



In the matter of the application of C. C. TRANSFER & GARAGE for certificate of public convenience and necessity to operate a freight and truck service between Los Angeles and San Pedro and Wilmington.

Application No. 10020.

In the matter of the application of the SCANDIA TRUCK & TRANSFER COMPANY, INC., for certificate of public convenience and necessity to operate freight service between Los Angeles City proper, and the Harbor District of Los Angeles at Wilmington and San Pedro.

Application No. 9900.

In the matter of the application of A. B. C. TRANSPORTATION SYSTEM for certificate of public convenience and necessity to operate motor truck freight service between Los Angeles and San Pedro and Wilmington, a part of Los Angeles and commonly referred to as Los Angeles Harbor.

Application No. 9988.

In the matter of the application of T. J. WADE, doing business under the fictitious name of WADE SHIPPING COMPANY, for a certificate of public convenience and necessity, for transportation of freight between Los Angeles business districts, as described herein, and the steamship docks and wharves at Los Angeles Harbor, (San Pedro and Wilmington.)

Application No. 9584.

- L. L. Young, for applicant D. H. Schiffmann.
- H. M. Wade, for applicant T. J. Wade, doing business under the fictitious name of Wade Shipping Co.
- Nolan, Rohe & Freston, by Henry Ramey, for Frank H. White and Fred A. White, applicants.
- Maurice C. Sparling, for applicant Pacific Transportation Company.
- E. K. Maine, for applicant Diamond Transport & Storage Company.
- Devlin & Brookman, by Douglas Brookman, for the Hodge Transportation System and the Los Angeles & San Pedro Transportation Company, protestants.
- Howard Robertson and Herbert W. Kidd, for the California Truck Company, Citizens Truck Company, Star Truck & Transfer Company, Paul Kent Truck & Transfer Company, Belyea Truck Company, Ashton Truck Company, Smith Brothers Truck Company and Pioneer Truck Company, protestants.
- E. E. Bennett, for the Union Pacific Railroad, protestant.
- C. W. Cornell, for the Pacific Electric Railway Co., protestant.
- Frank M. Smith, for Bennett & Faus, protestant.
- Nolan, Rohe & Freston, by Henry Ramey, for applicant E. R. Ketchum, doing business under the fictitious

name of Atlas Transfer.  
C. W. Cornell, for Southern Pacific Company, protestant.  
Lowenthal, Collins & Lowenthal, by V. F. Collins, for  
A. B. C. Transportation System, applicant.  
H. M. Bruce, for applicant Scandia Trucking and Trans-  
port Company.  
Richard T. Eddy, for applicant E. S. Thomas & Sons.  
Harold I. Cruzan, for applicant C. C. Transfer & Garage.  
Frank M. Smith, for applicant Associated Transit Company.

SHORE, Commissioner.

### O P I N I O N

The above entitled applications came on regularly for hearing at Los Angeles on March 6, 7, 8, 11, and June 3 and 4, 1924. By stipulation they were consolidated for hearing and decision.

APPLICATION NO. 9798 is an application filed on behalf of E. R. KETCHUM, doing business under the name and style of ATLAS TRANSFER. This application, as amended, is for a certificate authorizing operation of automotive truck service between the City of Los Angeles proper and the steamship wharves and docks located at Wilmington and San Pedro.

APPLICATION NO. 9632, as amended, is a petition on behalf of FRANK H. WHITE and FRED A. WHITE, doing business under the name of WHITE TRUCK AND TRANSFER COMPANY, in which they also petition for a certificate of public convenience and necessity authorizing the operation of automotive truck service for the transportation of freight as a common carrier between Los Angeles City proper and steamship wharves and docks located at Wilmington and San Pedro.

APPLICATION NO. 9627 is an application filed by O. C. BUTLER and HAROLD A. GRUNDY, co-partners, doing business under the fictitious name of PACIFIC TRANSPORTATION COMPANY. This application, as amended, petitions for a certificate of public convenience and necessity authorizing the operation of automotive freight trucks for the transportation of various commodities as a common

carrier between the City of Los Angeles proper and the Harbor District of said City located at Wilmington and San Pedro.

APPLICATION NO. 9770 is a petition filed on behalf of S. H. THOMAS and C. A. THOMAS, co-partners, doing business under the name and style of THOMAS AND SON TRANSFER COMPANY, for a certificate of public convenience and necessity authorizing the operation of automotive trucks as a common carrier of freight between Los Angeles City proper on the one hand and East San Pedro or Terminal Island on the other, and between East San Pedro or Terminal Island on the one hand and San Pedro and Wilmington on the other.

