

ORIGINAL

Decision No. 65794

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation )  
into the rates, rules and regulations, )  
charges, allowances and practices of )  
all common carriers, highway carriers )  
and city carriers, relating to the )  
transportation of any and all commodi- )  
ties between and within all points and )  
places in the State of California (in- )  
cluding, but not limited to, transpor- )  
tation for which rates are provided )  
in Minimum Rate Tariff No. 2).

Case No. 5432  
Petitions Nos. 271 and 272

Case No. 5435  
Petitions Nos. 40 and 41

Case No. 5439  
Petitions Nos. 22 and 23

Case No. 5441  
Petitions Nos. 62 and 63

AND RELATED MATTERS

Bertram S. Silver and Robert G. Irvin, for  
Armored Transport, Inc.,  
Armored Transport, Inc., San Diego Division,  
Valley Armored Transport, Inc.,  
California Inter-city Armored Car Service, Inc.,  
United Clearings, Inc., petitioners.

Bertram S. Silver and F. D. Partlan, for  
Brinks Incorporated, petitioner.

Bertram S. Silver and George H. Hart, for  
Loomis Armored Car Service, Inc. of California,  
Loomis Armored Car Service, Inc. of Southern California,  
Loomis Armored Transport, Inc.,  
Loomis Courier Service, Inc., petitioners.

Roger L. Ramsey, for Red Arrow Bonded Messenger  
Corporation, respondent.

James F. Zahner, for Jet Delivery, Inc., respondent.

James Quintrall, J. C. Kaspar, and Arlo D. Poe, for  
California Trucking Associations, Inc., interested  
party.

Leonard Diamond, for the Transportation Division of  
the Commission's staff.

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## O P I N I O N

Petitioners Armored Transport, Inc., Armored Transport, Inc. (San Diego Division), Valley Armored Transport, Inc., California Inter-city Armored Car Service, Inc., Brinks Incorporated, Loomis Armored Car Service, Inc., of California, Loomis Armored Car Service, Inc. of Southern California, and Loomis Armored Transport, Inc., operate as for-hire carriers of money, securities and other commodities of similar value by means of armored vehicles. These same petitioners, and United Clearings, Inc., and Loomis Courier Service, Inc., also operate as for-hire carriers of business records and documents. In the latter service, a so-called courier service, the transportation is performed by ordinary automobiles, station wagons and panel trucks. Individually, petitioners operate, for the most part, within various defined portions of the State. Collectively, their operations are virtually State-wide. By the above-numbered petitions, filed August 20, 1962, and subsequently amended, they ask that they, or the services which they provide, be exempted from the minimum rates, rules and regulations which the Commission has prescribed for the transportation of general commodities within California. The minimum rates, rules and regulations in question are those set forth in the tariffs listed in the margin below.<sup>1</sup>

Petitioners state that they have operated for many years in the belief that their services are not subject to said minimum

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<sup>1</sup> City Carriers' Tariff No. 1-A; City Carriers' Tariff No. 2-A, Highway Carriers' Tariff No. 1-A; Minimum Rate Tariff No. 2; Minimum Rate Tariff No. 5, and Minimum Rate Tariff No. 9-A.

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rates, but that recently they have been informed that such may not be the case. They further state that their services are so different from those for which minimum rates have been prescribed that it would not be practicable nor in the public interest to subject their services to the same minimum rates. For this reason they have elected to seek the exemptions which are proposed herein.

Public hearings on the petitions were held before Examiner Abernathy at Los Angeles on November 29 and 30, 1962, and at San Francisco on January 23, 1963.

Evidence was submitted by petitioners to the effect that the services which they provide are of a very specialized nature. The high values of the commodities that are transported in the armored vehicles make the security of the shipments a prime consideration. The vehicles used in this service are armored with bullet resistant steel plate and glass, are equipped with other special protective devices, and are manned by specially selected and trained armed crews. The armored services are not confined to transportation only. They may, and frequently do, include the preparation of payrolls, the operation of check cashing services, and other services in which security is a major consideration.

In the conduct of their armored transportation services, petitioners are governed by contracts which they have negotiated with each of their patrons. Because of wide differences in service requirements amongst their patrons, the contracts are individually tailored to the patrons' specialized service needs, to the degree of risk involved, to the insurance required and to the protective services provided. Petitioners assert that there are no readily

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definable patterns in the services which would make said services reasonably susceptible to minimum rate regulation.

