

**ORIGINAL**Decision No. 55994

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 SOUTHERN CALIFORNIA FREIGHT LINES, )  
 a corporation, and SOUTHERN CALIFORNIA )  
 FREIGHT FORWARDERS, a corporation, for )  
 authority to publish exceptions to ) Application No. 38839  
 classification and to cancel Cubic Foot )  
 Rule No. 100-H, now applicable and )  
 published in Southern California Freight )  
 Forwarders Local and Joint Freight and )  
 Express Tariff No. 4, Cal. P.U.C. No. 4.)

(Appearances are listed in Appendix "A")

O P I N I O N

Southern California Freight Lines operates as a highway common carrier, and Southern California Freight Forwarders as an express corporation and freight forwarder, between points in this state.<sup>1</sup> By this application they seek authority to establish in Southern California Freight Forwarders Tariff No. 4 certain classification ratings which shall be exceptions to those currently provided in Western Classification No. 76 or in Pacific Southcoast Freight Bureau Exception Sheet No. 1-S of J. P. Haynes, Agent.

The proposed exception ratings fall into two groups. By far the greater number relate to so-called light and bulky articles and would result in increases, for which authority is herein sought under Section 454 of the Public Utilities Code. The second group of proposed exception ratings is relatively small. These latter

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Applicants operate extensively in that portion of the state lying south of, and including, San Francisco Bay points and Sacramento. The bulk of their operations is between points in southern California.

ratings would apply to heavy-loading articles enjoying very favorable transportation characteristics, and would constitute reductions. These reductions would constitute deviations from the Commission's minimum rate orders, for which authority is herein sought.

Concurrently with establishment of the exception ratings applicants propose to cancel out of the above-mentioned Tariff No. 4 a rule<sup>2</sup> relating to the assessment of charges on light and bulky articles. This rule provides, in effect, that as to articles having a displacement of 64 cubic feet or greater per shipment, charges shall be assessed by applying the first class rate on a basis of eight pounds per cubic foot of space occupied, except that, when higher charges result by applying the governing class rates to the actual weight of the shipment, the latter basis shall apply. The rule is further subject to certain exceptions as to commodities and as to territorial application.

Public hearing of the application was held before Examiner Carter R. Bishop at Los Angeles on April 16, 17 and 18, May 22, 23 and 24 and June 14, 1957. Applicants adduced evidence in support of the proposals through four witnesses: their president, traffic manager, special assistant to the president, and director of claim prevention. Ten witnesses offered evidence on behalf of various shippers and shipper associations appearing as protestants or as interested parties. Several parties, during the course of the hearings, changed their appearances from interested parties to protestants.

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<sup>2</sup> The rule in question is set forth in Item No. 100 series of the tariff.

Applicants' traffic manager testified regarding their experience with the cubic foot rule, which has been in effect for many years. The operation of the rule, he said, has been far from satisfactory. The reasons given for this conclusion were as follows: (1) Drivers and dock helpers are not qualified to make the accurate measurements which are necessary in order to apply the rule without discrimination and without a considerable margin of error. (2) It is impracticable to apply the rule without discrimination. A shipper may be penalized on one shipment and may, at another time, escape penalty on an identical shipment. Shippers complain about this inconsistency. (3) Shippers and consignees must know their transportation costs before shipment. It is unduly burdensome for them to be required to measure all shipments before movement in order to determine whether the rule will apply or not. (4) Application of the rule is avoided by shippers simply by breaking up a single large consignment into two or more shipments, each measuring less than 64 cubic feet. (5) Applicants have gone to great lengths to educate employees and shippers about the rule, but after 25 years or more have been unable to apply the provisions successfully.<sup>3</sup>

Applicants believe, the record discloses, that by establishing the increased ratings proposed herein, the objective which they have failed to reach through the cubic foot rule can be accomplished, namely, to secure more adequate compensation

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<sup>3</sup> By the Commission's order dated October 30, 1956, in Case 5840, applicants' cubic foot rule, together with those of all other common carriers, is under investigation to determine whether or not such rules are unjust, unreasonable, discriminatory or otherwise unlawful. Case 5840 is now under submission.

for the transportation of light and bulky articles. These proposed ratings, as set forth in the application as amended, involve approximately 250 commodity descriptions. In many instances a single description covers several different articles grouped together, and two or more less-than-carload and carload ratings may be proposed in connection therewith, dependent upon differences in such respects as form of shipment, gauge of thickness or method of packing.

