

Decision No. 50530**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 of
 all common carriers, highway carriers
 and city carriers relating to the
 transportation of general commodities
 (commodities for which rates are pro-
 vided in Highway Carriers' Tariff
 No. 2).

)
)
) Case No. 5432
) Petition For Modification
) No. 31
)
)

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 in Los
 Angeles and Orange Counties (trans-
 portation for which rates are provided
 in City Carriers' Tariff No. 4-Highway
 Carriers' Tariff No. 5).

)
)
) Case No. 5435
) Petition For Modification
) No. 5
)
)

Gordon, Knapp and Gill, by Wyman C. Knapp, for
 applicant. Preston Davis, for Red Arrow Bonded
 Messenger Corp., interested party. Leonard Diamond,
 Associate Transportation Rate Expert, for the Com-
 mission's staff.

SUPPLEMENTAL OPINION

Television Maintenance, Inc., doing business as Butler
 Service Company, is engaged in the business of transporting
 jewelry and optical goods in small packages between points in
 Los Angeles and vicinity. By petition filed May 12, 1954, it
 requests (1) that as to this traffic it be exempted from the
 minimum rates in Highway Carriers' Tariff No. 2 and City

Carriers' Tariff No. 4-Highway Carriers' Tariff No. 5, or, in the alternative, (2) that such exemption be extended to all carriers engaged in such transportation.

A public hearing was held in Los Angeles on August 5, 1954, before Examiner Kent C. Rogers. The Motor Truck Association had advised the Commission, by a letter which was read into the record, that it has no objection to the exempting from minimum rates of the type of service rendered by the applicant. The association urged, however, that any exemption granted be strictly limited to the type and size of articles normally transported and to the type of service performed as shown by the evidence at the hearing.

The representative of the Red Arrow Bonded Messenger Corp. urged that the application be denied, but that if granted the exemption should be limited to shipments for jewelry manufacturers and wholesale optical houses, and that the size of the parcels should be limited preferably to one pound and in any event not to exceed five pounds. He also requested that if any exemption is granted it be made applicable to the Red Arrow Bonded Messenger Corp. Applicant's attorney stated that he had no objection to limiting the exemption to the items listed by the Red Arrow representative, but he thought that the record justified relief to and including 10 pounds.

Applicant's president presented operating testimony on its behalf.

Butler Service Company (hereinafter referred to as Butler) is the wholly owned subsidiary of Television Maintenance, Inc., and has for many years rendered the type of service hereinafter described. On June 1, 1953, the corporation was acquired by the present owners who filed the petition herein. The main office of the applicant is in downtown Los Angeles. Branch offices are maintained in Pasadena, Long Beach, Santa Ana,

San Bernardino, Glendale, Santa Monica and Huntington Park. Service is rendered five and one-half days per week, and has been and will continue to be rendered between points in the Los Angeles metropolitan area and between points in Los Angeles, Orange and San Bernardino Counties. Most of the traffic is from Los Angeles to outlying points, but there is some traffic in the reverse direction.

The traffic handled consists of optical items and jewelry items, 80 percent of which are small enough to be shipped in envelopes. They vary from a prescription written on a sheet of paper to items weighing as much as 10 pounds, and average three to five pounds.

Applicant has a highway contract carrier permit and a city carrier permit from this Commission. Its business telephone is unlisted, it does not advertise and does not serve the general public. It has 20 wholesale jewelry accounts and 20 wholesale optical accounts, all of which are located in downtown Los Angeles. They are served pursuant to oral agreements whereby applicant receives a flat sum per week regardless of the number of shipments. The total number of packages carried for all 40 accounts averages about 30,000 per week. All charges are paid by the 40 customers.

Butler has a crew of 27 messengers, some of whom travel by foot, some by motorcycle and some by automobile. These messengers make pickups which are brought into applicant's Los Angeles office about noon and dropped into bins, sorted to routes and delivered the same day in the entire area. The items

carried are listed when they are of unusual value and are called to applicant's attention. In other instances the contents of the packages are unknown to the applicant.

For the fiscal year ending June 30, 1954, applicant paid claims amounting to \$140.

Applicant's president testified that because of the number of packages handled each day it is not practical to classify and bill each shipment; that in handling speed is of primary importance; that the customers request fast service, and that if it were required to operate under the minimum rate provisions, the customers would make other arrangements for the transportation.

