

**ORIGINAL**

Decision No. 64417

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 property )  
in the City and County of San )  
Francisco, and the Counties of )  
Alameda, Contra Costa, Lake, Marin, )  
Mendocino, Monterey, Napa, San )  
Benito, San Mateo, Santa Clara, )  
Santa Cruz, Solano and Sonoma. )

Case No. 5441  
(Petition for Modification  
No. 64)  
(Filed September 6, 1962)

In the Matter of the Application of )  
MERCHANTS EXPRESS OF CALIFORNIA, )  
a corporation, for authority to charge )  
less than certain minimum rates pre- )  
scribed in City Carriers' Tariff No. )  
2-A, Highway Carriers' Tariff No. 1-A.)

Application No. 44757  
(Filed September 4, 1962)

In the Matter of the Application of )  
HASLETT WAREHOUSE COMPANY, a corpora- )  
tion, for authority to charge less )  
than certain minimum rates prescribed )  
in City Carriers' Tariff No. 2-A, )  
Minimum Rate Tariff No. 1-A. )

Application No. 44774  
(Filed September 7, 1962)

OPINION AND ORDER

San Francisco Warehouse Co., Merchants Express of California and Haslett Warehouse Company operate as permitted carriers, highway common carriers and as public utility warehousemen under various authorities granted by this Commission. In these proceedings, authority is sought to continue to charge less than the established minimum rates for the transportation of cigarettes and manufactured tobacco products from their respective warehouses located in Emeryville and Oakland to various jobbers located in Oakland for the account of one or more named shippers as specified

in the decisions noted in the margin below.<sup>1</sup> The current authorities are scheduled to expire with November 1, 1962.

San Francisco Warehouse Co. alleges that the same transportation conditions which justified the granting of its current authority still prevail and that it can perform the transportation involved herein at the proposed rates at a satisfactory profit. Applicants allege that there has been no change in their method and manner of handling the traffic involved herein since the time their current authorities were granted, except for an increase in wage rates as of July 1, 1962. Applicants state that they have taken into consideration such increased wage rates and have concluded that the increases resulting therefrom can be absorbed without the necessity of increasing the rates currently being assessed for the transportation under consideration. They further state that the rates currently authorized are fully compensatory and that the proposed rates will be satisfactory and produce a reasonable profit during the ensuing year.

The petition and the applications show that copies thereof were served on interested parties, including the Draymen's Association of San Francisco and the California Trucking Associations, Inc. No objection to their being granted has been received.

In Decision No. 62732, dated October 24, 1961, in Case No. 5441 (Petition for Modification No. 50) and Application No. 43348, it was indicated that the proper solution to the competitive problem in the local transportation of manufactured tobacco products from warehouses in San Francisco and East Bay cities would be the

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<sup>1</sup> Decision No. 62658, dated October 10, 1961, in Application No. 43770, granted said authority to Haslett Warehouse Company, which transports for the R. J. Reynolds Tobacco Co. and American Tobacco Company. Decision No. 62732, dated October 24, 1961, in Case No. 5441 (Petition for Modification No. 50) and Application No. 43348, granted said authority to San Francisco Warehouse Co. and Merchants Express of California, respectively. That decision authorized the first-named carrier to transport for Liggett & Myers Tobacco Company and the Brown & Williamson Tobacco Corporation; the latter carrier to transport for Phillip Morris, Inc., and the P. Lorillard Co.

establishment of a uniform scale of minimum rates within the area involved. A public hearing in Case No. 5441 for the receipt of evidence concerning this and other transportation is scheduled for October 29, 1962, in San Francisco. Pending the further general consideration of the minimum rates, the Commission finds that the rates proposed by petitioner and applicants will be reasonable and consistent with the public interest. This is a matter in which a public hearing is not necessary. The petition and applications will be granted. In view of the impending expiration date of the current authorities, the order which follows will be made effective November 1, 1962.

Good cause appearing,

IT IS ORDERED that:

1. San Francisco Warehouse Co., Merchants Express of California and Haslett Warehouse Company, and each of them, are hereby authorized to assess rates less than the applicable minimum rates set forth in City Carriers' Tariff No. 2-A-Highway 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 therein.

2. The authority granted herein shall, on and after November 1, 1962, supersede the authorities granted by Decisions Nos. 62658 and 62732 and shall expire with November 1, 1963.

This order shall become effective November 1, 1962.

Dated at San Francisco, California, this 16th day of October, 1962.

George H. Grover  
President

Robert E. Mitchell

Charles W. Long

Fredrick B. Hallock  
Commissioners

C. 5441 (Pet. 64), A. 44757  
and A. 44774 - rm

APPENDIX A TO DECISION NO. 64417

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

SAN FRANCISCO WAREHOUSE CO. from its warehouse located in Emeryville, for Liggett & Myers Tobacco Company and Brown & Williamson Tobacco Corporation; and

MERCHANTS EXPRESS OF CALIFORNIA from its warehouse located in Oakland, for Phillip Morris, Inc., and P. Lorillard Co.; and

HASLETT WAREHOUSE COMPANY from its warehouse located in Oakland, for the R. J. Reynolds Tobacco Co. and American Tobacco Company;

to points and places located within the Oakland Jobber Zone described below:

<u>Minimum Weight</u>	<u>*Rates in Cents per 100 Pounds</u>
Any Quantity	109
500 Pounds	55
1,000 Pounds	44
2,000 Pounds	38

\* These rates are subject to a minimum weight of 75,000 pounds per month tendered to the carrier by the shipper.

The OAKLAND JOBBER ZONE consists of the area bounded as follows:

Beginning at the intersection of San Francisco Bay and the Oakland approach to the San Francisco-Oakland Bay Bridge; thence northeast along said bridge approach to the intersection of 32nd Street; thence northeast on 32nd Street to Peralta Street; south on Peralta Street to 30th Street; east on 30th Street to Broadway; south on Broadway to 26th Street; east on 26th Street to Harrison; south on Harrison to Lakeside Drive; southeast on Lakeside Drive to Oak Street; thence south on Oak Street to 12th Street; east on 12th Street to Fallon Street; south on Fallon Street to Estuary; west on Estuary to Waterfront and north to point of beginning, including both sides of designated streets.

End of Appendix A