In many instances the increases proposed are substantial; for example, the ratings on certain kinds of office chairs, set up, would be increased from the present exception sheet rating of second class, any quantity, to double first class, less-than-carload, and first class, minimum weight 10,000 pounds, carload; certain kinds of tubular step ladders would be raised from first class to three times first class, less-than-carload, and from third class, minimum weight 12,000 pounds, to double first class, minimum weight 4,000 pounds, carloads. While the highest less-than-carload rating in the Western Classification is three times first class, applicants propose several exception ratings of four times first class, and one, to apply on plastic swimming pools, of five times first class.

The proposals incorporate many changes in commodity descriptions as compared with those now carried in the Western Classification. The traffic manager, who prepared the descriptions, testified that he had reviewed the present classification descriptions to determine whether they would fit the commodities as transported over applicants' lines or over various other lines in the Los Angeles area. For the purposes of this application, when the witness found the language in existing descriptions to

be obsolete, incomplete or ambiguous, he prepared a revised description, or a new one which, assertedly, would meet the needs of applicants' traffic. In some instances, no increases in ratings are sought, the proposed changes being confined to the commodity descriptions.

The record discloses that the sought increased ratings are predicated almost entirely on the factor of density. In a few instances, where susceptibility to damage, as reflected by the carriers' claim experience, has been unusually great, higher ratings are proposed than would result from a consideration of density alone. With respect to a few of the light and bulky commodities, ratings lower than those reflected by applicants' density scale are proposed; in these the factor of competition has been recognized.

According to the witnesses, the costs per pound experienced by applicants in handling and transporting light and bulky articles are greater than for freight of moderate or high density, and the costs vary inversely in proportion to the density of the article. Assertedly, the low densities of the light and bulky traffic, coupled with the above-mentioned difficulties encountered in the application of the cubic foot rule have, under present classification and exception ratings, resulted in substantial financial losses for applicants in the movement of the traffic in question. These losses, the record indicates, are highly significant, since, according to applicants' president, a very large portion of their traffic consists of light and bulky articles. In view of the foregoing considerations applicants believe they are on sound ground in predicating the proposed increased ratings primarily on the factor of density.

The task of determining densities, of developing density-rating relationships and of assigning the proposed classification exception ratings had been given to applicants' special assistant. He testified in detail as to the procedures that were followed in carrying out this assignment. Briefly, a list of light and bulky articles was prepared, based on information developed from several sources. Some 4,000 shipments of light and bulky freight were then measured and weighed. With the exception of 120 shipments which were weighed and measured by personnel of Pacific Motor Trucking Company and of Santa Fe Transportation Company on the Los Angeles docks of those carriers, all of the shipments in question were weighed and measured by applicants' supervisory personnel on their own docks. Additionally, the identity of the articles measured, together with packing specifications, was noted.

From the foregoing data the densities (weight in pounds per cubic foot) for each of the checked shipments were computed. For each commodity included in the check the special assistant calculated, by recognized statistical procedures, a figure which he characterized as the prevailing density.<sup>4</sup> This procedure was followed by the development of a table of equivalents in which proposed classification ratings were shown opposite the various ranges of density. The densities range from one tenth of one pound to 10.9 pounds per cubic foot and the corresponding classification ratings extend from third class to four times first class, less-than-carload, and from 4th class, minimum weight

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<sup>4</sup> In addition to the prevailing density, the record includes for many of the commodities studied, the range of density, the arithmetic mean, the median and the mode.

22,000 pounds, to three times first class, minimum weight 2250 pounds, carload.

The foregoing table of equivalents, the record discloses, is founded on the premise of applicants that revenue resulting from application of the first class rate to freight having a density of eight pounds per cubic foot will barely cover the costs of performing the transportation service. Thus, if this premise were strictly applied, freight having a density of four pounds would be rated at double first class, that having a density of two pounds would be rated at four times first class, and shipments reflecting other densities within the indicated range would be rated proportionately. The special assistant stated, however, that the scale of progression which he had developed did not rigidly follow such a geometrical progression, but that the increases in proposed ratings followed the decrease in density at a somewhat slower pace, in order to avoid, for the lower densities, ratings which might be considered unreasonable and excessive.

The source of the key unit of eight pounds per cubic foot at first class, upon which the scale of proposed increased ratings is bottomed, is the same unit as set forth in applicants' present cubic foot rule (Item No. 100 series of their tariff No. 4). No specific cost evidence was introduced which would show that revenue no less than that produced by the relationship in question is necessary to return the cost of transporting light

and bulky freight.<sup>5</sup> The witness stated, however, that this unit has been the basic figure in applicants' cubic foot rule for many years, acquiring thereby a presumption of reasonableness, and that their broad experience has shown that a lesser revenue unit would not return the cost of performing transportation service.