The representatives of a manufacturing jeweler testified that the jeweler has been using applicant's services since 1930 on a weekly charge basis regardless of the number of shipments; that applicant carries shipments destined to retail stores located in Los Angeles and Orange Counties; that shipments are all made in envelopes and very seldom weigh over one pound; that individual shipments are listed by the shipper; that applicant's messengers call at the shipper's place of business two to three times per day, but usually all shipments are delivered to applicant's place of business by the shipper; that if shipments had to be individually billed and charges were assessed according to the Commission's tariffs, shipments would be made by parcel post and registered mail.

A dealer in watch crystals, watch dials, watch bands and jewelry testified that he has been using applicant's services for shipments to all other points as far east as Whittier since 1931; that he ships to all retail jewelers in said area; that

he gives applicant 500 to 600 packages per week which applicant carries on an agreed sum per week basis; that the value of the packages varies from 50 cents up, and that they seldom weigh over two ounces; that the jewelers insist on a delivery service because they fear loss in transit and breakage; that applicant gives the service the witness needs; and that he wants the service continued on the same basis as at present.

The owner of a jewelry manufacturing company testified that he deals mainly with retail stores located in Los Angeles County; that the value of his items ranges from five cents to diamond jewelry; that he acquired the business in 1947 and has been using applicant's services since that time to all points except downtown Los Angeles, which he serves with his own messengers; that he pays applicant an agreed weekly sum regardless of the number of shipments carried which vary from none to thirty; that all shipments fit into a coin envelope; that he needs applicant's services and desires that they be continued on the same basis.

The record is convincing that the applicable minimum rates, rules and regulations are not appropriate or practicable of application to the strictly limited type of service which the record herein shows that the applicant renders.

Red Arrow Bonded Messenger Corp. presented no evidence, and there is nothing in the record to show, that they are rendering any service similar to that rendered and proposed to be rendered by applicant herein.

Subject to the limitations hereinbefore indicated, the exemption sought appears to be justified and the petitions will be granted. It appears that the exemption should be made applicable to all carriers transporting the same commodities in the same size packages. So that the distribution of Highway Carriers' Tariff No. 2 and the Los Angeles drayage tariff involved herein will be limited to those parties interested in each of these publications, a separate order covering the drayage tariff will be issued.

Uncrated new furniture transported for governmental bodies is exempted from the rates in Highway Carriers' Tariff No. 2 by a rule in Minimum Rate Tariff No. 11-A. For clarity that exemption will be transferred to Tariff No. 2.

O R D E R

Based upon the evidence of record and upon the conclusions and findings set forth above,

IT IS HEREBY ORDERED that Highway Carriers' Tariff No. 2 (Appendix "D" of Decision No. 31606, as amended) be and it is hereby further amended by incorporating therein, to become effective October 14, 1954, Twenty-Eighth Revised Page 14 cancels Twenty-Seventh Revised Page 14, which page is attached hereto and by this reference made a part hereof.

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

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 14th day of September, 1954.

John Mitchell
President
Justus J. Callahan
Benjamin J. Tattler
Deane Roggens
Commissioners

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Twenty-Seventh Revised Page 14