The services which petitioners provide in their courier operations consist of the transportation of such business records and documents as canceled checks, drafts and money orders in process of clearance, inventory records, sales records and tabulation cards. The shipments which move in the courier service do not have great intrinsic value, and do not require the special protective services needed in the transportation of money, securities and other valuable articles. However, the courier services likewise cover a wide range of activity, and must be closely coordinated with the schedules and needs of the bank, department store, chain store or other enterprise involved. Petitioners assert that the services are performed in such a multitude of circumstances it would not be reasonably practicable to bring them under minimum rate regulation.

Advance notice of the hearings on these matters was sent by the Commission's Secretary to persons and organizations believed to be interested. Representatives of the California Trucking Associations, Inc., of a carrier engaged in a parcel delivery service, and of the Commission's staff participated in the development of the record. No one opposed the exemption from the minimum rates of the transportation by armored vehicles. With respect to the courier services, a representative of the California Trucking Associations, Inc., and of a parcel delivery carrier pointed out that various parcel carriers perform quite similar services under minimum rates. He urged that in the event that exemption of

petitioners' courier services from the minimum rates is granted, the exemption be limited to petitioners' operations instead of being made applicable to the services themselves. Such a limitation, he said, should be provided in order to prevent undue extension of the exemption to transportation other than that performed by petitioners and the creation of unfair competitive conditions for parcel carriers operating under the existing minimum rates.

As has been stated previously herein, the minimum rates from which petitioners seek exemption are rates that have been prescribed for the transportation of general commodities. In the establishment of minimum rates for such commodities, some of the more important rate factors that enter into the determination of the rates are the weight and bulk of the shipments. In contrast, the record is clear that these factors have relatively little bearing upon the rates for petitioners' services, and that the principal determinants thereof are the security and service requirements in connection with the armored car transportation and the service requirements in connection with the courier transportation. In view of these and other dissimilarities between petitioners' services and those which are subject to the minimum rate provisions in issue herein, we find that said minimum rate provisions are not appropriate minimum rates, rules and regulations for the armored car and courier services which petitioners provide. Petitioners' request for exemption of the armored services from the minimum rates will be granted. Their request for exemption of the courier services will also be granted. However, in order to avoid the competitive difficulties pointed out by the

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representatives of the California Trucking Associations, Inc., and of the parcel delivery carrier, the exemption will be limited to petitioners. In order to avoid duplication of tariff distribution in the establishment of said exemptions, all minimum rate tariffs that are involved herein, other than Minimum Rate Tariff No. 2, will be amended to the extent necessary by separate orders.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff No. 2 (Appendix "D" to Decision No. 31606, as amended) be and it is hereby further amended by incorporating therein to become effective September 21, 1963, Nineteenth Revised Page 11 and Forty-fifth Revised Page 14, which revised pages are attached hereto and by this reference are made a part hereof.

2. Loomis Courier Service, Inc., Loomis Armored Transport, Inc., Loomis Armored Car Service, Inc., of California, Loomis Armored Car Service, Inc., of Southern California, Brinks Incorporated, Armored Transport, Inc., Valley Armored Transport, Inc., California Inter-city Armored Car Service Inc., United Clearings, Inc., Armored Transport, Inc., San Diego Division, be and they hereby are exempted from observance of the rates, rules and regulations in

City Carriers' Tariff No. 1-A;  
City Carriers' Tariff No. 2-A --  
Highway Carriers' Tariff No. 1-A;  
Minimum Rate Tariff No. 2;  
Minimum Rate Tariff No. 5, and  
Minimum Rate Tariff No. 9-A

in connection with the transportation of checks, drafts and/or

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money orders (moving in process of clearance between banks and/or clearing houses), legal documents, business records, audit media, and tabulation cards when transported in a vehicle not exceeding a licensed weight of 4,000 pounds.

3. Decision No. 52199, as amended, in Case No. 5432, is further amended (a) by adding the names of the carriers listed in Paragraph 2 above to the list of carriers set forth in Appendix "C" to said Decision No. 52199, and (b) by specifying the extent that the carriers listed in Paragraph 2 above are herein exempted from the rates, rules and regulations in Minimum Rate Tariff No. 2.

4. Tariff publications authorized to be made by common carriers as a result of the order herein may be made effective not earlier than the tenth day after the effective date of this order, and may be made effective on not less than ten days' notice to the Commission and to the public if filed not later than sixty days after the effective date of the minimum rate tariff pages incorporated in this order.

