compressing and warehousing cotton at Fresno, Tulare and San Pedro, California, and at Phoenix, Arizona. By this application it seeks authority to establish increases on less than statutory notice, in its rates and charges for warehousing at its California plants.

Public hearing of the application was held before Examiner Abernathy at Fresno on October 21, 1952. The matter was taken under submission for decision with the filing of certain exhibits on October 30, 1952.

Applicant's present rates for its services which are involved herein were established in December, 1948. Assortedly, costs have so increased since that time that applicant can no longer operate profitably and rate increases are necessary to the maintenance

of its services. The present and proposed rates for storage and handling, the two services which constitute the principal part of applicant's warehousing operations, are shown in the margin below.¹ The various proposals are set forth in their entirety and are compared with the present rates in Appendix "A" attached hereto.

Evidence in support of the several proposals was submitted by applicant's assistant secretary, who introduced and explained various financial statements developed from the book records of his company, and by a consulting engineer, who submitted the results of a detailed analysis which he had made of the company's operations. According to data which were supplied by the assistant secretary, applicant's combined compressing and warehousing operations over the past five years have resulted in a return of approximately 5 percent of the cost of the properties involved. As between the compressing and warehousing services, the data show greater earnings from the former.² For the five-year period the secretary's exhibits show

Present and proposed rates, in cents per bale:

	<u>Present</u>	<u>Proposed</u>
<u>Storage</u>		
At Fresno and Tulare warehouses	30(a) 25(b)	45
At San Pedro warehouse	30(a) 25(b)	50
(a) Uncompressed cotton		
(b) Compressed cotton		
<u>Handling</u>		
At Fresno and Tulare warehouses	75	120
At San Pedro	75	140

² The revenue and expense data shown for warehousing apply only to the services involved in this proceeding. For the purposes of its presentation herein applicant combined the results of its warehousing operations in Arizona with the revenues and expenses of its compressing services.

revenues and expenses for the two operations as follows:

	Revenues	Expenses	Net Operating Revenues *	Operating Ratio *
Compressing	\$0,197,682	\$5,354,152	\$843,530	86.4%
Warehousing	2,768,552	2,671,816	96,736	96.5%

* Before allowance for income taxes.

With respect to the warehousing services the data disclose a substantial difference in earnings between the operation of applicant's warehouse at San Pedro and the operation of its warehouses at Fresno and Tulare. The differences are shown in the following tabulation:

Comparison of Warehouse Operating Results as shown by Operating Ratios *, for years 1948 through 1952
(Years ending with July 31)

<u>Fiscal Year</u>	<u>San Pedro Warehouse</u>	<u>Fresno and Tulare Warehouses</u>
1947-1948	132.3%	134.4%
1948-1949	103.4%	57.6%
1949-1950	88.1%	88.0%
1950-1951	120.3%	81.8%
1951-1952	119.9%	96.5%
5-year Average	113.0%	83.8%

* Before allowance for income taxes.

The lesser earnings from the San Pedro operations were attributed in part to the fact that labor costs at San Pedro are higher than they are at Fresno and Tulare. Assertedly the present wage rate at San Pedro is \$1.79½ per hour whereas it is \$1.56 per hour at Fresno and Tulare. The assistant secretary testified that applicant has just completed negotiations with the labor unions which will have the effect of increasing this differential by

approximately 28 cents an hour.³ He said that the company's proposal herein to establish higher rates for its warehousing services at San Pedro than for its other warehousing services is based upon the higher operating costs at that point.

The consulting engineer, in explaining his analysis of applicant's operations, said that it had been undertaken with a two-fold objective: (a) to arrive at an accurate segregation of the costs of the compressing and warehousing services, respectively, and (b) to arrive at a scale of rates for the warehousing services which would reflect a proper distribution of the costs related thereto. He testified that his procedure in making his study had been (1) to classify the various functions of applicant's operations according to compressing or warehousing, (2) to make studies of the time required to perform the services involved in the separate functions, and (3) to allocate applicant's operating costs to the separate services on the basis of the performance factors so developed on related bases. Having by this method made a determination of the costs of the warehousing services, he developed rates for those services which, after allowance for income taxes, would return a profit as indicated by an operating ratio of 90 percent.

