

Chicago 11, Illinois

DEC 11 1945

The Director of Retirement Claims

L-45 789

The General Counsel

McCormick Steamship Company

[REDACTED] [REDACTED]
Service claimed as a radio operator on various vessels from
July 7, 1932 through August 29, 1935.

In response to your request I herewith submit my opinion on
the following:

QUESTION

Was the McCormick Steamship Company an employer within
the meaning of either the Railroad Retirement Act or the
Railroad Unemployment Insurance Act, and is service to
it creditable under either of those Acts?

OPINION

It is my opinion that the McCormick Steamship Company
was not an employer within the meaning of either the
Railroad Retirement Act or the Railroad Unemployment
Insurance Act and that service to it is not creditable
under either of those Acts.

DISCUSSION

The name of the McCormick Steamship Company does not appear in
Poor's or Moody's manuals except that in Poor's Industrials for the year
1938 under the heading of the Charles R. McCormick Lumber Company it is
stated that "In October 1937 it was announced that all vessels and
transportation equipment would be transferred to McCormick Steamship
Company." There is no indication in any of the manuals examined that
the Charles R. McCormick Lumber Company controlled or was controlled by
any express company, sleeping car company or carrier by railroad subject
to part I of the Interstate Commerce Act.

An examination of the records of the Interstate Commerce Com-
mission shows that the McCormick Steamship Company filed with that Com-
mission annual (water carrier) reports for the years 1924, 1925 and 1926,
1937, 1938, 1939, and for the period ending August 31, 1940. The reports

Memorandum to
The Director of Retirement Claims

for the years 1924 through 1926 and for the year 1937 show control of the company by the Charles R. McCormick Company or the Charles R. McCormick Lumber Company and the reports for the years 1938 and 1939 contain the statement that the company was controlled by the Puget Mill Company and the Rainier Investment Company. The report for the period ended August 31, 1940, states that the company was dissolved on August 31, 1940 and that on that date distributed all of its assets to Pope & Talbot, Inc. The company appears to have been engaged in the operation of steamships in the Pacific, coastwise and intercoastal trades.

In a letter dated September 20, 1945, Mr. Charles L. Wheeler, Executive Vice President, Pope & Talbot, Inc., McCormick Steamship Division, states that Pope & Talbot, Inc. has never directly or indirectly owned or controlled any voting securities of an express company, sleeping car company or carrier by railroad; that neither the company's record of security holders nor any other record or source of information indicates any direct or indirect ownership of the company's voting securities by an express company, sleeping car company or carrier by railroad; that no officer or director of the Steamship Company has ever been an officer or director of any express company, sleeping car company or carrier by railroad; that neither the company's record of security holders nor any other record or source of information indicates any direct or indirect ownership of the company's voting securities by a person or company who or which also directly or indirectly owns the voting securities of an express company, sleeping car company or carrier by railroad and that the company has never sold a major part of its products or service under a contract with one customer which is an express company, sleeping car company or carrier by railroad or under a contract with one group of customers who are under common control with any express company, sleeping car company or carrier by railroad. In a letter dated October 3, 1945, Mr. R. F. Burley, Freight Traffic Manager, Pope & Talbot, Inc., states that "Our predecessor's company, known as McCormick Steamship Company, was incorporated in April, 1923 and the status of that company is identical and our answers would be the same as those we have given you in connection with Pope & Talbot, Inc."

Since from the foregoing it appears that the McCormick Steamship Company was not an express company, sleeping car company or carrier by railroad and that it was not owned or controlled by or under common control with any such company or carrier, it is my opinion that the McCormick Steamship Company was not an employer within the meaning of either the Railroad Retirement Act or the Railroad Unemployment Insurance Act and that service rendered to it is not creditable under either of those Acts.

Myles F. Gibbons
General Counsel

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