5. In all other respects, Decision No. 31606, as amended, shall remain in full force and effect.

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

Dated at San Francisco, California, this 30<sup>th</sup>  
day of JULY, 1963.

William L. Bennett  
President  
John S. [unclear]  
George T. Trover  
Fredrick B. Holoboff  
Commissioners

Item  
No.SECTION NO. 1 - RULES AND REGULATIONS OF  
GENERAL APPLICATIONDEFINITION OF TECHNICAL TERMS  
(Items Nos. 10 and 11)

\*ARMORED CAR means any motor truck and/or other highway vehicle which has been armored with bullet resistant metal and/or bullet proof glass, and which is manned by an armed crew.

CARRIER means a radial highway common carrier or a highway contract carrier as defined in the Highway Carriers' Act, or a household goods carrier as defined in the Household Goods Carriers Act.

CARRIER'S EQUIPMENT means any motor truck or other self-propelled highway vehicle, trailer, semi-trailer, or any combination of such highway vehicles operated as a single unit.

COMMON CARRIER RATE means any intrastate rate or rates of any common carrier or common carriers, as defined in the Public Utilities Act, lawfully on file with the Commission and in effect at time of shipment; any interstate or foreign rate or rates of any common carrier railroad or railroads applying between points in California by an interstate or foreign route, lawfully in effect at time of shipment; also any interstate or foreign rate or rates of any common carrier or common carriers, as defined in the Public Utilities Act, applying between points in California and in effect at time of shipment and covering transportation exempt from rate regulation of the Interstate Commerce Commission under Section 203(b)(6) or Section 203(b)(8) of Part II of the Interstate Commerce Act.

CONSIGNOR means the person, firm or corporation shown on the shipping document as the shipper of the property received by the carrier for transportation.

DISTANCE TABLE means Distance Table No. L, amendments thereto or reissues thereof.

ESCORT SERVICE means the furnishing of pilot cars or vehicles by a carrier as may be required by any governmental agency to accompany a shipment for highway safety.

ESTABLISHED DEPOT means a freight terminal owned or leased and maintained by a carrier for the receipt and delivery of shipments.

EXCEPTION SHEET means Pacific Southcoast Freight Bureau Exception Sheet No. 1-S, Cal.P.U.C. No. 193 of J. P. Haynes, Agent, and supplements thereto or reissues thereof when the provisions of such supplements or reissues have been approved by the Commission.

INDEPENDENT-CONTRACTOR SUBHAULER means any carrier who renders service for a principal carrier, for a specified recompense, for a specified result, under the control of the principal as to the result of the work only and not as to the means by which such result is accomplished.

MULTIPLE LOT SHIPMENT means a shipment transported in accordance with the provisions of Item No. 85 or 86.

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PALLETIZED SHIPMENT means a shipment tendered to and transported by the carrier on pallets (elevating-truck pallets or platforms or lift-truck skids, with or without standing sides or ends, but without tops).

PERMIT SHIPMENT means a shipment which because of its width, length, height, weight or size requires special authority from a governmental agency regulating the use of highways, roads or streets for the transportation of such shipment in whole or in part.

PICKUP AND DELIVERY CHARGE means the full charge applicable without the deduction authorized by Item No. 110.

POINT OF DESTINATION means the precise location at which property is tendered for physical delivery into the custody of the consignee or his agent. All points within a single industrial plant or receiving area of one consignee shall be considered as one point of destination. An industrial plant or receiving area of one consignee shall include only contiguous property which shall not be deemed separate if intersected only by public street or thoroughfare.

POINT OF ORIGIN means the precise location at which property is physically delivered by the consignor or his agent into the custody of the carrier for transportation. All points within a single industrial plant or shipping area of one consignor shall be considered as one point of origin. An industrial plant or shipping area of one consignor shall include only contiguous property which shall not be deemed separate if intersected only by public street or thoroughfare.