The costs which the engineer developed for applicant's warehousing services are substantially in excess of those reported by the assistant secretary. The amounts by which his costs exceed those of the secretary for the fiscal year ended with July 31, 1952, are as follows:

San Pedro warehouse	\$105,929	or 29.2%
Fresno and Tulare warehouses, combined	<u>136,245</u>	<u>or 43.2%</u>
Total	\$242,174	or 35.7%

³ The new wage agreement, which is subject to approval of the Wage Stabilization Board, would result in an increase of about 38 cents an hour in wage costs at San Pedro and 10 cents an hour in wage costs at Fresno and Tulare. The agreement includes a provision which would make the increased rates effective retroactively to September 1, 1952.

In explanation of the differences, the engineer said that in analyzing applicant's records and operations he had found that in various respects the company had charged its compressing services with costs incurred in performing warehousing functions. Since his study had been based primarily upon the physical operations involved in each case, he was of the opinion that the data which he presented best portray both the compressing and warehousing costs.

In arriving at rates for applicant's warehousing services, the engineer used two different bases for his calculations: (a) costs which reflect present wage rates and (b) costs adjusted to reflect the increase in wage expense applicant would experience with establishment of the higher wage scale now awaiting the approval of the Wage Stabilization Board. Except for handling, the rates which the engineer developed are generally higher than those which applicant seeks herein.⁴ The engineer's rates for the principal services involved

⁴ Notwithstanding the engineer's showing, applicant does not seek higher rates than those originally proposed herein. Applicant's assistant secretary explained that the sought rates are believed to be the maximum that can be maintained under present conditions and competitive circumstances.

are compared with the sought rates in the following table:

Comparison of Rates Developed by Engineer with Sought Rates
(Rates in cents per bale)

	Engineer's Rates		Sought Rates
	Under Present Wages	Under New Wages(a)	
To apply at			
Fresno and Tulare warehouses			
Storage	60(b)	65(b)	45
Handling	110	115	120
Sampling at time of shipment	45	50	40
Extra services	\$3.25(c)	\$3.45(c)	\$2.90(c)
San Pedro warehouse			
Storage	65	70	50
Handling	150	170	140
Sampling at time of shipment	45	50	45
Extra services	\$3.25(c)	\$3.70(c)	\$3.15(c)

(a) Wages pending Wage Stabilization Board approval.

(b) Uncompressed cotton.

(c) Per hour per man.

Neither of applicant's witnesses estimated specifically the volume of business to be attained during the coming year. However, they expressed the view that it probably would not exceed that of the year ended with July 31, 1952. Upon this basis the engineer

submitted the following data:

Estimated Operating Results under Sought Rates
(Assuming same volume of business as that during
year ended July 31, 1952)

<u>Under present wage rates</u>	<u>San Pedro Warehouse</u>	<u>Fresno and Tulare Warehouses</u>	<u>Total</u>
Revenues	\$512,759	\$488,560	\$1,001,319
Expenses	<u>469,099</u>	<u>451,802</u>	<u>920,901</u>
Net operating revenues	\$ 43,660	\$ 36,758	\$ 80,418
Income taxes	\$ 21,714	\$ 18,290	\$ 40,004
Net revenues	\$ 21,946	18,468	\$ 40,414
Operating ratio	95.72%	96.22%	95.97%
<u>Under wage rates pending before Wage Stabilization Board</u>			
Revenues	\$512,759	\$488,560	\$1,001,319
Expenses	<u>531,914</u>	<u>471,948</u>	<u>1,003,862</u>
Net operating revenues	\$(<u>19,155</u>)	\$ 16,612	\$(<u>2,543</u>)
Income taxes	-	-	-
Net revenues	\$(<u>19,155</u>)	\$ 16,612	\$(<u>2,543</u>)
Operating ratio	103.7%	96.6%	100.3%

() Indicates loss

The engineer did not undertake to measure the anticipated net revenues from the sought rates in terms of return. However, in connection with his computation of rates necessary to produce an operating ratio of 90 percent, he developed partial rate base data representing (a) the depreciated historical cost of the operative properties and (b) 50 percent of the historical costs of the operative properties. Upon such rate bases the net revenues from the sought rates would result in rates of return as follows:

Estimated Rate of Return under Sought Rates
 (Assuming same volume of business as that
 during year ended July 31, 1952).