Minimum weights for the proposed carload ratings were determined in relationship to the volume capacity of a standard 40-foot semi-trailer van and the various densities involved. For example, it was found that such a vehicle, when fully loaded with freight having a density of 4 pounds per cubic foot, would have a net weight of 9,000 pounds, and with freight having a density of 5 pounds a net weight of 11,250 pounds. Accordingly, the witness assigned a proposed minimum weight of 10,000 pounds to freight having densities ranging from 3.5 pounds to 4.9 pounds per cubic foot. The proposed carload minimum weights are, in many instances, lower than those presently applicable over applicants' lines.

As previously mentioned, the proposed reductions in ratings, involving some 37 different commodity descriptions, comprise articles of relatively high density, such as copper anodes, automobile tire chains, electric batteries, and alcoholic liquors. The commodities in question, the witnesses stated, besides reflecting substantial weights per truckload, reflect a very favorable performance in handling. Assertedly,

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<sup>5</sup> The witnesses testified generally as to the greater cost of handling light and bulky freight as compared with denser articles, and introduced certain cost items. However, these were not directly related to the unit of eight pounds per cubic foot at first class.



these commodities presently move in considerable volume and frequency within California. According to the record they constitute freight which is profitable for the carriers, and applicants' purpose in proposing the reductions is to obtain a greater share of the traffic in question, or to regain business which it has previously lost.

The assignment of the special assistant included also the task of developing the values of the commodities for which higher or lower ratings are sought herein. A great deal of time and effort were spent by applicants' personnel in attempting to ascertain representative prices of the articles in question. In some instances the figures reflected retail prices, in others the values were the list prices of the manufacturer or of the wholesaler, to the retailer. In any event it is clear from the testimony of applicants' witnesses that little, if any, consideration was given to value in setting up the proposed exception ratings. According to the record the value data were introduced only "to comply with the law". It is applicants' understanding that, since the advent of the motor truck transportation, the value of the commodity has ceased to be an important factor in the determination of reasonable classification ratings.

In addition to the sought increases and reductions in classification ratings and the cancellation of the present cubic foot rule, applicants propose certain rule changes and clarification of definitions and abbreviated terms. The latter group was necessary to give effect to applicants' intent with respect to the proposed rating changes. The proposed rules relate to packing requirements. At the present time the rates in

applicants' tariff are governed by the so-called "liberalized" packing rule, duplicating one to the same effect provided in the Commission's Minimum Rate Tariff No. 2. Under this rule the packing requirements of the Western Classification and of the exception sheet are not applicable, but articles will be accepted in any container or shipping form which will render the transportation of the freight reasonably safe and practicable. Applicants now propose that the sought exception ratings shall apply to shipments tendered in the packages named in the commodity description contained in the application, and in packages which are not named therein nor in the Western Classification, but which are deemed to be reasonably safe and practicable to transport.

The proposals herein relate exclusively to applicants' Tariff No. 4, which, with a few minor exceptions, names only local rates. Applicants are also parties to joint rates from and to points on connecting lines. These latter rates, according to the record, are named in California Common Carrier Motor Freight Tariff No. 1. Applicants' president pointed out that if the increases sought herein should be granted, higher charges would obtain for local movement under Tariff No. 4 than to or from more distant points over the same line or route under the joint tariff, in violation of Article XII, Section 21, of the Constitution of the State of California, and of Section 460 of the Public Utilities Code. If the Commission should not see fit to grant applicants relief from those provisions, he testified, applicants would be willing to be directed to cancel the joint rates from and to the more distant points on those commodities

on which higher charges would apply under the local Tariff No.4.

Testifying as to the probable effect of the proposed increased ratings on applicants' traffic, the president stated that his companies are attempting, through this application, to secure adequate revenue, or at least greater revenue, to recompense them for the costs incurred in the transportation of light and bulky traffic. If, in the event of approval of the application, shippers should be willing to pay the resulting higher charges, applicants will be happy to handle the traffic in question.

The granting of the application was protested by ten parties appearing on behalf of various shippers or shipper associations. Some of these confined their protests to proposed ratings on the commodities which their companies shipped. Others who appeared as interested parties offered testimony which, at least in part, was in opposition to evidence adduced by applicants. A total of ten shipper witnesses offered evidence in opposition to the proposals. This evidence included specific figures relating to densities and value, developed from analysis of the particular shipper's products, or those of a segment of the industry, as in the case of the furniture manufacturers. In some instances the figures introduced by the shipper witnesses were in harmony with those of applicants but in many others there was a marked divergence between the respective showings. The shipper witnesses asserted that the data accumulated by applicants, being confined almost entirely to shipments moving over the docks of the latter, were not sufficiently representative of the densities of the various commodities involved.