(Continued in Item No. 11)

∅ Change )  
\* Addition ) Decision No. 65794

EFFECTIVE SEPTEMBER 21, 1963

Issued by the Public Utilities Commission of the State of California,  
San Francisco, California.  
Correction No. 1327

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)
	<p>APPLICATION OF TARIFF-COMMODITIES (Items Nos. 40 and 41)</p> <p>Rates in this tariff apply for the transportation of all commodities, except as follows:</p>
<p>40</p> <p>Accessories, motion picture, Automobiles, set up, Automobile parts, accessories and related articles in secondary movement by Truck-away Service when subject to the rates, rules and regulations set forth in Minimum Rate Tariff No. 12, Baggage, Butter, dairy (subject to Note 8), Buttermilk, liquid (Subject to Note 2), Carriers (used packages), as described in Item No. 300 of the Exception Sheet, empty returning or forwarded for return loads (Subject to Note 1), Cement, hydraulic, masonry, natural or Portland--also lime, common (including magnesium lime, hydrated or hydraulic lime, quick or slaked), cement flue dust, and/or limestone, powdered, shipped in mixed shipments with cement--when transported in shipments of 40,000 pounds or more, or when transported in shipments of lesser weights subject to the rates, rules and regulations, including the minimum charge computed on a minimum weight of 40,000 pounds, which are set forth in Minimum Rate Tariff No. 10, Cement Clinker, Cheese (including cottage cheese and pot cheese) (Subject to Note 8), Chips, wood, in bulk (Subject to Note 13), *Commodities when transported in an armored car operated under permit from the Commissioner of the California Highway Patrol, Commodities transported under the vehicle unit rates, rules and regulations of Minimum Rate Tariff No. 5, applicable within Los Angeles and Orange Counties, Commodities of abnormal size or weight which because of such size or weight require the use of and are transported on low bed trailers, Commodities when transported in dump trucks, for which rates are provided in Minimum Rate Tariff No. 7,</p>	<p>Directories, telephone, Eggs (other than shelled, desiccated or frozen), Fertilizers, as described in Items Nos. 535, 540 and 550 of the Exception Sheet, Film, motion picture, Fruit, dried, unmanufactured and unprocessed (Subject to Note 4), Fruit, fresh or green (not cold pack nor frozen), Fungicides, agricultural, Furniture, household appliances and other home furnishings which have been sold at retail by a retail merchant, transported from retail stores or retail store warehouses, or transported from retail customers to retail stores or retail store warehouses (Subject to Note 3), Furniture, uncrated, new, as described in and for which rates are provided in Minimum Rate Tariff No. 11-A, and furniture, uncrated, new, of state, county or municipal governments, or transported under an agreement whereby the governments contracted for the carrier's services, Hay, Fodder and Straw, in machine pressed bales, for which rates are provided in Minimum Rate Tariff No. 14, Hops, House Trailers, set up, Hulls, almond, including shells and other waste from the hulling and shelling of almonds, not processed for use as animal or poultry feed, Ice Cream Mix, unflavored, Insecticides, agricultural, Jewelry transported from or to wholesale houses in packages weighing 10 pounds or less, Liquids, compressed gases, commodities in semi-plastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semi-trailers or a combination of such highway vehicles, Livestock, Logs (wood), Margarine (Subject to Note 8),</p>

Commodities which consist of or contain materials essential to National Defense and which have been donated to and are transported for the United States Government, governmental agencies, or nonprofit organizations acting for or in behalf of said government in the collection, assembly or transportation of said commodities in connection with the recovery of said essential materials from the commodities transported,

Commodities which have been sold at retail by a retail merchant, and transported from a retail store or retail store warehouse to residences of retail customers, or transported from residences of retail customers to retail stores or retail store warehouses, and such transportation is performed in vehicles in the exclusive use of the retailer and providing no shipment exceeds 2,000 pounds in weight. Further, that the merchandise is for the use or consumption of retail customers and is not for use in the furtherance of an industrial or commercial enterprise; and provided that the retailer shall certify on the shipping document for each delivery that the merchandise was sold at retail to a retail customer,

Concrete transported in motor vehicles equipped for mechanical mixing in transit,

Cotton,

Cream (Subject to Note 2),

Milk, liquid (Subject to Note 2),  
Newspapers; newspaper supplements, sections or inserts;  
(not scrap or waste),

Nuts, in the shell,

Nuts, field shelled (rough shelled, with or without removal of broken shells, dirt, residue, or foreign material, and not cleaned nor further processed),

Optical goods transported from or to wholesale houses in packages weighing 10 pounds or less,

Pits, fruit,

Poultry, live or dressed,

Property of the United States, or property transported under an agreement whereby the United States contracted for the carrier's services,

Property shipped to or from producers of motion pictures or television shows when transported subject to the rates, rules and regulations provided by Decision No. 33226, in Cases Nos. 4246 and 4434, as amended,

Property transported to a United States Post Office for mailing and United States mail transported from a post office to the addressee thereof (Subject to Note 11).

(Continued in Item No. 41)

o Change )  
\* Addition )  
o Reduction )

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