

ORIGINALDecision No. 63985

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 JOHNS-MANVILLE EQUIPMENT CORPORATION,
 a corporation, of Stockton, for per-
 mits to operate as a Highway Contract
 Carrier (Application No. 39-6058-H),
 Petroleum Contract Carrier (Applica-
 tion No. 39-6059-P), and City Carrier
 (Application No. 39-6060-C), Stockton,
 San Francisco, et al., (File No.
 T-72,196).

Application No. 44294

Heller, Ehrman, White & McAuliffe, by E. S.
 Clifford, and Paul T. Wolf, for applicant.
R. D. Toll, J. X. Quintrall and A. D. Poe,
 for California Trucking Associations, Inc.,
 interested party.
Bernard F. Cummins and Frank J. O'Leary, for
 the Commission staff.

O P I N I O N

Johns-Manville Equipment Corporation requests permits to operate as a highway contract carrier, petroleum contract carrier and city carrier.

A public hearing was held before Examiner Thomas E. Daly on June 7, 1962, at San Francisco, and the matter was submitted.

Applicant is a subsidiary of Johns-Manville Corporation. It was created for the purpose of coordinating the transportation performed for the parent company and its subsidiaries under one company. Since 1961 it has conducted a proprietary service for Johns-Manville Products Corporation.

Applicant will maintain its office in Stockton, California. As of December 31, 1961, it indicated a net worth of \$10,000. In addition thereto the Johns-Manville Corporation has by resolution of its Board of Directors guaranteed the payment of all contract

obligations of applicant. Applicant will operate 14 units of equipment under a lease arrangement with M.C.M. Leasing Corporation. Applicant's drivers will be provided by Western Manufacturers Service. Said drivers will be employed and paid by Western Manufacturers Service; however, applicant will exercise full control and will pay for their services on a predetermined fee basis.

It was stated that at the present time applicant, as a proprietary carrier, can transport finished products outbound, but cannot operate a backhaul for raw materials originating with its suppliers. The purpose of the permits, therefore, is to provide a backhaul on raw materials and is assertedly not an attempt to defeat the applicable minimum rates. Applicant agrees that the requested permits, if issued, may be restricted against paying less than 100 per cent of the minimum rates in the event subhaulers are used to transport shipments of the parent company, its subsidiaries, their customers or suppliers.

After consideration, the Commission finds and concludes that the requested authority would not be adverse to the public interest.

O R D E R

Application having been filed and the Commission being informed in the premises,

IT IS ORDERED that after the effective date hereof the Secretary of the Commission shall issue to Johns-Manville Equipment Corporation the permits requested subject to the following condition:

Whenever permittee engages other carriers for the transportation of property of Johns-Manville Corporation, subsidiaries of Johns-Manville Corporation, or the customers or suppliers of said companies, permittee shall not pay such carriers less than 100 per cent

of the applicable minimum rates and charges established by the Commission for the transportation actually performed by such other carriers."

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

Dated at San Francisco, California, this 24th day of JULY, 1962.

George E. Hoover
President

[Signature]

[Signature]

[Signature]

Commissioners

Commissioner Frederick B. Holoboff, being necessarily absent, did not participate in the disposition of this proceeding.