The shipper witnesses alleged that applicants, in proposing ratings predicated on a relatively low "prevailing" density for a particular commodity, would penalize the manufacturer of that article whose product reflected a density much higher than that on which the proposed rating was based. Additionally, these witnesses pointed out that applicants propose to increase ratings on a given commodity made of one kind of material, while proposing no change in the same article made of a different material; or without increasing also the rating on an entirely different article which may be strongly competitive with that for which the rating increase is proposed. Numerous other objections to the methods employed by applicants were voiced by the shipper witnesses.

As to the magnitude of the increases in transportation charges which would result under the higher ratings proposed herein, many of these were alleged by the shippers to be extremely unreasonable. Increases in charges under the proposed ratings on furniture,<sup>6</sup> for example, would in many cases be in excess of 100 per cent.<sup>7</sup> In a check of 35 items selected at random

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<sup>6</sup> Applicants' proposals for furniture include 39 commodity descriptions and 51 classification ratings. Present ratings on 50 furniture entries would remain unchanged.

<sup>7</sup> The record discloses that at least 90 per cent of all furniture transported in California intrastate commerce is subject to an exception rating of second class, less-than-carload. The furniture shippers felt that applicants should have sought authority to allow the Western Classification ratings to apply, in lieu of the still higher ratings herein sought.

from those handled by a major wholesale hardware concern the witness for that company showed that the least increase would be 11 per cent, the greatest, 178 per cent, and that the great majority would be greatly in excess of 50 per cent.

Several shipper witnesses asserted that if the increases were granted the business of their companies would be diverted from applicants to other carriers, except to points served exclusively by applicants. While some witnesses indicated that their companies would continue to utilize applicants' services as to commodities not affected by the proposals, others stated that applicants would lose the desirable, as well as the undesirable, traffic.

In the oral argument which followed the receipt of evidence, the shipper representatives drew attention to the alleged shortcomings in the carriers' proposals, as set forth above. Additionally they argued substantially as follows: They approve of applicants' objective in seeking to cancel the cubic foot rule and, in lieu thereof, to adjust the classification ratings on light and bulky articles; however, applicants' procedure in connection with the latter objective is improper. They have predicated their ratings almost exclusively upon the factor of density; whereas, it is well established that other factors are equally important, including, among others, value of the service, value of the commodity, susceptibility to damage, transportation characteristics of competing articles, and the general competitive situation. The increases are so high as to be confiscatory in violation of Section 20 of Article XII of the California Constitution, and will divert

traffic to competing carriers and to proprietary operations. There was no evidence in justification of the basic density of eight pounds per cubic foot. No showing has been made that the present ratings are unreasonable per se. In the absence of evidence to the contrary it must be assumed that the existing ratings are reasonable. No justification was given for the long-and-short haul departures which would result.

A representative of the California Trucking Associations, Inc., stated the position of that organization. The Association, he said, is not opposed to individual carriers seeking increased revenues when such are needed and necessary to their continued operation. The Association is opposed, however, to the authorization of the sought reduced ratings, since, if published, they will, under the alternative rate provisions of the minimum tariffs, become the minimum ratings for all permitted and certificated carriers serving the same points. The effect would be to dissipate the revenues of a substantial number of carriers. Moreover, the Association is opposed to reductions in classification ratings which would be applicable to only a portion of the state.

Applicants' president argued that the Commission has many times declared that the minimum rates will not give adequate compensation to many carriers who are rendering a service that requires higher rates. Applicants are now before the Commission seeking ratings which will provide adequate compensation. By the sought increased ratings applicants propose

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<sup>8</sup> According to an exhibit of record applicants' combined operating results for the year 1956 reflected revenues of \$8,840,187, expenses totalling \$9,156,053 and an operating loss of \$315,867.

to make certain that they receive, on light and bulky freight, the necessary revenue which the cubic foot rule was designed to provide. As a matter of managerial judgment applicants believe that the proposed reduced ratings will enable them to secure a larger share of the desirable high density traffic.

#### Conclusions

Cancellation of the cubic foot rule, considered alone, would not result in an increase in charges and would not result in deviation from the Commission's minimum rates, rules or regulations. Applicants, therefore, need no authority from this Commission to cancel the rule on regular statutory notice. As hereinbefore stated, the rule in question, together with all similar California intrastate rules of other carriers, is under investigation as to its propriety, in Case 5840. That fact does not militate against cancellation of the rule prior to the issuance of a decision in the investigation case, if applicants so desire. In view of the foregoing considerations, that portion of Application No. 38839 relating to the proposed cancellation of applicants' cubic foot rule will be dismissed.

