

Decision No. 66492

**ORIGINAL**

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 any and )  
all commodities between and within )  
all points and places in the State )  
of California (including, but not )  
limited to, transportation for )  
which rates are provided in Minimum )  
Rate Tariff No. 2). )

Case No. 5432  
(Petition for Modification  
No. 312)  
(Filed October 25, 1963)

OPINION AND ORDER

A & B Garment Delivery of San Francisco, a corporation, operates as a highway common carrier transporting certain wearing apparel and merchandise between points in an area generally encompassed by Ignacio, Napa, Sacramento, Stockton, Modesto, San Jose and San Francisco.<sup>1</sup> By Decision No. 64669 dated December 18, 1962, in Case No. 5432 (Petition for Modification No. 277), petitioner was authorized to publish a vehicle unit rate of \$8.16 per hour for transportation of certain wearing apparel, merchandise, store and office furniture, supplies and equipment and advertising materials, limited to shipments of 10,500 pounds or less and subject to other specified conditions. The published rate is scheduled to expire December 25, 1963.

Petitioner now seeks to continue to apply a vehicle unit rate, with the rules and regulations applicable thereto, for a further period of one year to December 25, 1964, but at the hourly rate of \$8.25 rather than \$8.16 and subject to a shipment limitation of 4,500 pounds rather than 10,500 pounds as now authorized, and to file and publish the rate upon ten days' notice to the Commission and to the public.

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<sup>1</sup> It also holds permits to operate as a radial highway common carrier, highway contract carrier and city carrier which are not involved in this proceeding.

According to the petition, the considered operation was initiated because of demands of one of petitioner's largest customers for a specialized service particularly suited to its needs. Revenues received from this shipper represent a substantial portion of the carrier's gross income. Allegedly, if petitioner is not able to furnish the required service, the traffic will be diverted to a competitive carrier whose operation is exempt from the rates in Minimum Rate Tariff No. 2. Petitioner has been assured of the continuance of service for this shipper if the authority requested herein is granted.

The petition also states that several other department and clothing stores have availed themselves of this service for their inter-branch store transfers; that these companies formerly transported the property in their own equipment; and that the reduction of the maximum weight of shipments that may be transported in this operation is necessary to limit the service to one which is actually required by the involved shippers. In Petition for Modification No. 277, a request was made and granted to increase the maximum from 4,500 to 10,500 pounds because of an anticipated need for such service. However, during the period since the issuance of Decision No. 64669, supra, petitioner has not been tendered any shipment which has exceeded 4,500 pounds and now wishes to restore the limitation that has existed from the inception of the operation until December 25, 1962.

As justification for the continuation of its current authority to assess an hourly vehicle unit rate, petitioner alleges that, except for increased labor costs, conditions upon which the initial request was predicated continue to exist and that, under the rate herein proposed, it will receive a satisfactory return from the operation during the coming year.

The petition includes, in addition to a balance sheet as of June 30, 1963, and a statement of profit and loss for the 12 months ending June 30, 1963, exhibits consisting of a development of petitioner's current hourly vehicle unit costs and a comparative cost and revenue study for the particular services herein involved. According to these exhibits the proposed operations at the proposed rate will be reasonably compensatory.<sup>2</sup>

The petition was filed on October 25, 1963. No objection to its being granted has been received. California Trucking Association has informed the Commission by letter that the proposed relief has been considered by that organization, and that it has no objection to the ex parte consideration requested.

In the circumstances, it appears, and the Commission finds, that for the service herein involved the proposed hourly vehicle unit rate of \$8.25 is reasonable and justified by transportation conditions. A public hearing is not necessary. The sought authority will be granted. Due to the expiration date of the current rate authority, the following order will be made effective on the date hereof.

Good cause appearing,

IT IS ORDERED that:

1. A & B Garment Delivery of San Francisco is hereby authorized to establish and publish a vehicle unit rate as set forth specifically in Appendix A which is attached hereto and by this reference made a part hereof, the rate to be published to expire with December 25, 1964. Tariff filings shall be made

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<sup>2</sup>

The proposed rate of \$8.25 per hour is the same as the vehicle unit rate established by the Commission as minimum in its Decisions Nos. 65834 and 65841 dated August 6, 1963, in Case No. 5441, Order Setting Hearing dated April 10, 1962, for similar equipment within the City of San Francisco.

effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and the public.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 17<sup>th</sup> day of December, 1963.

William L. Arnold  
President  
John E. Mitchell  
Ernest L. Rose  
George F. Grover  
Fredrick B. Holhoff  
Commissioners

RATE AND RULES FOR TRANSPORTATION  
PERFORMED BY A & B GARMENT DELIVERY  
OF SAN FRANCISCO UNDER HOURLY  
VEHICLE UNIT RATE.

A & B Garment Delivery of San Francisco is authorized to establish a rate of \$8.25 per hour for the transportation of garments, clothing, wearing apparel and merchandise incidental thereto; and also store and office furniture, supplies and equipment and advertising materials when shipped with the foregoing commodities, between retail stores and warehouses thereof, between:

- (a) All points in the San Francisco Territory and within five miles of the boundary thereof.
- (b) All points on U.S. Highway 101 between San Francisco and junction with State Highway 37, one mile north of Ignacio, inclusive, including all off-route points within three miles of the said route, and the off-route points of Belvedere, Tiburon, Mill Valley, San Anselmo, Fairfax and Novato; and
- (c) All points on State Highway 24 between Oakland and Walnut Creek, inclusive.

The above transportation is subject to the following limitations and conditions:

- (1) Shipments shall not exceed 4,500 pounds.
- (2) Minimum charge will be \$8.25.
- (3) No shipments of property shall be transported from retail stores or retail sales warehouses where the property has been sold at retail by a retail merchant.
- (4) Time shall be computed from the time the vehicle leaves carrier's place of business until it arrives back at said place of business.
- (5) Rate authorized above applies for service performed during regular working hours of 8:00 a.m. through 5:00 p.m., except Saturdays, Sundays and the following holidays: New Year's Day, Washington's Birthday, Decoration (Memorial) Day, Fourth of July, Labor Day, Admission Day, Thanksgiving Day and Christmas Day. When such holidays fall on Sunday

the following Monday shall be considered a holiday. For services performed at the request of the shipper or consignee at other than said regular working hours and on Saturdays, Sundays and holidays shown, an additional charge equal to the actual additional overtime cost will be made.

- (6) Actual bridge tolls shall be added to the above rate when such facilities are used.
- (7) Rate authorized above applies for the exclusive use of equipment furnished.

(End of Appendix A)