HIGHWAY CARRIERS' TARIFF NO. 2

Item No.	SECTION NO. 1-RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)
	<p style="text-align: center;">APPLICATION OF TARIFF - COMMODITIES (Items Nos. 40 and 41 Series)</p> <p>Rates in this tariff apply for the transportation of all commodities, except the following:</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <p>Accessories, motion picture, Automobiles, set up, Automobile parts, accessories, and related articles in secondary movement by Truckaway Service when subject to the rates, rules and regulations set forth in Minimum Rate Tariff No. 12, amendments thereto or reissues thereof, Baggage, Butter, dairy (Subject to Note 8), Buttermilk, liquid (Subject to Note 2), Carriers (used packages), empty returning or forwarded for return loads (Subject to Note 1), Cement, hydraulic, masonry, natural or Portland--also lime, common (including magnesium lime, hydrated or hydraulic lime, quick or slaked), cement flue dust, and/or limestone, powdered, shipped in mixed shipments with cement--when transported in shipments of 40,000 pounds or more, or when transported in shipments of lesser weights subject to the rates, rules and regulations, including the minimum charge computed on a minimum weight of 40,000 pounds, which are set forth in City Carriers' Tariff No. 8 - Highway Carriers' Tariff No. 10, amendments thereto or reissues thereof, Cement Clinker, Cheese (including cottage cheese and pot cheese) (Subject to Note 8), Commodities transported under the vehicle unit rates, rules and regulations of City Carriers' Tariff No. 4 - Highway Carriers' Tariff No. 5, amendments thereto or reissues thereof, applicable within Los Angeles and Orange Counties, Commodities of abnormal size or weight which because of such size or weight require the use of and are transported on low-bed trailers, Film, motion picture,</p> </div> <div style="width: 48%;"> <p>Fodder, Bean, Cane, Corn or Peas (Subject to Note 7), Fruit, dried, unmanufactured and unprocessed (Subject to Note 4), Fruit, fresh or green (not cold pack nor frozen), Fungicides, agricultural, Furniture, household appliances and other home furnishings, transported from retail stores where they have been sold at retail by a retail merchant, or transported from retail customers to retail stores (Subject to Note 3), *Furniture, uncrated, new, as described in and for which rates are provided in Minimum Rate Tariff No. 11-A, amendments thereto or reissues thereof, and furniture, uncrated, new, for the United States, State, County or Municipal Governments, Hops, House Trailers, set up, Ice Cream Milk, unflavored, Insecticides, agricultural, #Jewelry transported from or to wholesale houses in packages weighing 10 pounds or less, Leaves, Cactus, dried (Subject to Note 7), Liquids, compressed gases, commodities in semi-plastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semi-trailers or a combination of such highway vehicles, Livestock, Logs (wood) (Subject to Note 10), Margarine (Subject to Note 8), Milk, liquid (Subject to Note 2), Newspapers; newspaper supplements, sections or inserts; (not scrap or waste), Nuts, edible, in the shell, #Optical goods transported from or to wholesale houses in packages weighing 10 pounds or less. Pits, fruit, Poultry, live or dressed, Property shipped to or from producers of motion pictures or television shows when transported subject to the rates, rules and regulations provided by Decision No. 33226, in Cases Nos. 4246 and 4434, as amended,</p> </div> </div>

*40-33
Cancels
40-AA

Commodities weighing 100 pounds or less per package or piece when delivered from retail stores, or when returned to the original retail store shipper via the carrier which handled the outbound movement (Subject to Note 3),
 Commodities when transported in dump trucks, for which rates are provided in City Carriers' Tariff No. 6 - Highway Carriers' Tariff No. 7, amendments thereto or reissues thereof,
 Commodities which consist of or contain materials essential to National Defense and which have been donated to and are transported for the United States Government, governmental agencies, or nonprofit organizations acting for or in behalf of said government in the collection, assembly or transportation of said commodities in connection with the recovery of said essential materials from the commodities transported,
 Concrete transported in motor vehicles equipped for mechanical mixing in transit,
 Cotton,
 Cream (Subject to Note 2),
 Directories, telephone,
 Eggs (other than shelled, desiccated or frozen),
 Fertilizers, as described in Items Nos. 535, 540 and 550 series of the Exception Sheet,

Sea Shells, crushed, ground, powdered or disintegrated (Subject to Note 5),
 Seeds, Cotton,
 Seeds, field, as described in Note 6,
 Shell Marl, crushed, ground or powdered,
 Straw (Subject to Note 7),
 Sulphur,
 United States mail transported for the Post Office Department under contract,
 Used Property, viz: household goods, personal effects, furniture, musical instruments, radios, and office and store fixtures and equipment, as described in and for which rates are provided in City Carriers' Tariff No. 3-A - Highway Carriers' Tariff No. 4-A, amendments thereto or reissues thereof, and used property as described therein transported for the United States, state, county or municipal governments,
 Vegetables, fresh or green (not cold pack nor frozen),
 Vegetables, dried, viz: Beans, (except Mesquite), Lentils, Onions, Peas, (except Cow Peas), Pepper Pods,
 Voting Booths, Ballot Boxes, Election Tents and Election Supplies, when transported from or to polling places.

(Continued in Item No. 41 Series)

*Change. }
 #Addition. } Decision No. 50530

EFFECTIVE OCTOBER 14, 1954

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

Correction No. 627