As previously stated, the proposal to establish reduced classification exception ratings on articles of high density involves the establishment of ratings lower than those applicable under the Commission's minimum rate orders. In order to secure such authority applicants, as highway common carriers, are required by Section 452 of the Public Utilities Code to show that the sought ratings are justified by transportation conditions. Under the alternative rate provisions of the minimum rate tariff, such ratings, if published, would become

the minimum rates for permitted, certificated and rail carriers between the points involved. The consequence, we are convinced, would be that other carriers would lower their ratings in order to meet those of applicants and the latter would be no better off than they now are. In fact, the action would result in a loss of revenue for all carriers concerned. The proposal to establish reduced ratings has not been justified by transportation conditions.

With respect to the request for authority to establish increased ratings on light and bulky articles, the record shows that this has been a matter of major concern to applicants during recent years. It is clear that a great part of their traffic consists of such articles, but that the revenue per cubic foot derived therefrom has been declining for some time past. This latter situation is the result of the gradual change-over from (1) wooden boxes and barrels to containers made of lighter materials, such as fibreboard; (2) from articles made of wood or metal to those of lighter materials, such as plastics; (3) from articles of heavy metals, such as iron, to those of lighter metals; and (4) to packing methods which serve generally to reduce the density of articles as prepared for shipment. These facts tend to justify applicants' attempt to remedy the situation through a proposed upward revision in the ratings applicable to the traffic in question.

The record discloses, however, that the methods employed by applicants in the development of their proposals have been deficient in certain respects. The carriers relied almost exclusively upon the factor of density in formulating



the proposed ratings. The record shows that they spent three years gathering data relative to this element. At the same time, information concerning values of the commodities was accumulated, but little if any weight was given to this factor. To some degree, consideration was given to the matter of susceptibility to damage. It is well established that, in the formulation of reasonable classification ratings, it is not proper to relate the proposed ratings to the density of the freight to the exclusion of other important elements.

Moreover, it appears that, in some instances, the proposals would penalize commodities of relatively high density; that by limiting their study primarily to freight moving over their docks, applicants have taken a sample of articles which, because of its limited scope, has resulted in the formulation of some ratings which would be discriminatory; and that by their failure to give due consideration to all of the important elements of freight classification they have, in many cases, proposed ratings which would be so high as to drive the traffic in question to other carriers or to other forms of transportation. This consequence, the record shows, would also result in the loss by applicants of a substantial portion of their more lucrative traffic.

While the record does not justify granting, in full, the increases sought herein on light and bulky freight, the evidence supports the conclusion that applicants are entitled to some measure of relief with respect to such traffic. It is impracticable to discuss each article in the multitude covered by the increase proposals. In the order which follows, some of

the proposals will be authorized as sought, while others will be denied in their entirety. Many of the proposals will be granted in part; that is, applicants will be authorized to increase the classification ratings, but not to the full amount requested.

The record includes a large amount of conflicting testimony regarding the numerous proposals covering the classification of furniture. In view of this, it appears that applicants should be authorized to make increases in this category only to the extent of cancelling the second class exception rating presently in effect, thus permitting the ratings on furniture as set forth in the Western Classification to apply.

Another group of proposed ratings also requires comment. Applicants propose a series of ratings to apply on "Plastic Articles, N.O.I.B.N." These ratings vary according to the densities of the articles on which they would apply. Applicants' witnesses testified that this was necessitated by the extremely wide range of densities in plastic articles and by the inability to keep abreast of the rapid increase in new products made of plastic materials. However, the proposed plan would serve to perpetuate the disadvantages of the present cubic foot rule which applicants propose to cancel. The proposed set of ratings will not be authorized. Many articles of plastic material are specifically provided for elsewhere in the application. Increases in ratings applicable thereto will be granted.

As previously stated, applicants, in connection with the sought increased carload ratings, frequently propose minimum weights lower than those presently applicable. The effect of these, if granted, would be to provide, in many instances, lower minimum per car charges than those reflected by the Commission's outstanding minimum rate orders. In authorizing increased carload ratings, the order which follows will provide for carload minimum weights which, coupled with authorized ratings, will be sufficiently high to clear the minimum rate orders.

The higher ratings are justified in connection with transportation over applicants' lines. Whether similar ratings would be reasonable for movements made jointly with other carriers under through rates is a matter beyond the scope of this application. To the extent that the establishment of the higher ratings over the applicants' lines without comparable adjustment of the joint ratings may result in departures from the long-and-short haul provisions of the Public Utilities Code and ~~the Constitution, the departures are warranted and will be~~ authorized.

