

**ORIGINAL**

Decision No. 60903

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
TROJAN FURNITURE EXPRESS for an  
Interim Rate Increase of 6 per cent.

Application No. 42641

OPINION AND ORDER

Trojan Furniture Express, a corporation, operates as a highway common carrier of uncrated new furniture between points in southern and central California. By this application, filed September 2, 1960, and amended September 13, 1960, it seeks a six percent increase in its rates, such increase to expire at the end of one year.

The amended application shows that the present management acquired control of applicant on January 1, 1960, and has been making a cost analysis of its business and as a result is confident that the mixture of traffic transported by it contains a high percentage on which the cost exceeds the revenue. Applicant intends to continue its studies and within the next year apply for increases on traffic for which the cost exceeds the revenue, in lieu of the temporary increase sought herein. A profit and loss statement for the first seven months of 1960, attached to the application, shows revenues of \$303,349 and expenses of \$329,809, for a net loss of \$26,460, or an operating ratio of 108.7 percent. Although applicant has been able to effect some reduction in costs it still is operating at a loss. Applicant states that it cannot continue to operate at a loss. Applicant would still operate at a loss if the sought increase were granted, but the operating loss would be materially reduced.

The Furniture Manufacturers Association of California, the Retail Furniture Association of California, and the California Trucking Associations, Inc., have all informed the Commission of their support of the application.

In the circumstances, a public hearing is not necessary. The Commission is of the opinion, and so finds, that the sought increases are justified. The application will be granted. In view of the dire need of applicant for additional revenue, the order which follows will be made effective in ten days and applicant will be authorized to publish the increase in the form of a supplement to its tariffs on not less than five days' notice to the Commission and to the public.

As applicant's present rates contain authority to depart from the long-and-short haul provisions of the Public Utilities Code and the State Constitution, similar authority will be granted in connection with the increase herein authorized.

Therefore, good cause appearing,

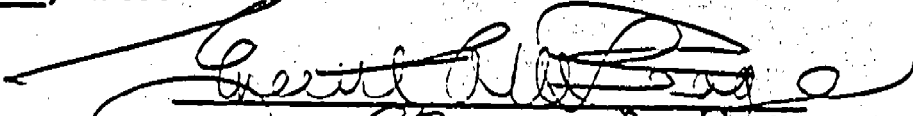
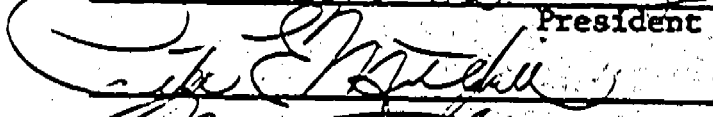
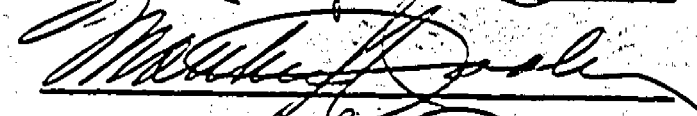
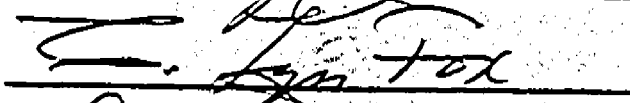
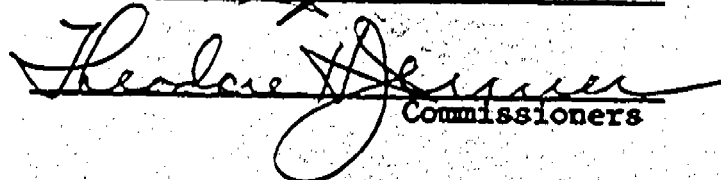
IT IS ORDERED:

(1) That Trojan Furniture Express be and it is hereby authorized to publish and file, in supplements to its tariffs, on not less than five days' notice to the Commission and to the public, increases in its rates and charges as proposed in Application No. 42641, as amended, such increases to expire one year after the effective date of this order.

(2) That in establishing the above authorized increases, applicant be and it is hereby authorized to depart from the provisions of Article XII, Section 21, of the Constitution of the State of California, and Section 460 of the Public Utilities Code; and to depart from the provisions of General Order No. 80 to the extent necessary to publish the increases in supplement form.

(3) That the authority herein granted shall expire unless exercised within sixty days after the effective date of this order. This order shall become effective ten days after the date hereof.

Dated at San Francisco, California, this 14<sup>th</sup> day of October, 1960.

  
\_\_\_\_\_  
President  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
Commissioners