

ORIGINAL

Decision No. 64004

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
C. L. TILDEN, JR., and IRVING S.)
CULVER, partners doing business as)
GIBRALTAR WAREHOUSES, for)
authorization to transport tobacco)
products for R. J. Reynolds Tobacco)
Company within San Francisco at rate)
below minimum rate prescribed by)
City Carriers' Tariff No. 1-A.)

Application No. 44486
(Filed May 25, 1962)

OPINION AND ORDER

C. L. Tilden, Jr., and Irving S. Culver, doing business as Gibraltar Warehouses, operate as a permitted carrier and as a certificated carrier. By this application they seek authority as a city carrier to charge R. J. Reynolds Tobacco Company less than the established minimum rates for the transportation of manufactured tobacco products from their warehouse in San Francisco to points in San Francisco Zone 1 as described in City Carriers' Tariff No. 1-A.

The application states that applicants have been continuously transporting tobacco products for the above shipper for over fifteen years and that applicants operate this service in active competition with certain other public utility warehousemen in San Francisco who currently are authorized to transport such commodities at less than minimum rates.¹ The application states also that the characteristics of the transportation of tobacco products for R. J. Reynolds Tobacco Company are the same as those of applicants' competitors; that applicants' equipment is similar

¹
San Francisco Warehouse Company for American Tobacco Company, Brown and Williamson Tobacco Corporation and Liggett and Myers Tobacco Company; Walkup Drayage and Warehouse Company for Phillip Morris, Inc. and P. Lorillard Co. (Decision No. 62569 of October 10, 1961, in Applications Nos. 43747 and 43762). The authorities are scheduled to expire November 1, 1962.

to that used by their competitors; that the same labor costs under the same union labor contracts are involved; that the transportation in question, under the proposed rates, will yield revenues sufficient to enable applicants to perform said service at a reasonable profit.

In Decision No. 62732 dated October 24, 1961, in Case No. 5441 (Petition for Modification No. 50) and Application No. 43348 the Commission found, among other things, that hearings should be scheduled for the purpose of determining just, reasonable and nondiscriminatory minimum rates to be assessed by all respondents in Case No. 5441 for the transportation of cigarettes and manufactured tobacco products as may be necessary to stabilize and maintain just and fair competitive relationships. Pending such general determination the Commission finds that the rates proposed by applicants will be reasonable and consistent with the public interest. This is a matter in which a public hearing is not necessary. The application will be granted.

Good cause appearing,

IT IS ORDERED that:

1. C. L. Tilden, Jr., and Irving S. Culver, doing business as Gibraltar Warehouses, are hereby authorized to assess less than the applicable minimum rates set forth in City Carriers' Tariff No. 1-A, but not less than those set forth in Appendix A attached hereto and by this reference made a part hereof for the transportation described herein.

2. The authority herein granted shall expire with November 1, 1962, unless sooner canceled, changed or extended by order of the Commission.

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

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

George E. Grover
President
Paul S. Mitchell
John F. ...
Carol ...
Commissioners

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

APPENDIX A TO DECISION NO. 64004

Authorized rates for the transportation of cigarettes and manufactured tobacco products as described in Items 26880 to 26940, inclusive, of Western Classification No. 77 by:

C. L. Tilden, Jr., and Irving S. Culver, doing business as GIBRALTAR WAREHOUSES, from their warehouse at 299 Brannan Street, San Francisco, for R. J. Reynolds Tobacco Company;

TC: Points and places in Zone 1 as described in City Carriers' Tariff No. 1-A.

Rates are subject to a minimum weight of 75,000 pounds per month tendered to the carrier by the shipper.

| <u>Minimum Weight in Pounds</u> | <u>Minimum Charge in Cents</u> | <u>Rates in Cents Per 100 Pounds</u> |
|-------------------------------------|--|--|
| 25 or less | 110 | |
| Over 25 but not over 50 | 140 | |
| Over 50 but not over 75 | 165 | |
| Over 75 but not over 100 | 200 | |
| Over 100 but not over 579 | 255 | |
| Over 579 but not over 3,818 | | 44 |
| Over 3,818 but not over 4,000 | 1680 | |
| Over 4,000 | | 42 |

End of Appendix A