	<u>San Pedro Warehouse</u>	<u>Fresno and Tulare Warehouses</u>	<u>Total</u>
Net revenues under present wage rates	\$ 21,946	\$ 18,468	\$ 40,414
Rate of Return, based upon			
(a) Depreciated historical costs	13.57%	5.64%	8.26%
(b) 50% of historical costs	5.63%	4.64%	5.12%
Net revenues under wage rates pending before Wage Stabiliza- tion Board	\$(19,155)	\$ 16,612	\$(2,543)
Rate of return, based upon			
(a) Depreciated historical costs	-	5.07%	-
(b) 50% of historical costs	-	4.17%	-
Depreciated historical costs	\$161,764	\$327,676	\$489,440
50% of historical costs	\$389,913	\$398,194	\$788,107

() Indicates loss

It appears that due notice of this proceeding was given to persons likely to be affected directly thereby. The record shows that applicant informed its customers, various prospective customers and other warehousemen of cotton of its proposals and of the time and place of hearing thereof. In addition the Commission's secretary notified various persons and organizations believed to be interested. No one entered any objection to granting of the application.

As the foregoing review of the evidence in this proceeding shows, applicant has undertaken to establish that under present rates its warehousing operations are resulting in losses, that the sought rates would enable it to realize no more than moderate earnings, and that with establishment of the higher wage scale which is now awaiting the approval of the Wage Stabilization Board its operations will again be conducted at a loss.

The record herein is convincing that under present rates applicant's earnings are not sufficient to sustain its operations and that increases in the rates are necessary to the maintenance of warehousing services. It is less persuasive, however, with respect to the results which would be attained under the proposed rates. In certain respects it appears to overstate the need for additional revenues and in other respects it falls short of providing a sufficient basis for authorizing the full amount of the increases which are sought.

By its proposals applicant in effect is seeking to augment its revenues from its warehousing services by more than \$370,000, an increase of about 60 percent. The increase in revenues would amount to \$161,000 from the company's warehouse operations at Fresno and Tulare combined, and to \$210,000 from its operations at San Pedro. Percentagewise, the increases would be 49 and 69 percent, respectively. In its application the company attributed its need for additional revenues primarily to increases in labor costs. These increases have amounted to about 20 percent at Fresno and Tulare and to about 35 percent at San Pedro. Since labor costs constitute the principal item of expense of the warehousing operations, it is clear that a revenue increase of 60 percent is not necessary to compensate for the cost increases which have been experienced since applicant's rates were last adjusted.⁵

⁵ The record does not show to what extent, if any, the warehousing costs other than for labor have increased. Since applicant did not offer specific evidence regarding increases in its other costs, it is reasonable to assume that on the average they have not exceeded those for labor.

Since the increases in labor costs of themselves do not provide sufficient grounds to justify the sought rate adjustments, it is evident that applicant relies heavily upon the cost study of the consulting engineer to establish its need for higher rates. That study, however, appears to be subject to infirmities which preclude its acceptance for the purposes of authorizing the increases herein sought. Notwithstanding the representations of the engineer that his study provides an accurate portrayal of applicant's warehousing costs, it includes expenses that should have been charged to the compressing services. For example, the allocation which the engineer made of the costs of moving cotton between warehouse and compress and between compress and rail cars or trucks, including those costs of loading or unloading the cars or trucks, results in overcharges to the warehousing operation.

In the conduct of its operations applicant normally receives loosely baled cotton and warehouses it until shipping instructions are received from the storer. At that time the cotton is compressed and loaded into rail cars or trucks for shipment. Occasionally the cotton is compressed upon receipt and then stored. In his cost allocations the engineer assigned to the warehouse function the expenses incurred in moving the cotton between compress and rail car or truck and in loading or unloading. To the compressing function he assigned the costs of moving cotton between warehouse and compress. This method of allocation, he explained, was followed in order to arrive at warehousing costs for the complete cycle of unloading and receiving cotton, storing and subsequently shipping it.

With respect to the services in question the cost allocations ignore the fundamental distinction between the warehousing and compressing services. Whereas the warehousing is performed as a

public utility service, the compressing is not. Clearly, the cycle of public utility service does not commence until the cotton is brought under the control of the public utility function and it ends when it is released to the nonutility function. Since the cotton which is moved between compress and rail cars or trucks either has not been brought under the control of the public utility function or has been released therefrom, it is evident that the costs which are involved in those movements should not be charged against applicant's warehousing operations. On the other hand, it appears that the movement of cotton between warehouse and compress is largely a public utility function and that the applicable costs should be allocated thereto accordingly. The net effect of the adjustments indicated would be a reduction of the costs shown by the engineer for the warehousing services.