Upon careful consideration of all the evidence of record, we are of the opinion and hereby find that adjustments in classification ratings and carload minimum weights proposed in the application, as amended, have been justified only to the extent shown in Appendix "B", attached to the order which follows. We further find that the proposed rule changes and the proposed clarification of definitions and abbreviated terms have been justified. We further find that in all remaining respects, except as to that portion which will be dismissed, the application, as amended, has not been justified.

O R D E R

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

IT IS ORDERED:

(1) That Southern California Freight Lines and Southern California Freight Forwarders be and they are hereby authorized to establish in their Local and Joint Freight and Express Tariff No. 4, Cal. P.U.C. No. 4, on not less than thirty days' notice to the Commission and to the public, classification ratings and minimum carload weights for application in connection with class rates named in said tariff on the commodities provided for in Appendix "B" attached hereto and by this reference made a part hereof, which ratings and minimum weights shall be no higher in volume or effect than those set forth in connection with said commodities in said Appendix "B", and which ratings and minimum weights shall supersede those presently applicable on the same commodities from and to the same points.

(2) That Southern California Freight Lines and Southern California Freight Forwarders be and they are hereby authorized to depart from the provisions of Section 21 of Article XII of the Constitution of the State of California and of Section 460 of the Public Utilities Code to the extent necessary to establish the ratings herein authorized.

(3) That Southern California Freight Lines and Southern California Freight Forwarders be and they are hereby authorized to establish, on not less than thirty days' notice to the Commission and to the public, the revised rule changes and

clarification of definitions and abbreviated terms, as proposed in the application, as amended, herein.

(4) That the portion of the application herein, as amended, relating to the request for authority to cancel the provisions of Item No. 100 series of said Tariff No. 4 be and it is hereby dismissed.

(5) That in all other respects Application No. 38839, as amended, be and it is hereby denied.

(6) That the authority herein granted shall expire unless exercised within ninety days of the effective date of this order.

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

Dated at San Francisco, California, this 16<sup>th</sup> day of December, 1957.

[Signature]  
 President

[Signature]

[Signature]

[Signature]

[Signature]  
 Commissioners

## APPENDIX "A"

## A P P E A R A N C E S

H. J. Bischoff, for applicants.  
.. G. R. Arvedson, for Plas-Tex Corp.; R. B. Bell, for Aluminum Company of America; Norman J. Coleman, for Firestone Tire and Rubber Company; Anthony V. Danna and Eddy S. Feldman, for Furniture Manufacturers' Association of California; Henry M. Doll, Jr., for Desmond's Inc.; Harold G. Harper, for W. J. Voit Rubber Corp.; James A. Sullivan, for California Hardware Company; Cromwell Warner and Omar E. Pullen, for Retail Furniture Association of California, Inc.; protestants.  
W. M. Cheatham, for Dohrmann Commercial Company; Morton S. Colegrove, for Potlatch Forests, Inc.; Harry W. Dimond, for John Breuner Co.; Stanley R. Duncan, for Sealrite Pacific, Ltd.; D. E. Emory, for All Power Mfg. Co.; George M. McPheeters, for Burroughs Manufacturing Company; A. E. Norrbom, for Los Angeles Wholesale Institute and for California Shippers Association; A. L. Russell and W. H. Stephens, for Sears, Roebuck & Co.; E. J. Schilz, for Young's Market Company; Robert G. Steele, for The Society of the Plastics Industry; Cromwell Warner, for Traffic Managers Conference of Southern California; W. R. Fischer, for Railway Express Agency; A. R. Reader, for Desert Express; Arlo D. Poe and A. J. Mateik, for California Trucking Associations, Inc.; James Quintrall, for Western Motor Tariff Bureau; interested parties.  
Norman Haley and Rudolph Lubich, for the Commission's staff.

APPENDIX "B"

Rating Changes Authorized by the Order Herein.