APPLICATION NO. 10080 is an application filed on behalf of ASSOCIATED TRANSIT COMPANY, a corporation, in which it petitions for a certificate of public convenience and necessity authorizing the operation of automotive truck service for the transportation solely of newsprint paper stock in rolls between steamship wharves located at Wilmington and San Pedro and the City of Los Angeles proper, also the cities of San Pedro, Long Beach, Venice, Santa Monica, Glendale, Pasadena and Alhambra.

APPLICATION NO. 9496, as amended, is an application filed by D. H. SCHIFFMAN, an individual, in which he petitions for a certificate of public convenience and necessity authorizing the operation of automotive truck service for the transportation of general freight between Los Angeles on the one hand and the Harbor District, Wilmington and San Pedro, on the other.

APPLICATION NO. 9659, filed on behalf of F. F. BALZER, doing business under the name and style of DIAMOND TRANSPORT AND STORAGE COMPANY, petitions the Commission for a certificate of public convenience and necessity authorizing the operation of automotive trucks for the transportation of freight as a common carrier between Los Angeles City proper and steamship wharves located at Wilmington and San Pedro.

APPLICATION NO. 10020 is a petition filed by C. C. CART-  
WRIGHT, doing business under the fictitious name of C. C. TRANSFER  
& GARAGE CO. This application also asks for a certificate of  
public convenience and necessity authorizing the operation of auto-  
motive truck service for the transportation of freight as a common  
carrier between Los Angeles City proper and steamship wharves  
located at Wilmington and San Pedro.

APPLICATION NO. 9900 is a petition filed on behalf of the  
SCANDIA TRUCK AND TRANSFER COMPANY, INC., a corporation, for a cer-  
tificate of public convenience and necessity authorizing the opera-  
tion of automotive truck service for the transportation of freight  
between Los Angeles City proper and the Harbor District of the City  
of Los Angeles at Wilmington and San Pedro,

APPLICATION NO. 9988 is a petition filed on behalf of  
CLAUDE C. CUNNINGHAM and ERNEST M. AKINS, co-partners, doing  
business under the fictitious name of A. B. C. TRANSPORTATION  
SYSTEM. This application is also for a certificate authorizing  
the operation of automotive truck service for the transportation  
of freight as a common carrier between Los Angeles City proper and  
steamship wharves located at Wilmington and San Pedro.

APPLICATION NO. 9584 is a petition filed on behalf of  
T. J. WADE, doing business under the fictitious name of WADE SHIPPING  
COMPANY. This application, as amended, is for a certificate of  
public convenience and necessity authorizing the operation of auto-  
motive trucks for the transportation of commodities between Los  
Angeles City proper and steamship docks and wharves at Los Angeles  
Harbor, namely, San Pedro and Wilmington.

These applications were protested at the above mentioned  
hearings by the Hodge Transportation System, Los Angeles and San  
Pedro Transportation Company, California Truck Company, Citizens

Truck Company, Star Truck and Transfer Company, Paul Kent Truck and Transfer Company, Belyea Truck Company, Ashton Truck Company, Smith Bros. Truck Company, Pioneer Truck Company, Bennett and Fans, Union Pacific Railroad, Southern Pacific Company and Pacific Electric Railway Company.

The above entitled applications grew out of a proceeding heretofore determined by the Commission, Case No. 1871, Decision No. 12823, Hodge Transportation System, et al. vs. Ashton Truck Company, et al., in which proceeding the Railroad Commission held that the operation of automotive trucks as common carriers for the transportation of property for compensation between Los Angeles City proper and the Harbor District of the City of Los Angeles, namely, Wilmington and San Pedro, fell within the provisions of Chapter 213, Statutes of 1917, and amendments thereto, due to the fact that such operations were not conducted wholly within the limits of a single municipality, in that trucks used in such service were obliged to travel outside of the city limits of the City of Los Angeles over county highway when moving between the business district and the harbor district of said City, a distance of approximately 22 or 24 miles. The record in the above entitled Case No. 1871 was by stipulation, in so far as material, made a part of the present proceeding in addition to evidence introduced by the individual applicants on behalf of their respective petitions, and protestants.

