

Decision No. 76801

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of FILM TRANSPORT CO. OF CAL., INC.,
a California corporation, for
authority to increase rates, pursu-
ant to Sections 454 and 491 of the
California Public Utilities Code,
and to cancel Film Transport Co. of
Cal., Inc. Local Freight Tariff No.
1, Cal. P.U.C. No. 3, Series of
Alfred W. Bellows, doing business
as B & W Film Delivery.

Application No. 51360
(Filed September 11, 1969)

Russell & Schureman, by Carl Fritze,
for applicant.

Joseph Matson, for the Commission
staff.

O P I N I O N

This application was heard and submitted January 13, 1970
before Examiner Thompson at Los Angeles.

Applicant is a highway common carrier of general commodi-
ties between Los Angeles and environs, on the one hand, and points
and places in southern California, on the other hand. Approximately
forty percent of its business is the transportation of movie film
and theatre supplies. Applicant seeks authority to cancel its Local
Freight Tariff No. 1 Cal. P.U.C. No. 3 (Series of Alfred W. Bellows,
dba B & W Film Delivery) which names rates for the transportation
of motion picture film and certain articles between Los Angeles and
the San Bernardino-Riverside area, and to publish increased rates
for such transportation in its Local Freight Tariff, Cal. P.U.C.
No. 6 (Series of Benjamin S. Goldberg and W. Earl Goldberg, dba

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Film Transport Co. of California) which now names rates for the transportation of motion picture film and related articles between Los Angeles and other points applicant serves. The proposed increased rates are at the same level as the rates presently named in Local Freight Tariff No. 6. Applicant has notified all of the distributors and the 35 motion picture theatres involved in its proposal. There are no protests.

By reason of present negotiations with bargaining agents representing applicant's drivers, applicant believes that in the immediate future it will be necessary for it to file an application to increase all of its rates. The purpose of its present application is to equalize the rates and rules applicable to the San Bernardino-Riverside area with its other rates and rules in advance of such future application. In April or May, 1969, applicant purchased the operating rights of B & W Film Delivery authorizing the transportation of motion picture film in the San Bernardino-Riverside area and adopted the B & W tariff. At the time Bellows operated B & W he drove a truck and hired one driver at \$100 per week which, based upon a 40-hour week, amounts to \$2.50 per hour. Applicant's direct driver labor cost is \$6.05 per hour.

Testimony of applicant's president and exhibits presented by him, including financial statements, operating statistics and cost estimates, show that the additional revenues applicant will receive from the proposed increases in rates will not have any substantial effect upon its operating results. Applicant sustained losses from operations in 1967 and 1968. Based upon non-audited books covering operations for eleven months in 1969 and before closing entries which would prorate certain expenses paid in December over the calendar year, applicant estimates an operating ratio for 1969

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operations of 98.0 percent. It has also shown that the rates proposed herein distribute applicant's transportation cost burden more equitably among its shippers.

We find that the proposed increases have been shown to be justified. We conclude that the application should be granted.

O R D E R

IT IS ORDERED that:

1. Film Transport Co. of Cal., Inc., is authorized to establish the increased rates and rules proposed in Application No. 51360. Tariff publications authorized to be made as a result of the order herein may be made effective not earlier than ten days after the effective date hereof on not less than ten days' notice to the Commission and to the public.

2. The authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

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

Dated at _____ San Francisco _____, California, this 17th day of FEBRUARY, 1970.

William J. ...
President

August ...

William ...

John ...

Vernon L. ...
Commissioners