I Changes Proposed in "Exhibit C" Attached to Original Application

Applica- tion Exhibit "C" Page	Classifi- cation Item Reference (See Note 1)	Commodity Description (Key Words; See Note 2)	Ratings Authorized		Carload Minimum Wgt (Pounds)
			W/L	CU	
1	4760	Airplane blisters	#	#	#
"	4730	Honeycomb cores	#	#	#
"	4940	Seats	#	#	#
"	(7920	Swimming pools	3T1	AQ	--
2	-(7923 (8160	Bumpers	1	3	20,000
"	-(etc. 8700	Fenders	D1	AQ	--
"	(8840 -(3230	Luggage Carriers	D1	1	20,000
"	(9240 -(8430	Windshields	#	#	#
"	9290	Awnings	1½	1	16,000
3	9750	Crackers	2	4	20,000
"	9750	Pretzels	2	4	20,000
"	(10130 -(10190	Barrels	#	#	#
"	(10331 -(etc.	Baskets, not nested	#	#	#
4	(10331 -(etc.	Baskets, nested	#	#	#
"	10540	Baskets, canvass	1	3	20,000
5	(11490 -(etc.	Boats, S.U., loose	3T1	AQ	--
"	"	Boats, S.U., in boxes	3T1	D1	4,000
6	13120	Stoves	#	#	#
7	(14550 -(etc.	Boxes	#	#	#
8	(14532 -(etc.	Boxes	1½	3	14,000
"	15660	Brooms	#	#	#
9	(15744 -(etc.	Mopheads	1	3	21,000
"	15750	Mops	1	2	21,000
9,10	16130	Culverts	#	#	16,000
10	(16190 -(16191	Doors	1½	(2 -(4	12,000 24,000
13	17090	Canopies	3T1	1½	8,000
"	18120	Ventilator Tops	#	#	#
"	18130	Ventilators	#	#	#
14	17950	Window Screens	#	#	#
"	19280	Burial Cases	1	2	12,000
15	(19770 -(19771	Cages, bird	#	#	#

APPENDIX "B"

Rating Changes Authorized by the Order Herein.

I Changes Proposed in "Exhibit C" Attached to Original Application

Applica- tion Exhibit "C" Page	Classifi- cation Item Reference (See Note 1)	Commodity Description (Key Words; See Note 2)	Ratings Authorized		Carload Minimum Wgt (Pounds)
			LCL	CL	
15	(20810 -(20830	Carriers, bottle	1	2	14,000
"	(21161 -(etc.	Reels	#	#	#
16	21520	Cellulose wadding, in packages not machine com- pressed or in packages compressed to less than 15 pounds per cubic foot (See Note 3)	1½	1	10,000
19	29370	Conduits	1½	2	24,000
"	29470	Elbows	1½	1	10,000
"	77790	Pipe or Tubing: Exceeding 20 feet (See Note 4)	1½	1	(See note 5)
20,21,22	(20660 -(etc.	Containers	#	#	#
23	30940	Cork	1½	2	12,000
"	30960	Pipe or tank covering	1	3	18,000
"	31200	Cotton lintens	1½	1	12,000
"	32200	Manzanita Plants	3T1	AQ	--
24	35385	Tubes, cathode ray	#	#	#
25	38230	Filters	3T1	1½	11,000
26	40020	Forms, puffed	2	4	20,000
"	40600	Popped Corn	D1	1	10,000
"	40650	Potato Chips	D1	1	10,000
27	41490	Frames, mirror or pictures	1½	2	18,000
27-35		Furniture (all articles listed in description column of the indicated pages under this generic heading)	Ratings and minimum weights as provided in Western classifi- cation are hereby authorized in lieu of present second class exception rating.		
35	44410	Frames, cot	1½	2	22,000
36	(44430 -(44480	Frames, chair	D1	1½	(See Note 6)
"	(44790 -(etc.	Dolls	1½	1	18,000
"	44890	Games	1½	2	20,000
"	45130	Toy Furniture	D1	1½	8,000
37	46390	Chimneys, lamp	#	#	#
"	46530	Globes	#	#	#
"	48300	Hair	D1	1	12,000
38	51490	Hats or caps	#	#	#



APPENDIX "B"

Rating Changes Authorized by the Order Herein.