Certain general evidence was also introduced which by stipulation was made applicable to the consolidated proceedings. This joint evidence in effect showed a tremendous increase not only in inbound and outbound tonnage moving through Los Angeles Harbor, but also in the number of trucks operated between Los Angeles City proper and the Harbor District. Testimony of the statistician employed to gather data in this work shows the following increase in the average daily number of trucks moving over the Harbor Boulevard from 1917

to 1923:

	<u>Daily Average</u>
August, 1917 . . . .	283
May, 1918 . . . .	331
April, 1919 . . . .	421
April, 1920 . . . .	525
May, 1921 . . . .	655
April, 1922 . . . .	688
September, 1922 . . . .	1012
July, 1923 . . . .	1104

The daily average truck operation over the Harbor Truck Boulevard jumped from 41 in December 1919 to 1022 in July 1923. Inbound tonnage showed an increase from 1,570,009 pounds for the fiscal year ending June 30, 1917 to 4,090,965 pounds for the fiscal year ending June 30, 1923, and outbound tonnage an increase for the same period from 942,378 pounds to 14,784,922 pounds. The record also farther shows that a considerable amount of both the inbound and outbound tonnage consists of lumber, crude oil and crude oil products, only a small percentage of which, however, moved by motor truck and that accordingly is not material to the present proceeding.

Protestants, on the other hand, submitted evidence to the effect that in their experience the truck tonnage to and from the Harbor district and Los Angeles business district had materially decreased during the present year. Several exhibits were introduced by California Truck Company, Smith Brothers Truck & Transfer Company, and Los Angeles & San Pedro Transportation Company showing by charts and statistics the fluctuation by months and showing the peak of the traffic to have been in March to June and a general falling off as compared with the traffic of 1923.

In this connection, however, it was noted that almost all of the applicants herein were engaged in this operation over the same periods of time, and furthermore a check of operating trucks on the Harbor Boulevard and the Harbor Truck Boulevard revealed the fact that in addition to the authorized carriers and the applicants

herein a considerable part of the harbor trucking tonnage is handled by still other trucking concerns.

In the face of this widespread operation, and of the recognized fact noted in the record of this proceeding that the year 1924, owing to special conditions, has been an abnormal year, both in connection with the general business of the country, and particularly in California, with the tremendous growth of population and business in Los Angeles, it does not appear reasonable to assume that the harbor traffic to and from Los Angeles will diminish or even remain at its present level.

Protestants furthermore contended that they have ample equipment with which to handle the entire trucking business between Los Angeles and the Harbor, and that several of them are in a position to finance additional equipment as may be required. In this connection the following data was submitted by protestants.

The California Truck Company operates some 25 trucks and 12 trailers, in addition to some 59 horse drawn vehicles; the Star Truck and Transfer Company 18 trucks and 5 trailers; the Citizens Truck Company 25 trucks and 7 trailers; the Pioneer Truck and Transfer Company 17 trucks and 15 trailers; Smith Brothers Truck and Transfer Company 26 trucks and 18 trailers; Balyea Truck Company 27 trucks and 19 trailers; Bennett and Faus 10 trucks; Los Angeles and San Pedro Transportation Company 19 trucks, 4 tractors and 19 trailers; the Hodge Transportation System 22 trucks and 26 trailers. Evidence was also introduced on behalf of the Union Pacific Railroad and the Pacific Electric Railway Company as to the availability of sufficient freight equipment and the time taken in the movement of freight handled by them from the Harbor district to the freight sheds or sidings in the Los Angeles district.

The evidence further showed, however, that among the protesting trucking carriers only one is engaged exclusively in

operation between Los Angeles business district and the Harbor district. Approximately 85 to 90 percent of the business of the other protestants is business exclusively within the City of Los Angeles, or to and from points beyond Los Angeles. Most of the above enumerated equipment and the major part of the investment of these protestants is used in business outside of that involved in the strictly Los Angeles to Harbor business.

The evidence submitted by applicants also showed that with one exception the greater portion of their business is likewise within the City of Los Angeles proper, and that their harbor business is the normal and necessary expansion of their city business.

A brief review of the testimony on behalf of the respective applicants is given as follows:

APPLICATION NO. 9798, E. R. KETCHUM, doing business under the fictitious name of ATLAS TRANSFER COMPANY, testified that he started in business in the year 1913, that later he took his brother in partnership but bought him out about March 1, 1917, after which date and prior to May 1, 1917, he has been engaged as an individual in the operation of trucks for the transportation of property for compensation between Los Angeles proper, Wilmington and San Pedro. In support of his application, applicant introduced evidence from several former employees who testified in effect that they had driven trucks for applicant prior to May 1, 1917, transporting property for compensation between the points herein sought to be served. This applicant owns some 7 trucks and 2 trailers and is at the present time serving some 40 regular customers in Harbor transportation work. In view of the evidence introduced on behalf of this applicant, we believe that he has substantiated his claim to have been engaged in the transportation of property for compensation between Los Angeles and the Harbor prior to May 1, 1917 and continuously since that time, and accordingly it

will be unnecessary to further review testimony in this application. Applicant requested that in the event of the Commission finding that he had been operating prior to May 1, 1917 and continuously thereafter, and that accordingly it would be unnecessary for him to obtain a certificate of public convenience and necessity to pursue his operation lawfully, he be permitted to file his tariff schedule and rules and regulations, and that the Commission approve the same. The order herein will provide accordingly.

