

**ORIGINAL**Decision No. 48710

## 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

Leslie N. Bradshaw, Russell A. Harris and  
 Douglas E. McDonald, for petitioners.  
 Douglas Brookman, for Pacific Greyhound Lines,  
 protestant.  
 Daniel W. Baker, for Draymen's Association of  
 Alameda County and Pacific Motor Tariff Bureau,  
 protestants.  
 C. A. Millen, for Valley Express and Valley Motor  
 Lines, protestants.  
 Arlo D. Poe and J. C. Kaspar, for California  
 Motor Transport Associations, Inc., interested  
 party.  
 Clifton Brooks, for Delivery Service Company,  
 interested party.  
 Preston W. Davis and Roger Ramsey, for United  
 Parcel Service, Inc., interested party.

SUPPLEMENTAL OPINION

A group of highway contract carriers seeks exemption from the established minimum rates in connection with the transportation of shipments of wholesale drug supplies weighing 75 pounds or less.<sup>1</sup> Their petition is limited to operations between Sacramento and points within a 170-mile radius. It is further limited by excluding points within that radius but beyond Lodi, the Antioch bridge or Fairfield.

<sup>1</sup> The petitioners are: Robert Kimbro, Lawrn Wolter, Gerald E. Smith, R. P. Trimble, Donald McLaughlin and Cal-Central Trucking Co., Inc.

A public hearing was held at Sacramento on December 12, 1952, before Examiner Mulgrew.

Petitioners transport the drug shipments in connection with the delivery of the Sacramento Bee, a daily newspaper published in Sacramento. The drug deliveries are made along their newspaper routes, and generally to retail druggists with whom they leave copies of the Bee for resale. The shipments are delivered to petitioners' trucks at the point where the Bee is loaded. All charges are prepaid.

The petition shows the routes over which deliveries are made from Sacramento. Kimbro operates to Tahoe City via Folsom and Placerville. Wolter serves Grass Valley and Nevada City via Roseville and Auburn. Smith operates to Chico via U. S. Highway 99-E and to the off-line points of Colusa, Gridley and Biggs. Trimble operates to Isleton via Courtland and Walnut Grove. McLaughlin circles through Sutter Creek, Jackson, San Andreas, Galt and Elk Grove. Cal-Central operates to Redding via U. S. Highway 99-W.

The general manager of Western Drug Supply testified that petitioners render the only reliable means of making prompt deliveries. He stated that the drug shipments consist of supplies necessary to fill prescriptions and that the demand is unpredictable. He pointed out that it is not practicable for the drug stores to maintain large inventories of these supplies. Although mail service is cheaper, he said, departures cannot be controlled and it frequently takes 2 or 3 days for delivery. Since many of the drugs are normally kept under refrigeration they have to be delivered the same day. General freight carriers, the witness said, do not provide fast enough service. He stated that if the sought authority is not granted steps would be taken to arrive at other means of effecting deliveries.

A representative of the California Motor Transport Association, Inc., stated the position of that Association. He said that, although there is a peculiar set of circumstances involved here, he did not believe that it calls for exception of the carriers by name. He claimed that the fact that they make the trip anyway cannot be a sound basis for special treatment. Representatives of other carriers did not offer any direct evidence.

Upon consideration of all the facts and circumstances of record, we are of the opinion and hereby find that petitioners' operations are of a specialized nature and differ substantially from those for which the established minimum rates were primarily designed, and that they are surrounded by conditions similar to those prevailing in connection with other parcel delivery service under exemptions from the prescribed minimum rates (Finding 14(c) of Decision No. 31606, 41 C.R.C. 671 (1938), as amended). Similar exemptions appear justified here. The sought authority will be granted but limited to the routes as set forth in the petition.

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 Decision No. 31606, in Case No. 4246, as amended, be and it is hereby further amended by adding Robert Kimbro, Lawrn Wolter, Gerald E. Smith, R. P. Trimble, Donald McLaughlin and Cal-Central Trucking Co., Inc., to the list of carriers contained in paragraph (c) of Finding No. 14 thereof, but restricted to the transportation of shipments of wholesale drug supplies, each weighing 75 pounds or less, and between Sacramento and the points and over the routes specified in the petition and referred to in the preceding opinion.

IT IS HEREBY FURTHER ORDERED that, except to the extent provided for in the preceding ordering paragraph, the petition filed September 12, 1952, in this proceeding, be and it is hereby denied.

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

Dated at San Francisco, this 11<sup>th</sup> day of June, 1953.

*A. J. [Signature]*  
President

*Justin F. [Signature]*  
*Harold P. [Signature]*

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Commissioners

Commissioner Kenneth Potter being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Peter E. Mitchell being necessarily absent, did not participate in the disposition of this proceeding.