

ORIGINAL

Decision No. 74471

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of THOMPSON BROS. FREIGHT FORWARD-)
ING CO., INC., A Corporation, to)
depart from the rates, rules and)
regulations of Minimum Rate)
Tariff No. 2, under the)
provisions of the Highway)
Carriers' Act.)

Application No. 50307
(Filed June 12, 1968)

OPINION AND ORDER

Thompson Bros. Freight Forwarding Co., a corporation, conducts operations pursuant to radial highway common carrier, highway contract carrier and city carrier permits. By Decision No. 72818 dated July 25, 1967, in Application No. 49125, it was authorized (1) to charge rates 3 cents per 100 pounds less than the Class C rates named in Minimum Rate Tariff No. 2 for the transportation of sugar, in packages, minimum weight 40,000 pounds per shipment, from California and Hawaiian Sugar Refining Corporation (C & H) at Crockett to points located within 350 constructive miles of Crockett and (2) to return the empty pallets to point of origin without charge under specified conditions. The current rate authority is scheduled to expire August 15, 1968.

By this application, applicant seeks an extension of the current rate authority, with certain modifications, for a further period of one year. Applicant proposes to modify the authority by also assessing rates 3 cents per 100 pounds less than the applicable minimum rates for the transportation of less-truckload shipments of not less than 10,000 pounds of sugar from and to the aforementioned points.

As recited in Decision No. 72818, supra, shipments transported under this authority are loaded by C & H employees with no assistance from personnel of the carrier. The carrier maintains a crew of hostlers and two tractors at C & H to shuttle trailers to and from the loading dock. The carrier's cost for loading a 40,000-pound shipment of sugar by hand is in excess of 5 cents per 100 pounds.

Applicant alleges that, except for an increase in its labor costs effective April 1, 1968, the transportation circumstances which justified the granting of the original authority continue to exist. It further alleges that these increased labor costs were offset by the general increase in the statewide minimum rates which became effective April 27, 1968, in the Commission's Minimum Rate Tariff No. 2.¹

Applicant asserts that, since 1967, the shipper has made additional mechanical loading facilities operational and now loads shipments of not less than 10,000 pounds in the same manner as truckload lots and that it realizes labor savings on the smaller shipments equivalent to those which result on truckload lots.

Revenue and expense data submitted by applicant indicate that the transportation involved has been profitable and reasonably may be expected to be profitable during the ensuing year.

A copy of the verified application was mailed by applicant to California Trucking Association on or about June 12, 1968. The application was listed on the Commission's Daily Calendar of June 13, 1968. No objection to the granting of the application has been received.

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Pursuant to Decision No. 73816 dated March 5, 1968, in Case No. 5432 (Petition for Modification No. 486) and Application No. 49927.

In the circumstances, it appears, and the Commission finds, that the proposed rates are reasonable to the extent indicated in the following order for the transportation involved. A public hearing is not necessary. The Commission concludes that the application should be granted as indicated in the following order.

In view of the impending expiration date of the current authority, the order which follows will be made effective August 15, 1968.

IT IS ORDERED that:

1. Thompson Bros. Freight Forwarding Co., Inc., a corporation, is hereby authorized to depart from the minimum rates set forth in Minimum Rate Tariff No. 2, for the transportation of sugar, in packages, from California and Hawaiian Sugar Refining Corporation at Crockett to points not over 350 constructive miles from Crockett, by charging rates (a) 3 cents per 100 pounds less than the 90 percent of fourth class rates from August 15 to and including August 31, 1968, and 3 cents per 100 pounds less than the Class 50.1 rates on and after September 1, 1968, on less-truckload shipments of not less than 10,000 pounds; and rates (b) 3 cents per 100 pounds less than the Class C rates from August 15 to and including August 31, 1968, and 3 cents per 100 pounds less than the Class 35.2 rates on and after September 1, 1968, on truckload shipments, minimum weight 40,000 pounds; subject to the conditions and limitations set forth in Appendix A attached hereto and by this reference made a part hereof.

2. Thompson Bros. Freight Forwarding Co., Inc., a corporation, is hereby authorized to transport empty pallets without charge to California and Hawaiian Sugar Refining Corporation at Crockett from points not over 350 constructive miles from Crockett, subject to the conditions and limitations set forth in Appendix A referred to in Ordering Paragraph 1 hereof.

3. The authority granted herein shall, on and after August 15, 1968, supersede the authority granted by Decision No. 72818 and shall expire with August 15, 1969.

This order shall become effective August 15, 1968.

Dated at San Francisco, California, this 30th day of July, 1968.

William J. ...
President
William L. ...

J. P. ...
Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner A. W. Gatov, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A TO DECISION NO. 74471

Carrier: Thompson Bros. Freight Forwarding Co., Inc.

Shipper: California and Hawaiian Sugar Refining Corp., Crockett.

Commodity: Sugar, in packages
Minimum weight 10,000 pounds per shipment.

Conditions: Subject to Notes 1, 2 and 3.

Note 1: Rates named are subject to the Central Coastal Territory surcharges named in Supplement No. 74 to Minimum Rate Tariff No. 2, where applicable, also all other applicable provisions shown in Minimum Rate Tariff No. 2 will apply except that Items Nos. 200 to 241 will not apply.

Note 2: When palletized shipments of sugar are transported under rates named herein, the empty pallets, platforms or skids may be transported to the point of origin of the palletized shipment without charge subject to the following terms and conditions:

- (1) Shipment must be loaded into carrier's equipment by the consignor with power equipment, furnished and used without expense to the carrier and when no services are performed at carrier's expense or by carrier personnel.
- (2) Shipper must indicate the number of pallets and weight thereof on bill of lading covering the loaded movement, and must show reference to the Shipping Document and date of shipment of the inbound movement on the outbound Shipping Document.
- (3) Shipper must indicate on shipping documents that palletized shipments were loaded directly onto trailers by power-loading equipment operated by personnel furnished by shipper.

- (4) Carrier will assess applicable tariff charges on empty pallets under the following conditions:
 - (a) If consignee immediately upon receipt of shipment fails to provide carrier with up to a like number of pallets, either for a return movement, or loaded for a beyond move by carrier, or
 - (b) For any empty pallets tendered in excess of the number of loaded pallets transported by carrier on said shipment.
- (5) The constructive mileage from point of origin to point of destination of the shipment shall not exceed 350 constructive miles.
- (6) For the purpose of this authority, empty pallets, platforms or skids shall be as described in Item No. 150370 (Sub 1), 150380, 150390 (Sub 2) or 150430 (Sub 2), of National Motor Freight Classification A-9; six inches or less in height or nested solid (as defined in Rule 110 of said classification), and of wood, metal or wood and metal construction.

Note 3: The rates herein authorized shall not be applicable to any transportation Thompson Bros., Inc., is authorized to perform as a certificated highway common carrier.

(End of Appendix A)