APPLICATION NO. 9652, FRANK E. WHITE and FRED A. WHITE, co-partners, doing business under the name of WHITE TRUCK AND TRANSFER COMPANY. Evidence in this proceeding tended to show that the senior White has been engaged in the trucking business in Los Angeles for a period of approximately 21 years; that he first commenced operation between Los Angeles City proper and the Harbor in December 1914. It appears that in the early part of 1916 he sold his interest in the trucking business to one Russell but continued trucking again for himself in December 1916 and thereafter as an individual until about July 1, 1923, at which time one-half interest in his business was transferred to his son. This co-partnership at the present time owns some 26 trucks and 9 trailers, of which from 2 to 6 per day are used in the Harbor haul. They have about 50 regular customers for whom they do exclusive transportation to or from the Harbor. Their equipment is carried on the books at a valuation of \$56,816.94 and includes, in addition to rolling stock, a warehouse, repair shop and a body building works. Due to the unauthorized transfer by an individual to a co-partnership, this applicant cannot claim the right to operate under Section 5 of Chapter 215, statutes of 1917; but it would appear clearly from the evidence introduced in this proceeding that the concern itself, though changed from an individual to a co-partnership, has been in continuous operation on a large scale for

a considerable period of time; and the steady growth of the business and the number of regular customers served would tend to show, as was testified to by witnesses, that the service has been of a very satisfactory nature and has been meeting a public convenience and necessity in this operation. This applicant proposes to charge rates identical with the schedule made effective for other large transportation companies at present authorized to transport property for compensation between Los Angeles and the Harbor district.

APPLICATION NO. 9627, BUTLER & GRUNDY, co-partners, doing business under the fictitious name of PACIFIC TRANSPORTATION COMPANY. Evidence was introduced to the effect that this concern has been in continuous operation between Los Angeles and the Harbor for a period of 10-1/2 years, although under different owners; that it has some \$35,000 in equipment, all of which is clear with the exception of a small payment yet due in the sum of \$216. Further, that it has about 62 standing orders with business houses in the City of Los Angeles. At the hearing this application was amended as regards rates to provide for a schedule identical with the rates of some eight other authorized transportation companies engaged in similar business. Applicant called several witnesses connected with business houses with which it has been doing business, such witnesses testifying in effect that the service of applicant, which they had been using for a considerable period of time last past, was of a very satisfactory nature. It appears that this concern was operating between Los Angeles and the Harbor district prior to May 1, 1917, the effective date of the Auto Stage & Truck Transportation Act, although the ownership has been changed subsequent thereto; further, that no authorization from this Commission for a change in the ownership had been obtained, and accordingly the Commission cannot entertain at this time an application for a right to operate under

the provisions of Section 5 of Chapter 213, Statutes of 1917, as amended, other than to consider such facts as tending to show a continuity of operation over a considerable period of time and further that as evidenced by the growth of the business this applicant has been rendering a satisfactory service and meeting a public necessity in its operation.

APPLICATION NO. 9770, S. E. THOMAS and C. A. THOMAS, doing business under the fictitious name of THOMAS AND SON TRANSFER COMPANY. Evidence was introduced to the effect that applicants have been engaged in the transportation business in Terminal Island for a considerable period of time, hauling principally for industries located at East San Pedro and San Pedro and Wilmington, together with occasional trips to and from the City of Los Angeles proper. These applicants ask for a certificate to operate between Terminal Island, San Pedro and Wilmington and between Terminal Island and Los Angeles City proper, but do not desire to engage in competitive transportation business with carriers operating between Los Angeles, Wilmington and San Pedro. A number of witnesses engaged in business on Terminal Island testified on behalf of applicants, such evidence going principally to the necessity for a continuation of the satisfactory nature of the service heretofore rendered. These applicants own and operate 5 trucks and 2 trailers, together with horse drawn vehicles required in local work on Terminal Island. They also maintain a warehouse and depot at Terminal Island and propose to charge a schedule of rates between the Island and Los Angeles identical, in so far as possible, with existing rates of the Los Angeles and San Pedro Transportation Company operating between Los Angeles, Wilmington and San Pedro.

