Decision No. 1530

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application ) of T. R. JAKEWAY for a certificate ) of public convenience and necessity ) to operate the hauling of farm ) products and/or farm necessities ) service between Los Angeles and San ) Marguerita Ranch (between San Juan ) Capistrano and Oceanside, in the ) County of San Diego), and for an ) interim (or so-called temporary cer-) tificate) authorizing him to con- ) tinue the business established under) the exemption from regulation by the; Railroad Commission of the State of ) California, as conferred by the so- ) called Crittenden Amendment.



APPLICATION NO. 11166.

Fickeisen & Richardson, by J. E. Haley, for Applicant.

E. T. Lucey, for Atchison, Topeka & Santa Fe Railway, Protestant.

M. Thompson, for American Railway Express, Protestant.

Richard I. Eddy, for City Transfer & Storage Company, Protestant.

C. K. Fitzgerald and Chas. D. Boynton, for Boulevard Express, Protestant.

H. J. Bischoff, for Coast Truck Line, Protestant.

BY THE COMMISSION:

## OPINION

T. R. Jakeway has made application to the Railroad Commission for a certificate of public convenience and necessity to operate a service for the transportation of farm products and farm necessities between Los Angeles and the San Marguerita Ranch in San Diego County, and points intermediate, and points within a radius of 10 miles on either side of the highway.

A public hearing herein was conducted by Examiner Williams at San Diego.

Applicant proposes to transport farm produce from the San Marguerita Ranch in San Diego County to Los Angeles, and to transport, from Los Angeles to the ranch, all classes of property intended for use on the ranch or by its lessees. The ranch concerned is one of the most extensive in California, reaching almost from San Juan Capistrano to Oceanside and from the Pacific Ocean a distance of 22 miles inland. It contains 55,000 acres, and a great deal of the area, not cultivated by the owners, is leased in large parcels to tenants, who also produce large quantities of vegetables, which are sold chiefly in the Los Angeles market.

Applicant began transporting farm products and farm necessities to and from this ranch in November, 1923, under the exemption from regulation provided for by the Amendment of 1923 to Section 5 of the Auto Transportation Act, commonly known as the Crittenden Amendment, which was declared invalid by the Supreme Court in April, 1925. During the period when this amendment was effective, applicant transported large quantities of various kinds of produce from this ranch to Los Angeles, as shown by his Exhibit "D" attached to the application. In addition he hauled seasonal tonnage of dry beans to Oceanside, approximating 300 tons, and walnuts to San Juan Capistrano. There was also some movement of wheat, seed potatoes and hay to the ranch. Applicant also transported from Los Angeles 50,000 crates, 100,000 lugs, -

-2-

100,000 sacks, 25 tons of wrapping paper, 35 tons of nails, 75 tons of box shook, 150 tons of fertilizer, 75 tons of sulphur and 125 tons of pipe and machinery for water wells. This was only a portion of the business of this enormous ranch, as a great deal of produce is canned on the ranch or in close proximity thereto, or is shipped to eastern markets, the railroad of the Atchison, Topeka & Santa Fe, protestant herein, passing through the entire length of the ranch; also, large quantities of seed and supplies are received by rail.

At the hearing applicant amended the rate schedule proposed in his original application in order to make the rates more definite. He also amended his schedule of operation, which is to be daily except Sundays between Los Angeles and the ranch. The amendments appear to be satisfactory and consistent with the original offer of applicant, and with the testimony at the hearing.

Applicant has five trucks and a 4-wheel trailer for use in the conduct of his business, a portion of his equipment being leased.

Applicant has also been giving service between the San Marguerita ranch and San Onofre, San Mateo, San Juan Capistrano, Irvine and Santa Ana. There is no proof that his service is necessary between Santa Ana and the ranch, and the only testimony in support of the need of his service to the other points is that of applicant himself, who testified to frequent hauls of commodities under exemption at

-3-

the time they were hauled, and to a desire to continue this service. This offer on the part of applicant was not opposed by protestants, who seemed to be satisfied with applicant's stipulation that he would haul beans only from the ranch to Oceanside, and not to Los Angeles from Oceanside. Some of the stations included by applicant in his delivery points are stations along the Santa Fe Railway and are the terminations of hauls by him for many miles within the ranch property itself.

Applicant was supported by the direct testimony of R. W. Cooper, operating under lease 1500 acres on the Los Flores ranch, a portion of the San Marguerita domain, and C. A. Stump, operating 540 acres near the same point; and it was stipulated that F. E. Bernard, operating a large area near San Mateo, another portion of the ranch, would testify substantially the same as Cooper and Stump had done, their testimony being as to the usefulness and need of applicant's service.

The protestants, though numerous, offered no testimony in support of their protests.

It appears from the record that applicant has been performing a needed and useful service, that he is familiar with market conditions, and that his prompt service has benefited the ranchers upon this large area by delivery of their products at market at times of most inviting market conditions. It appears that his service is best adapted to transporting to and from Los Angeles the commodities listed in his application, but there seems to be no reason for en-

larging his operation to general freight privileges.

We therefore find as a fact, upon the record herein, that public convenience and necessity require the operation of the service as proposed by applicant between Los Angeles and the San Marguerita Banch, serving intermediately Los Flores, San Onofre, San Mateo and San Juan Capistrano, and between San Marguerita Banch and Oceanside for the transportation of beans only, and that a certificate therefor should be granted. An order will be so entered.

## ORDER

I. R. Jakeway having made application to the Railroad Commission for a certificate of public convenience and necessity to operate service for the transportation of farm products and farm necessities between Los Angeles and the San Marguerita Ranch in San Diego County, and intermediate points, and points within a radius of 10 miles on either side of the highway, a public hearing having been held, the matter having been daly submitted and now being ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation of the service as proposed by applicant herein, for the transportation to Los Angeles of farm products grown on the San Marguerita Ranch in San Diego County, with a return haul of farm necessities, including crates, lugs, box shook, wrapping paper, sacks, nails, sulphur, fertilizer, pipe.

-5-

machinery and water well supplies, from Los Angeles to San Marguerita Ranch. (provided, that all property so transported shall have the interior of the ranch or the city of Los Angeles as the point of origin or destination), and also for the transportation of beans only from San Marguerita Ranch to Oceanside, over and along the following route:

> From the north line of the San-Marguerita Ranch over the Coast Highway via San Juan Capistrano, Santa Ana, Garden Grove, Buena Park and Norwalk, to Los Angeles; and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same hereby is granted, subject to the following conditions:

- I. Applicant shall, within twenty (20) days from the date hereof, file with this Commission his written acceptance of the certificate herein granted; shall file, in duplicate, time schedules and tariff of rates identical with those as set forth in Exhibit attached to the application herein within a period of not to exceed twenty (20) days from date hereof; and shall commence operation of the service herein authorized within a period of not to exceed thirty (30) days from date hereof.
- II. The rights and privileges herein authorized may not be sold, leased, transferred nor assigned, nor service thereunder discontinued, unless the written consent of the Railroad Commission to such sale, lease, transfer, assignment or discontinuance has first been secured.
- III. No vehicle may be operated by applicant under the authority hereby granted unless such vehicle is owned or is leased by applicant under a contract or agreement on a basis satisfactory to the Railroad Commission.

-6-

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

Dated at San Francisco, California, this 15th day of <u>Detoluce</u> 1925.

=7=

lice