I Changes Proposed in "Exhibit C" Attached to Original Application

Applica- tion Exhibit "C" Page	Classifi- cation Item Reference (See Note 1)	Commodity Description (Key Words; See Note 2)	Ratings		Carload Minimum Wgt (Pounds)
			Authorized LCL	CL	
38	(53410 -(53411	Mineral Wool: Batts: wrapped, etc. in cartons Blankets, etc. In Bulk, etc.	D1 1 1 1	1 3 3 3	15,000 18,000 18,000 18,000
39	55600	Ladders, airplane	D1	AQ	--
"	(55600 -(55601	Ladders, incl. step ladders	D1	1	10,000
"	(55640 -(55601	Ladders, n.o.i.b.n.	1	2	12,000
"	55670	Ladders, step, other than step stools	(Denied: present ratings will apply)		
"	55670	Ladders, step, with castors or wheels, etc.	D1	1	8,000
"	55770	Lamp shades Other than flat or nested Flat or nested	3T1 D1	AQ 1	-- 14,000
40	55900	Lamps, electric	#	#	#
"	55930	Lamps, fluorescent	1	4	22,000
"	56060	Lighting fixtures	#	#	#
"	55750	Life Preservers	1½	1	15,000
41	65630	Sewing Machine cabinets	1½	2	14,000
"	(74740 -(74741	Paintings or pictures	#	#	#
42	75580	Rice, paper	1½	2	24,000
"	76230	Cores or tubes	2½T1	1½	10,000
43	(77700 -(77670	Wastebaskets	1½	2	10,000
"	78790	Pocketbooks	1½	2	18,000
44	84440	Tire Tubes, inflated	D1	1	14,000
45	85620	Cans, ash: Not nested Nested	1½ 1	1 2	8,000 12,000
"	86370	Signals	1½	2	20,000
46	(77670 -(86470	Signs	D1	1	16,000
"	86930	Soap Paper	#	#	#
"	87570	Adding machine stands	1½	1	10,000
"	88070	Steel Wool, etc.	1	3	20,000
47	88230	Straws, drinking	#	#	#
"	(89020 -(etc.	Tanks, hot water	1	3	20,000
"	89100	Tanks, iron or steel, S.U.: 2 gauge or thicker Thinner than 2 gauge	1½ 1½	2 2	18,000 18,000
"	91070	Paint applicators	1	3	26,000
48	(92290 -(etc.	Trunks	1½	2	12,000
"	92790	Carts, golf-club	1½	2	14,000
49	92990	Nose trucks, hand	1	3	20,000
"	94830	Vermiculite	1	3	18,000

APPENDIX "B"

Rating Changes Authorized by the Order Herein.

II Changes proposed in Second Amendment to Application

Amend- ment Page	Classifi- cation Item Reference (See Note 1)	Commodity Description (Key Words; See Note 2)	Ratings Authorized		Carload Minimum Wgt (Pounds)
			LCL	CL	
1	19400	Grave vaults	D1	1	10,000
1,2	38950	Carpets, etc.	Description changes authorized; proposed ratings denied.		
2	(39035 -(39036	Rugs	Description changes authorized; proposed ratings denied.		
2-9		Furniture (all articles listed in description column of the indicated pages under this generic heading.)	Ratings and minimum weights as provided in Western Classification are hereby authorized in lieu of present second class exception rating.		
9	44845	Rubber balloons, etc.	1½	2	20,000
"	55910	Lamps, electric	D1	1½	10,000
10	53510	Air Coolers	#	#	#
10,11	75670	Shelf paper: corrugated, etc.	1½	2	24,000
		other than corrugated etc.	#	#	#
11	77450	Pillows	D1	1	10,000
"	77450	Pillow or cushion forms	#	#	#
12	(80570 -(etc.	Racks: S.U., other than flat etc.	D1	1	10,000
		S.U., flat, etc.	#	#	#
		K.D., other than flat etc.	Denied		
		K.D., flat, etc.	Denied		
12	(84280 -(84320	Rubber	1½	2	20,000
12,13	(84650 -(etc.	Scaffolds	D1	AQ	--
13	86430	Signs, electric neon,	3T1	AQ	AQ
"	86550	Signs, glass globe	#	#	#
13,14	(92720 -(93190	Carriages, go-carts	1½	2	16,000

APPENDIX "B"

Explanation of Notes and Reference Mark

Note 1. Reference is to the classification item number or numbers as shown on the indicated page of Exhibit "C" of application.

Note 2. Except as otherwise indicated in connection therewith, the words shown in this column are merely key words to the description proposed in the application, as amended, and such description is authorized hereby in its entirety.

Note 3. Where reference is made to this note the commodity description shown is approved in lieu of that proposed in the application, as amended, which latter description is not authorized.

Note 4. Proposed changes in connection with pipe "not exceeding 20 feet in length" are not authorized.

<u>Note 5.</u>	Where present carload rating and Minimum weight are	New Minimum Weight Will be
	<u>4th class</u> 30,000 pounds	<u>21,000 pounds</u>
	5th class 24,000 "	15,000 "
	3rd class 30,000 "	24,000 "
	3rd class 20,000 "	16,000 "
	Class A 30,000 "	20,000 "

<u>Note 6.</u>	Where present carload rating and Minimum weight are	New Minimum Weight Will be
	<u>1st class</u> 10,000 pounds	<u>7,000 pounds</u>
	Class A 30,000 pounds	13,000 pounds

# Hereby authorized as proposed in application, as amended.