A defect in the engineer's showing of greater moment than the inclusion of compress expenses in the warehousing costs is the fact that he did not reconcile specifically the difference of more than \$240,000 between the costs which he developed for the warehousing services and those which were reported by applicant's assistant secretary from his company's books of account. Correction of the engineer's data to eliminate the compressing costs erroneously included would lessen the difference, but it would still be great after making all such adjustments that could be made reasonably on this record.

By his study the engineer alleges in effect that applicant has erred in material respects in its allocations of expense between the compressing and warehousing services. His data, being based upon time and motion studies of the operations performed, presumably are the more representative of the costs involved. However, it appears

that applicant's data also are closely related to the services. In explaining its bases for allocating expenses, applicant stated that

"expenses are assigned to public utility and nonpublic utility operations on an actual basis wherever possible. All operating labor is distributed on an actual basis from daily time cards of each individual employee. Expenses not susceptible to exact distribution are apportioned between public utility and nonpublic utility operations on the basis of area of building, number of bales handled or other appropriate basis, depending on the nature of the expense."

Applicant's costs and those of the engineer both appear to have been compiled under conditions that should lead to reliable results. However, inasmuch as the company's figures represent a cumulation of operating data over a period of years whereas those of the engineer were developed largely from the application of a formula derived from an observed cross-section of the operations over a relatively short time, it appears that applicant's figures should be given the greater weight in the absence of a clear and convincing showing of substantial error therein. Such a showing was not made. For the purposes of this proceeding the conclusions herein will be reached mainly upon the revenue and expense data which were submitted by applicant's assistant secretary. 6

On the basis of applicant's revenues and expenses for the year ended with July 31, 1952, it appears that an over-all revenue increase of about 35 percent would be required to restore the

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In response to request for reasons for the difference between his cost figures and those of the assistant secretary, the engineer said that he had found instances where the company's employees had charged their time on their time cards to the compressing operations when warehousing services were performed. It seems unlikely that the errors in charges could have been of such magnitude and duration as to account for a large part of the difference in question without coming to the attention of the company's management for remedial action.

company's earnings to a reasonable level. Because of the losses which applicant is experiencing at its San Pedro plant, a greater increase in operating revenues is required there than at Fresno and at Tulare. It appears that at San Pedro the increase in revenues should be approximately 45 percent and that at Fresno and Tulare it should be approximately 25 percent. On the volume of business which the company realized during the fiscal year which ended with July, 1952, the rates which are set forth in Appendix "B" attached hereto would return such additional revenues.⁷ The estimated operating results under the rates in Appendix "B" are shown in the following table:

Estimated Operating Results Under Increased Rates
(Based on revenues and expenses for year ended July 31, 1952.)

	<u>Fresno and Tulare</u>	<u>San Pedro</u>	<u>Total</u>
Revenues	\$399,065	\$435,459	\$834,524
Expenses	315,557	363,170	678,727
Net operating revenues	\$ 83,508	\$ 72,289	\$155,797
Income taxes	42,738	41,335	84,073
Net income	\$ 40,770	\$ 30,954	\$ 71,724
Operating ratio	89.78%	92.89%	91.4%
Rate of return, based upon			
Depreciated historical costs			
of warehouse properties	10.38%	13.96%	11.67%
50% of historical cost of			
warehouse properties	8.80%	6.88%	7.85%
Depreciated historical cost			
of properties *	\$392,676	\$221,764	\$614,440
50% of historical cost of			
properties *	463,194	449,913	913,107

* Adjusted to include allowance for
working cash and materials and supplies.

⁷ The rates in Appendix "B" represent increases of the amounts indicated in the rates which are currently applicable except that the labor rates for extra services have been increased by a greater percentage to reflect evident costs. Included is a new charge to cover custodian expense in connection with bonded storage at San Pedro. Applicant did not furnish an estimate of the additional revenue to be derived from the new charge. It appears that the amount is relatively small, however, and would not affect the conclusions herein.

No allowance is included in the expenses in the foregoing table for the higher wage costs which would result from establishment of the wage increases of approximately 10 cents per hour at Fresno and Tulare and of approximately 38 cents per hour at San Pedro which are now before the Wage Stabilization Board for its approval. Establishment of the wage increases would add about \$12,000 to applicant's combined operating costs at Fresno and Tulare and about \$45,000 to its costs at San Pedro. It is clear that when these increases become effective, applicant's earnings will again fall below a reasonable level and that, in fact, its operations at San Pedro will result in losses. The rates which are set forth in Appendix "C", attached hereto, would compensate for such increased costs and would result in virtually the same earnings as those anticipated under present wage levels from the rates shown in Appendix "B". Although rates to compensate for the increased wage expense may not be authorized until it is certain that the increased costs will be actually incurred, it appears that upon proof that the higher rates have been placed in effect applicant may be authorized within the limits of this record to establish the rates shown in Appendix "C".