In addition to the verbal testimony of witnesses, these applicants also introduced a considerable number of written communications from business houses heretofore served by them, all of which highly recommend the service heretofore given and the necessity of its continuance.

APPLICATION NO. 10080, ASSOCIATED TRANSIT COMPANY, a corporation. Applicant operates at the present time a warehouse at Wilmington, wherein it stores shipments of newsprint received from ships at Los Angeles Harbor. This company then distributes such paper as required to the varying newspapers located at Los Angeles, San Pedro, Long Beach, Venice, Santa Monica, Glendale, Pasadena, and Alhambra. It uses in such business some 5 trucks and 3 trailers of special construction suitable for the handling of heavy rolls of newsprint and has trained employees for the handling of this specific commodity. It proposes to charge a uniform rate of \$2.50 per ton in lots of 5 tons to, but not including, 10 tons, and a uniform rate of \$2.00 per ton in lots of 10 tons, or over, to all points proposed to be served, service to be rendered upon call from the newspaper with which applicant is doing business. In support of this application, applicant called the managing superintendent of the Newspaper Syndicate who testified that in the past he has had considerable difficulty in securing prompt delivery of newsprint; that the papers have not sufficient storage space to carry in stock newsprint necessary for a period of time and are obliged to have prompt and immediate deliveries on call. This applicant, it would appear, is rendering an exceptional service, handling one commodity only, which is not offered by any existing transportation company.

APPLICATION NO. 9496 - D. H. SCHIFFMAN.

Applicant testified in effect that he has at the present time some 12 trucks and 2 trailers; that he commenced operation between Los Angeles and the Harbor district on or about May of 1922 and that at the present time he holds contracts with 5 paper houses in the City of Los Angeles, under which contracts he has been engaged in the transportation of paper products from the Harbor district to Los Angeles, these particular commodities being handled at a flat rate of \$2.70 per ton. Applicant further testified that his equipment at present used and useful in the truck business has a value of \$35,000.00, of which there is outstanding at the present time an indebtedness of \$10,000, that he has never at any time in the past engaged in the transportation of general commodities between Los Angeles and the Harbor district other than the transportation of paper stock for the 5 houses now under contract, that he does not desire to confine his service solely to these commodities, but desires to engage in the general transportation business. His amended schedule of rates as proposed is identical with the schedule of rates as proposed by certain other applicants and also a majority of the protestant truck lines, with the one exception that he quotes a lower rate for the transportation of paper stock, such rate being similar to that now charged by him, namely 15¢ per hundred pounds. This applicant's paper transportation in the past, the evidence showed, has amounted to approximately 1200 tons per month. Applicant introduced evidence by witnesses from business houses in Los Angeles showing the satisfactory nature of his paper transportation business.

APPLICATION NO. 9659 - F. F. BALZER, doing business under the name of DIAMOND TRANSPORT AND STORAGE COMPANY. Applicant commenced trucking business between Los Angeles and the Harbor about August 1921. He has at the present time some 5 trucks and 2 trailers available for harbor hauling and testified in effect that in the past he had been handling 150 to 200 tons per month. This tonnage consists principally of the commodity handled for some 4 firms as set forth in applicant's petition. He testified in addition thereto that he had been hauling for a total of 15 firms and that his facilities at the present time are worth approximately \$15,000, with no indebtedness. This applicant proposes to charge rates approximately the same as the schedule of rates established for the harbor haul by other carriers. In addition to himself he called only one witness, an employee of the glass works for whom he has done hauling. This witness testified as to the satisfactory nature of his service heretofore rendered.

APPLICATION NO. 10020 - C. C. CARTWRIGHT, doing business under the fictitious name of C. C. TRANSFER AND GARAGE. Applicant has been engaged in trucking for approximately 4 years. He operates 4 trucks suitable for harbor hauling and 4 trailers. He proposes to charge rates as set forth in Exhibit "A" attached to the application, which are identical in most respects with a schedule of rates prescribed for the larger transportation companies engaged in the same business. Applicant, however, further testified that he desires to reserve the right to haul upon a per hour basis when he found it more suitable. Four witnesses were called on behalf of this applicant, various witnesses being engaged in the manufacture of talc. One witness testified that this applicant had been rendering a satisfactory service at \$1.61 per ton when trucks were loaded,

or \$2.15 per ton when not load<sup>ed by shipper</sup> and if such rates were increased he would ship by rail and not use the truck service. The other three witnesses testified that the service of applicant had been satisfactory, but what they principally desired was a satisfactory service at a reasonable rate. Applicant proposes in his rate schedule to charge \$2.00 per ton on tale when loaded on trucks. In view of the testimony of the witnesses shipping tale by applicant that they would not pay in excess of \$1.61 per ton when loaded on this applicant's trucks, it would appear that applicant would not secure such business under the schedule as proposed. No showing was made as to why the rates should be increased above the rates heretofore charged by applicant, and a certificate will be granted upon that basis.

