

ORIGINAL

In the Matter of the Application  
of ANAHEIM TRUCK AND TRANSFER  
COMPANY, a Corporation, for cer-  
tificate of public convenience  
and necessity to operate freight  
service between the City of  
Anaheim, California, and that por-  
tion of the City of Los Angeles  
known as Los Angeles Harbor, State  
of California, and all other points  
within a radius of five miles of the  
City of Anaheim.

Ames and McFadden, by T.L.McFadden, for Applicant.  
H. E. Gogarty, for Southern Pacific Railway, Protestant.  
C. W. Cornell, for Pacific Electric Railway, Protestant.  
H. N. Blair, For Hodge Transportation System, Protestant.  
Phil Jacobson, for S.D.Cowan (Triangle Express),  
Protestant.  
W. H. McGann, for Orange County Fast Freight,  
Protestant.

O P I N I O N

A public hearing herein was conducted by Examiner Williams at Anaheim.

Applicant offers to give a limited service between termini fixed upon demand only.

It is the testimony of J. B. Collings, secretary of applicant corporation that the corporation has been in business in one form or another for forty years in Anaheim and is now engaged in a general trucking business. His testimony also was that the company has been for more than a year last past transporting citrus goods from packing houses to the harbor at Los Angeles and bringing merchandise in return and that this service has been performed at the rates stated in the amended exhibit A. These hauls have been made by applicant only from packing houses at Anaheim and once for a packing house at Olive. No service has been performed at any other point within the five mile radius of Anaheim. The witness testified that 50 trips between Los Angeles and Anaheim had been made by its vehicles with property in transit within the ninety days preceding the hearing.

The witness testified that last year about 10,000 boxes of oranges were transported to the harbor and that the return movement was extremely small on lumber, fertilizer, etc.

Applicant possesses abundant equipment of standard character with which to give the service proposed and the sole question before us seems to be whether any additional service is required. Applicant produced John H. Ritchie, manager of the Anaheim Co-operative Orange Growers Association who testified that applicant had handled over 5000 boxes for the association packing houses this year, all the boxes being destined to the harbor for shipment to Liverpool, England. The association has one plant inside the municipal limits of Anaheim and another

about one-eighth mile outside the city limits. It was stated by Mr. Ritchie that the service of this applicant was to be preferred over any other rail or truck carrier because it was a local concern performing numerous other services for the witness's organization, particularly the hauling of the harvested crop from the orchards to the packing houses and that it simplified matters to have all the dealings of this character with one concern. The witness thought that a less rate by another carrier would not appeal to him. This witness testified that protestant Cowan (Triangle Express) had declined a shipment of 250 boxes of oranges between Olive and the harbor. He had declined to accept the shipment on the day offered <sup>but</sup> ~~by~~ agreed to provide equipment to move it the following Monday. The quantity to be shipped exceeded nine tons and witness was not aware that the Cowan Express was limited to a maximum of three tons.

W. H. Schureman, manager of the Anaheim Citrus Fruit Growers Association also testified in support of applicant and for practically the same reasons. The association has shipped within the last year 3085 boxes, about 40% of which was shipped by applicant's trucks to the harbor and the remainder by protestant Cowan and the trucks of the association. Mr. Schureman testified that he had been paying from 8¢ to 9¢ per box on the shipments. One of the plants of this organization is located about one-quarter mile beyond the city limits of Anaheim.

Applicant amended the application, before it rested, to obligate applicant to meet any demand upon it for service within twelve hours after receiving the demand.

Protestant Pacific Electric Railway by its witness M. D. Rosenberger, traveling freight agent, showed daily freight service between Anaheim and the harbor leaving Anaheim about 2:30 to 3:00 in the afternoon and reaching the harbor the same night and assuring delivery within 12 hours. Similar service for a reverse movement is also maintained. Similar service is also furnished between Bastanchury, Garden Grove and Orange and the harbor at a rate of \$2.60 per ton uniformly.

Protestant Cowan (Triangle Express) with the testimony of Elmer J. Doyle, one of its drivers, showed that it maintains a special daily service between Santa Ana and the harbor, serving directly Anaheim, Fullerton, Orange, Olive, Garden Grove, and other points included in applicant's proposed service and that 58 different customers have patronized this service. Since April, when it was established, the receipts of this line have been:

April	\$187.29
May	156.77
June	219.27
July	168.94

The amounts given are the gross receipts for all business in both directions and it was the testimony of Mr. Doyle that the overhead on this service amounts to an excess of \$200 monthly.

Through the testimony of L.C. Zimmerman, assistant freight agent, Southern Pacific Railway, this protestant showed a daily service to and from the harbor to the points sought to be served by applicant, this service leaving as a special orange train about 6:30 in the evening and reaching the harbor within six hours. An exhibit filed by this

protestant shows that there are special rates provided for the movement of citrus goods between Anaheim and the harbor approximately the same as proposed by applicant but with higher minima in order to procure carload rates.