Some allowance being made for understatement of applicant's expenses, as asserted by the consulting engineer, it appears that the earnings from the rates set forth in Appendix "B", or those from the rates in Appendix "C" when applied under the conditions specified, would not be excessive. Accordingly, we find that the net income which the rates authorized herein will produce is reasonable when related to the rate base and operating ratio herein. We further find that the increased rates which are authorized by the order herein have been justified. To this extent the application will be granted.

In this proceeding the proposed rates and charges have been considered primarily in the light of their over-all revenue aspects. The conclusions herein regarding the reasonableness of the sought rates and charges should not be construed as a finding of reasonableness with respect to the individual adjustments.

O R D E R

Public hearing having been held of the application in the above-entitled proceeding, the evidence received therein having been considered carefully, and good cause appearing,

IT IS HEREBY ORDERED that Western Compress Company be and it hereby is authorized to amend its Warehouse Tariff No. 8, Cal. P.U.C. No. 8, on not less than five (5) days' notice to the Commission and to the public, so as to establish the rates which are set forth in Appendix "B" attached hereto and by this reference made a part hereof.

IT IS HEREBY FURTHER ORDERED that upon furnishing proof, to become part of the record herein, that the full amount of the increased wage rates which are now before the Wage Stabilization Board for approval, and which are referred to in the preceding opinion, have become effective and are being paid, Western Compress Company be and it hereby is authorized to amend its said tariff further, on not less than five (5) days' notice to the Commission and to the public, so as to establish the rates which are set forth in Appendix "C" attached hereto and by this reference made a part hereof.

IT IS HEREBY FURTHER ORDERED that the authority herein granted is subject to the express condition that applicant will never urge before this Commission in any proceeding under Section 734 of the Public Utilities Code, or in any other proceeding, that the opinion and order herein constitute a finding of fact of the reasonableness of any particular rate or charge, and the filing of rates and charges pursuant to the authority herein granted will be construed as consent to this condition.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall expire unless exercised within ninety (90) days after the effective date of this order.

IT IS HEREBY FURTHER ORDERED that except as provided hereinabove, the application in this proceeding be and it is hereby denied.

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

Dated at San Francisco, California, this 22nd day of December, 1952.

R. F. [Signature]
President
Justice F. [Signature]
Harold [Signature]
[Signature]
[Signature]
Commissioners

APPENDIX "A" TO DECISION NO. 48108

RATES AND CHARGES FOR THE STORAGE AND HANDLING OF COTTON, AND FOR MISCELLANEOUS SERVICES

ITEM

R A T E S

ITEM	(In cents per bale)		
	Present	Proposed	
	Applicable at Fresno, Tulare, San Pedro	To apply at Fresno/Tulare	To apply at San Pedro
1. STORAGE			
(a) Uncompressed cotton per month or fraction thereof.....	30	45	50
(b) Compressed cotton - standard or high density, per month or fraction thereof.....	25	45	50
2. HANDLING, including unloading, handling in, weighing and sampling upon arrival, tagging and issuing negotiable warehouse receipt, and loading out, if compressed by this company.....	75	120	140
3. SAMPLING			
At time of shipment or compression	25	40	45
Except at time of unloading, shipment or compression	30	45	55
Drawing an extra or double sample at time of any sampling	15	25	30
4. WEIGHING			
At time of shipment or compression	25	40	45
Except at time of unloading, shipment or compression	35	55	65
5. WEIGHING & SAMPLING- AT SAME TIME (Except at time of unloading, shipment or compression)...	55	85	100
6. DELIVERING: Cotton shipped without being compressed by this company, including loading on railroad cars on compress siding and/or to trucks at compress platform..	75	75	85
7. TAGGING			
With shipper's tags	6	9	11
Removing tags	6	9	11

ITEM

R A T E S

(In cents per bale)