APPLICATION NO. 9900 - SCANDIA TRUCK AND TRANSFER COMPANY, INC., a corporation. This applicant started hauling between Los Angeles proper and the Harbor district about November 1921, owns 7 trucks and 2 trailers, of which 3 trucks and 2 trailers are available for harbor business. In 1923 this company operated about 2 trucks daily to and from the harbor, but its business in 1924 dropped down to 1 or 2 trucks every other day, and the harbor business done in 1924 represents about three percent of the total business of the company, which is largely a business on standing orders involving specific commodities. On motion of this applicant's counsel the evidence admitted into the record from the Los Angeles Chamber of Commerce and by a representative of the County Road Department pertaining to the volume of truck traffic between Los Angeles and the harbor was made applicable to its application as to others in this proceeding. Upon this general evidence of public necessity, together with the record of its previous operations in hauling for estab-

lished customers, this applicant rested its application.

APPLICATION NO. 9988 - CLAUDE C. CUNNINGHAM and ERNEST M. AKINS, doing business under the fictitious name of A. B. C. TRANSPORTATION SYSTEM. These applicants are located within the Union Terminal Warehouse and operate at the present time about 6 trucks. Testimony was introduced to the effect that they handled during the last three months from 100 to 125 tons of freight to or from the harbor, which tonnage consists of approximately 5 percent of its total business. Applicants propose daily operation and rates identical with the uniform tariff of rates filed by other authorized transportation companies. Evidence introduced on behalf of these applicants ran principally to the claim that inasmuch as their Los Angeles terminal was situated in the Union Terminal Warehouse they are the sole transportation company which would have access to such building after closing hours and accordingly were in a position to handle rush shipments of business firms also located in the same terminal when such shipments were destined to arrive or to leave after closing hours, that this privilege was a material advantage to firms located in the same warehouse building who on several occasions in the past had rush shipments received after closing hours, and applicants were able to deliver the same, where other truck companies would have been unable to gain admittance and would have been obliged to await the opening of the warehouse the following day; and further that applicants serve the same firms in hauling their local business in Los Angeles.

APPLICATION NO. 9584 - T. J. WADE, doing business under the fictitious name of WADE SHIPPING COMPANY. This applicant has been for some time engaged in the transportation of commodities between Los Angeles and the Harbor. His

method of operation, however, prior to this proceeding has differed entirely from that of any of the authorized carriers and from that of any of the other applicants in this proceeding. His operations were conducted under his designation as a traffic manager, having established contracts with a considerable number of business concerns to handle their transportation between the Harbor district and Los Angeles. He owned no trucks nor terminals, but solicited and secured orders for the transportation of commodities at a specified and variable rate, and then secured truck operators to handle the hauling at a rate determined in the negotiations, and out of this method of operation, and without any investment of capital, this applicant derived a substantial profit.

In the course of the instant proceeding, however, this applicant purchased two trucks, making partial payment thereon, and entered into a lease with another truck owner, on terms in accordance with the provisions of General Order No. 67 of the Railroad Commission.

This applicant introduced testimony by 8 witnesses representing business houses handling various lines of commodities, who testified to prompt and satisfactory service and rates as applied heretofore by Wade Shipping Company.

This applicant's rates are in general lower than those applied by some of the authorized carriers. In justification of these rates, the applicant submitted estimates of his operating costs based on a thirty day period of operation. While this estimate and the examination of its details represented the nearest attempt by any of the applicants or protestants to make an accurate analysis of the costs of this operation, the Commission is not satisfied that it is a correct estimate, especially as a number of factors were omitted from

the calculation. Inasmuch, however, as no accurate basis for estimating the costs of this operation is before the Commission, partially due to the fact that operators have not heretofore segregated their accounts as between local city operation and harbor operation, the Commission is at this time unable to say that this applicant will be unable to operate profitably at the rates which he has offered, and we believe that the business community should have the benefit of the lowest reasonable rates offered.