Protestant Hodge Transportation System with the testimony of F. M. Hodge, its president, showed that it has been the pioneer in hauling from this citrus region the packed product in trucks to the harbor and that it had met the demands for rate reduction frequently and had in addition established an extremely low rate on return movement of fertilizer from the harbor in order to balance tonnage between termini. It was the testimony of Mr. Hodge that operations such as have been conducted by applicant herein have caused the withdrawal by packing houses of shipments from the Hodge service and have left only to him the unprofitable common carrier's duty of transporting fertilizer as a return movement. Mr. Hodge testified that the Hodge equipment is now being entirely changed and that the equipment of trucks and trailers is being displaced by the use of tractors with semi-trailers and four-wheel trailers attached, greatly increasing the capacity of the unit hauls and permitting a flexibility in the location and pick-up of equipment not heretofore possessed. This protestant also announced that it intended to establish at Orange an equipment reserve with a dispatching office and that it would be ready within one hour to supply any demand in Anaheim for any transportation service (of course exceeding three tons - protestant's minimum)

to the harbor or elsewhere.

Outside of its own interested officers applicant is supported only by the testimony of two witnesses, both managers of packing houses and one of whom admitted that all things being equal, he would take the cheapest rate. It is in testimony of Mr. Collings that the rates charged these two shippers were based upon a box rate of 8¢ to 12¢ variously and that the ton rate was a mere multiplication of the box rates charged.

During all this period the service of the Hodge Transportation System and of the rail carriers was available to these shippers. Since the first of April there has been the additional service of protestant Cowan (Triangle Express) which is available for small shipments not in excess of three tons. At all times applicant has been free to establish any rate agreeable to the consignors in connection with his other unregulated service for them while the existing carriers have been required to maintain and charge the rates authorized by this Commission. At no time did any consignor or beneficiary of the service performed by applicant make any complaint to this Commission as to the unreasonableness or injustice of the rates charged by any carrier or inadequacy of service.

Applicant in this proceeding originally filed a rate of \$2.70 per ton between Anaheim and Wilmington and \$3.05 per ton between Anaheim and San Pedro with a minimum charge of \$7.50 per shipment, the minimum calling for a weight of

about 2½ tons. Subsequently this rate was amended by reducing the first-named rate to \$2.50 per ton and the second named rate to \$2.85 per ton, maintaining the minimum charge of \$7.50 per shipment, thus increasing the minimum to three tons. Similar reductions were made as to the return movement rate on general merchandise from the harbor points to Anaheim with the same minimum charge. Applicant denied that this reduction had been made subsequent to the filing of the application because the rate proposed originally were the same as the rates of the Hodge Transportation System and because shippers had intimated that they must be less or they would patronize Hodge.

It seems clear from the record that at all times shippers at Anaheim have had abundant facilities for the transportation of citrus products to the harbor; that the existing lines have neither been shown to be inadequate in facilities, nor in point of delivery, nor defective in time of delivery, nor in asking unreasonable rates, and that the service that has been performed by this applicant could have been as well performed by any of the other carriers had they been permitted to do so. The only testimony in support of applicant is from the managers of two packing houses whose total shipment has been shown to equal about 10,000 boxes of oranges with practically no return movement.

It is the testimony of the chief witness for the applicant that it has hauled nothing ~~else~~ to the harbor in the last six months except citrus products and one or two loads of furniture and nothing in return. Applicant asks authority to transport property from any point within a radius of five miles of Anaheim and this would include Olive, Placentia and Fullerton, ~~and~~ a portion of Garden Grove and also the Bastanchury region. There is no proof from any portion of this radius that additional service is required except the statements by witness Ritchie that his association has a packing house at Olive which has shipped by applicant's service, and that it was a shipment from this plant that was refused by protestant Cowan. If the testimony discloses any need for service, it is a need for two packing houses in Anaheim and not any other source. There already exists in our judgment adequate rail and motor vehicle facilities for moving property to and from Anaheim, and the record discloses no real necessity for an additional carrier.

Therefore, basing our finding upon the record herein, we find as a fact that public convenience and necessity do not require the operation proposed by applicant herein and that the same should be denied for the reason that adequate facilities are already provided.

#### O R D E R

Anaheim Truck and Transfer Company, a corporation, having made application to the Railroad Commission for a certificate of public convenience and necessity to operate freight service between the city of Anaheim and the harbor district of Los Angeles, a public hearing having been held, the matter having been duly submitted, and now being ready for decision,



THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA  
HEREBY DECLARES that public necessity and convenience do not  
require the freight service proposed herein by applicant and

IT IS HEREBY ORDERED that this application be and  
the same hereby is denied.

Dated at San Francisco, California, this 27<sup>th</sup> day  
of September, 1924.

C. S. Seaver  
H. C. Brundage  
Dwight Martin

J. L. Whitney  
Commissioners