	Present		Proposed	
	Applicable at Fresno, Tulare San Pedro	To apply at Fresno/Tulare	To apply at San Pedro	
8. EXTRA SERVICES - All services performed (other than compressing) which are not specifically provided for herein will be charged at ...	175*	290*	315*	
*Cents per hour per man				
9. GOVERNMENT LOAN COTTON - Transmitting samples, postage, filling out schedule of pledged cotton, and signing loan papers	25	35	35	
10. (New Item) - BONDED WAREHOUSE NO.28 In connection with cotton handled through Bonded Warehouse-U.S. Customs Dept. Custodian Expense	-	-	25	

(End of Appendix)

APPENDIX "B" TO DECISION NO. 48103

RATES AND CHARGES FOR THE STORAGE AND HANDLING OF COTTON, AND FOR MISCELLANEOUS SERVICES

ITEM	RATES	
	(In cents per bala)	
	<u>To apply at Fresno/Tulare</u>	<u>To apply at San Pedro</u>
1. STORAGE		
(a) Uncompressed cotton, per month or fraction thereof	38	43
(b) Compressed cotton - standard or high density, per month or fraction thereof	30	36
2. HANDLING, including unloading, handling in, weighing and sampling on arrival, tagging and issuing negotiable warehouse receipt, and loading out, if compressed by this company	95	110
3. SAMPLING		
At time of shipment or compression. Except at time of unloading, shipment or compression	30	35
Drawing an extra or double sample at time of any sampling	38	45
Drawing an extra or double sample at time of any sampling	20	22
4. WEIGHING		
At time of shipment or compression Except at time of unloading, shipment or compression	30	35
Drawing an extra or double sample at time of any sampling	45	50
5. WEIGHING & SAMPLING - AT SAME TIME (Except at time of unloading, shipment or compression	70	80
6. DELIVERING: Cotton shipped without being compressed by the company, including loading on railroad cars or compress siding and/or to trucks at compress platform	75	85
7. TAGGING		
With shipper's tags	7	9
Removing tags	7	9

ITEM

RATES

(In cents per bale)

To apply at <u>Fresno/Tulare</u>	To apply at <u>San Pedro</u>
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8. EXTRA SERVICES - All services performed (other than compressing) which are not specifically provided for herein will be charged at

275*

315*

*Cents per hour per man

9. GOVERNMENT LOAN COTTON - Transmitting samples, postage, filling out schedule of pledged cotton, and signing loan papers

30

35

10. (New Item)- BONDED WAREHOUSE NO. 28
In connection with cotton handled through Bonded Warehouse -
U.S. Customs Dept.
Custodian Expense

25

(End of Appendix)

APPENDIX "C" TO DECISION NO. 48108RATES AND CHARGES FOR THE STORAGE AND HANDLING
OF COTTON, AND FOR MISCELLANEOUS SERVICES

ITEM	RATES	
	(In cents per bale)	
	<u>To apply at Fresno/Tulare</u>	<u>To apply at San Pedro</u>
1. STORAGE		
(a) Uncompressed cotton, per month or fraction thereof	39	47
(b) Compressed cotton - standard or high density, per month or fraction thereof	31	40
2. HANDLING, including unloading, handling in, weighing and sampling on arrival, tagging and issuing negotiable warehouse receipt and loading out, if compressed by this company.....	100	125
3. SAMPLING		
At time of shipment or compression	32	42
Except at time of unloading, ship- ment or compression	40	55
Drawing an extra or double sample at time of any sampling	20	25
4. WEIGHING		
At time of shipment or compression	32	42
Except at time of unloading, ship- ment or compression	48	60
5. WEIGHING & SAMPLING - AT SAME TIME (Except at time of unloading, shipment or compression).....	75	95
6. DELIVERING: Cotton shipped without being compressed by the company, including loading on railroad cars or compress siding and/or to trucks at compress platform ...	75	85
7. TAGGING		
With shipper's tags	7	11
Removing tags	7	11

ITEM	RATES	
	(In cents per bale)	
	To apply at <u>Fresno/Tulare</u>	To apply at <u>San Pedro</u>
8. EXTRA SERVICES - All services performed (other than compressing) which are not specifically provided for herein will be charged at * Cents per hour per man	290*	370*
9. GOVERNMENT LOAN COTTON - Transmitting samples, postage, filling out schedule of pledged cotton, and signing loan papers	32	42
10. (New Item) - BONDED WAREHOUSE NO. 28 In connection with cotton handled through Bonded Warehouse - U.S. Customs Dept. Custodian Expense	-	25

(End of appendix)