There are some aspects of this application that have given the Commission serious thought, especially the fact that applicant owned no equipment at the time his application was filed, and showed a dilatory attitude in accepting and applying to his operations the rules and regulations of the Commission affecting the leasing of equipment, and further that he has now only a small capital investment and no terminal facilities in this operation; but the Commission on the other hand is impressed with the testimony offered by a considerable number of witnesses from the business community of Los Angeles who testified to the satisfactory character of his service, and made a fair showing in support of the requirements of public convenience and necessity for the service of this applicant. Accordingly a certificate of public convenience and necessity will be granted to him, and in accordance therewith he will be required to file with the Commission each month for the period of one year copies of all leases entered into by him for the leasing of equipment, in addition to present general requirements of filing leases.

After carefully reviewing the evidence and exhibits and arguments of counsel in this proceeding, the Railroad Commission is primarily impressed with the particular and unusual conditions applying to the truck operations between the Los

Angeles business district and the harbor district, over which it is obliged under the law to hold jurisdiction, and in formulating its decision on the applications herein is influenced by the following broad considerations in addition to the particular evidence in support of each individual application, as showing wherein public convenience and necessity require the proposed operations:

1. While the physical operation of trucks between the Los Angeles central business district and the harbor district moves over a route which is partly outside the municipal boundaries of the City of Los Angeles, the terminals of this operation are both within the city limits of Los Angeles and the business involved at both ends is essentially an important unit of the growing business of this city.

2. Many of the business houses of Los Angeles find it desirable as a matter of efficiency and economy to use the services of the same operator in the handling of their harbor business as they use in their other general city business.

3. Some business houses require the use of special truck equipment and sometimes operators of special experience in handling their commodities.

4. Nearly all of the authorized carriers, as well as applicants, are engaged in the general trucking and transfer business in the central business district of Los Angeles, and secure the greater part of their revenue from that source, conducting their harbor business incidental to and as an integral part of their general city business.

5. Owing to the fact that neither protesting

truck carriers nor applicants prior to this proceeding have segregated their accounts as between their general city hauling and their harbor operation, and that accordingly no reliable estimate of the operating costs of this operation is available for the purpose of determining the reasonableness of rates, it is necessary for the Commission at this time to accept the tariff schedules as offered, pending the securing of the necessary data from the segregated accounting of all authorized carriers, upon which at a later date an adjustment of rates may be made.

6. After due allowance is made for the reduced harbor traffic in 1924 as compared with 1925, the Commission is convinced that this is largely due to special retarding business conditions existing in the State and the country generally in 1924; and that the inevitable growth of population in Los Angeles and southern California will bring with it a large increase in the traffic between Los Angeles proper and its harbor district. To meet this growing requirement the business community of Los Angeles should be afforded every reasonable facility for the prompt, efficient and economical handling of its commodities.

In accordance with these principles and with the evidence, exhibits and oral argument submitted at the hearings of these applications, the Railroad Commission hereby finds as a fact that E. R. KETCHUM, doing business under the name and style of ATLAS TRANSFER, was operating in good faith automotive truck service for the transportation of property for compensation between Los Angeles City proper and Los Angeles harbor district at Wilmington and San Pedro prior to May 1, 1917 and continuously thereafter, and that as to said applicant no certificate of public convenience and necessity is required.

The Railroad Commission hereby further finds as a fact that public convenience and necessity require the operation by

FRANK H. WHITE and FRED A. WHITE, doing business under the name of WHITE TRUCK AND TRANSFER COMPANY,

O. C. BUTLER and HAROLD A. GRUNDY, co-partners, doing business under the fictitious name of PACIFIC TRANSPORTATION COMPANY,

D. H. SCHIFFMAN,

F. F. BALZER, doing business under the name and style of DIAMOND TRANSPORT AND STORAGE COMPANY,

C. C. CARTWRIGHT, doing business under the fictitious name of C. C. TRANSFER & GARAGE CO.,

SCANDIA TRUCK AND TRANSFER COMPANY, INC., a corporation,

CLAUDE C. CUNNINGHAM and ERNEST M. AKINS, co-partners, doing business under the fictitious name of A. B. C. TRANSPORTATION SYSTEM, and

T. J. WADE, doing business under the fictitious name of WADE SHIPPING COMPANY

of automotive truck service for the transportation of property for compensation between the City of Los Angeles proper and steamship wharves located at Los Angeles harbor, namely, Wilmington and San Pedro.

