In the Matter of the Application of RAGUS TRUCKING, INC., to remove restrictions in permit.

Application No. 47293 Filed January 27, 1965

Bertram S. Silver, for the applicant.

Lawrence Q. Garcia, Counsel, H. L.

Farmer, and David R. Larrouy,

Counsel, for the Commission staff.

<u>OPINION</u>

This application was filed to remove the underlined portion of the first restriction and all of the second restriction quoted below from applicant's highway contract carrier permit.

- "(10) This permit is limited to the transportation of the following described commodities: General commodities excluding: livestock, cement, transportation of motor vehicles, property transported in dump truck equipment, new uncrated furniture, property transported in tank trailers, and operations for which a household goods carrier permit is required.
- "(11) Whenever permittee engages other carriers for the transportation of property of Sugar Products Company or Vernon Warehouse Company or the customers or suppliers of Sugar Products Company or Vernon Warehouse Company, permittee shall not pay such carriers less than the minimum rates and charges established by the Commission for the transportation actually performed by such other carriers."

A public hearing was held at San Francisco on March 24, 1965 before Examiner Fraser and the matter was submitted.

Applicant hired subhaulers to carry sugar from the C and H Sugar Flant in Crockett when all the Ragus trucks were employed elsewhere. The staff alleged that applicant is an affiliate of the Vernon Warehouse Company and that C and H Sugar Company is a customer

of the latter. The staff further alleged that a grant of the relief requested would create a situation that the restriction was designed to prevent.

Applicant contended that it has always paid the loading charges when using subhaulers and if the latter were paid the minimum rate, applicant would lose money on each transaction. It was further contended that applicant held neither interest or ownership in C and H Sugar Company and that the latter is both consignor and consignee on the sugar transported. The staff maintained that the tariff authorizes applicant to transfer the loading expense to the shipper by imposition of an accessorial charge.

The parties stipulated at the hearing that the second restriction in the applicant's highway contract carrier permit did not apply to transportation performed for C and H Sugar Company. Subsequent to the hearing, C and H Sugar Company installed mechanical loaders and all trucks are now loaded and unloaded automatically without charge.

Upon the record herein, the Commission finds as follows:

- Applicant neither owns nor controls any part of the C and H Sugar Company.
- 2. The transportation performed for C and H Sugar Company by subhaulers employed by the applicant is not subject to the restrictions in applicant's highway contract carrier permit.
- 3. All loading and unloading of trucks at the premises of the C and H Sugar Company in Crockett is now provided by mechanical loaders without charge.
- 4. The C and H Sugar Company is the consignor and consignee on all sugar transported.

Based upon the findings herein we conclude that the application should be denied since the relief it seeks has already been provided.

ORDER

IT IS ORDERED that Application No. 47293 is hereby denied.

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

		Dated at _	San Francisco	, California, this ///x
day	of _	NOVEMBER		
				In Marchell
			31	Sham la Berne
			Su	godu
			15	relliani Lemons. A
			2	wil P Monissed
				Commissioners.