The Railroad Commission hereby further finds as a fact that public convenience and necessity require the operation by S. H. THOMAS and C. A. THOMAS, co-partners, doing business under the name and style of THOMAS AND SON TRANSFER COMPANY, of an automotive truck line for the transportation of property for compensation between Los Angeles City proper and East-San Pedro or Terminal Island, and between East San Pedro or Terminal Island on the one hand and San Pedro and Wilmington on the other.

The Railroad Commission hereby further finds as a fact that public convenience and necessity require the operation by ASSOCIATED TRANSIT COMPANY, a corporation, of automotive

truck service for the transportation solely of newsprint paper stock in rolls between steamship wharves located at Wilmington and San Pedro and the City of Los Angeles proper, also the cities of San Pedro, Long Beach, Venice, Santa Monica, Glendale, Pasadena and Alhambra, and an order will be rendered accordingly.

### O R D E R

Public hearings having been held in the above entitled applications, evidence and exhibits introduced and oral argument received, the Commission being fully advised and basing its order upon the opinion preceding this order and the findings of fact therein contained,

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require the operation by

FRANK E. WHITE and FRED A. WHITE, doing business under the name of WHITE TRUCK AND TRANSFER CO.,

O. C. BUTLER and HAROLD A. GRUNDY, co-partners, doing business under the fictitious name of PACIFIC TRANSPORTATION COMPANY,

D. H. SCHEFFMAN,

F. F. BALZER, doing business under the name and style of DIAMOND TRANSPORT AND STORAGE COMPANY,

C. C. CARTWRIGHT, doing business under the fictitious name of C. C. TRANSFER & GARAGE COMPANY,

SCANDIA TRUCK AND TRANSFER COMPANY, INC., a corporation,

CLAUDE C. CUNNINGHAM and ERNEST M. AKINS, co-partners, doing business under the fictitious name of A. B. C. TRANSPORTATION SYSTEM, and

F. J. WADE, doing business under the fictitious name of WADE SHIPPING COMPANY

of automotive truck service as a common carrier of property for compensation between the City of Los Angeles proper and steamship wharves and docks located at Los Angeles harbor, namely, Wilmington and San Pedro.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA  
HEREBY FURTHER DECLARES that public convenience and necessity  
require the operation by S. E. THOMAS and C. A. THOMAS, co-  
partners, doing business under the name and style of THOMAS  
AND SON TRANSFER COMPANY, of automotive truck service as a  
common carrier of property for compensation between the City  
of Los Angeles proper and East San Pedro or Terminal Island,  
and between East San Pedro or Terminal Island and San Pedro  
and Wilmington.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA  
HEREBY FURTHER DECLARES that public convenience and necessity  
require the operation by ASSOCIATED TRANSIT COMPANY, a corpora-  
tion, of automotive truck service as a common carrier solely  
of newsprint paper stock in rolls between steamship wharves  
located at Los Angeles harbor, namely, Wilmington and San Pedro,  
and the City of Los Angeles proper, and also between steamship  
wharves located at Los Angeles harbor, namely, Wilmington and  
San Pedro, and the cities of San Pedro, Long Beach, Venice,  
Santa Monica, Glendale, Pasadena and Alhambra, and

IT IS HEREBY ORDERED that certificates of public con-  
venience and necessity as hereinabove set forth be and the same  
are hereby granted, subject to the following conditions:

1. Applicants shall file their written acceptance of the certificates herein granted within a period not to exceed fifteen (15) days from the date hereof.
2. Applicants shall file, within a period not to exceed thirty (30) days from date hereof, duplicate tariff of rates as set forth in their respective applications, or as amended, the Commission reserving the right to require revision or amendment of such respective tariffs in so far as inconsistencies may appear therein due to amendments made during the course of these proceedings.
3. Applicants shall commence operation under the certificates herein granted within a period not to exceed fifty (50) days from date hereof, unless such time is formally extended by supplemental order herein.

4. In accordance with the provisions as set forth in the opinion preceding this order, applicant W. J. WADE, doing business under the fictitious name of WADE SHIPPING COMPANY, shall file with the Railroad Commission each month for the period of one year from date of commencement of operation under the certificate herein granted, copies of all leases entered into by him for the leasing of equipment used in operations conducted under the certificate herein granted, in addition to the general requirements of the Commission, as to leases.

5. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission has first been secured.

6. No vehicle may be operated by applicants herein in said service unless such vehicle is owned by them or leased under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes the effective date of this decision shall be twenty (20) days from date hereof.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission.

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

C. Seavey

Dwight Martin  
Egerton Share

J. T. Whitting  
Commissioners