

Decision No. 16076

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application)
of ARDUINO CAMILLO, ANGELO CAMILLO)
and BARTIE CAMILLO, a co-partner-)
ship, doing business under the)
firm name and style of A. CAMILLO)
& SONS, for certificate of public)
convenience and necessity to oper-)
ate a general trucking and trans-)
portation service for the carrying)
of goods and merchandise between)
the City of Glendale and other)
points outside of the City of)
Glendale.)

APPLICATION NO. 11838

ORIGINAL

G. C. DeGarmo and E. B. Cornell, for Appli-
cants.

Phil Jacobson, for Granger Truck Line, Frank
Owens, Hodge Transportation System and Fran-
chise Motor Freight Association, Protestants.

D. W. Layne, for Pacific Electric Railway
Company, Protestant.

BY THE COMMISSION:

O P I N I O N

Arduino Camillo, Angelo Camillo and Bartie Camillo, a
co-partnership, doing business under the firm name and style of
A. Camillo & Sons, have made application to the Railroad Com-
mission for a certificate of public convenience and necessity
to operate a general trucking and transportation service for the
carrying of goods and merchandise between the city of Glendale

and various points in Southern California.

A public hearing herein was conducted by Examiner Williams at Los Angeles.

Applicants (a father and two sons) have been engaged for the past eight years in the business of transporting, by trucks, the greater portion of the products of Gladding, McBean & Company (formerly Tropico Potteries) from the factory to Los Angeles and other points in Southern California. While the title of the application names Glendale, a city contiguous to Los Angeles, as the point of origin, the factory to be served is not in Glendale, but is a short distance west of the dividing line between the two cities, and is, in fact, located in the city of Los Angeles. The factory manufactures vitrified clay sewer pipe, terra cotta, faience, tiles and colored wall tiles, and the industry has been long established.

By permission granted at the hearing, the application was amended by increasing the rate structure by adding to all rates the 4 per cent tax due from freight carriers to the State of California. This reconstruction of the rates was by agreement with the beneficiary of the service, which agreed to absorb the difference, it appearing that applicants, during all their service, had not paid any gross receipt tax as required by law.

Applicants' equipment, which is devoted solely to service for Gladding, McBean & Company, consists of seven trucks, representing an investment of approximately \$25,000. The business requires the services of seven men in its conduct. It was stipulated that 60 per cent of the movement from and to the factory is wholly within the city of Los Angeles, and that the

remainder is to various points in Southern California.

In Exhibit "A" applicants provide specific rates for any movement to 105 cities and towns of Southern California as far east as San Bernardino, as far north as Santa Barbara, as far south as Santa Ana and as far west as the beach towns between Santa Ana and Newport Beach. No general routing is given by applicants, it being their intention to perform service over the most direct route available in each case.

Applicants propose to haul only the commodities manufactured and distributed by Gladding, McBean & Company, with a back haul consisting only of such commodities as have been rejected upon delivery or are surplus products returning to the factory. The testimony shows that the service has been performed under a verbal contract on a schedule of rates practically the same as that proposed in the application; but to further establish the service to be performed, applicants and Gladding, McBean & Company have entered into a contract, a copy of which (applicants' Exhibit "D") is attached to the supplement to the application. This contract is to endure for a year, or longer from year to year, if mutually agreed to by the parties. The gross business enjoyed by applicants approximates \$30,000 per year, and frequently the equipment available is not sufficient and the factory has employed additional equipment. Applicants agree, however, to undertake to furnish equipment for all purposes, if necessary leasing additional trucks.

E. M. Davids, treasurer and factory manager of Gladding, McBean & Company, testified that the largest volume of tonnage from the factory consisted of vitrified sewer pipe. This is in

two classes, the smaller diameters being distributed to plumbers and plumbing supply houses for domestic sewer connections, while the larger pipe is sold to contractors or municipalities for public sewer construction. It frequently happens that such movements are continuous and of great volume from the factory to particular points, and Mr. Davids testified that the ability of the trucks to load at the factory and discharge cargo along the line of the work is of great value to his company. This witness further testified that the skill and care of applicants in transporting products results in a minimum loss from breakage, and that because of the superiority of applicants' service the factory has repeatedly refused offers of other carriers to haul at lower rates.

The average output of the factory for truck distribution approximates 2000 tons per month of sewer pipe and 300 tons of terra cotta, which is usually distributed under building construction subcontracts entered into between the factory and builders. Such movements, Mr. Davids testified, cannot be accomplished satisfactorily by rail because of the re-handling which rail transportation involves, with the consequent additional cost. Mr. Davids further testified that applicants' service possesses all the advantages of a factory-owned and operated service, and that if a certificate should not be granted to applicants the factory would replace their service with its own equipment. He based this conclusion upon the fact that the service of other truck carriers had been tried, and while it was efficient as to time of delivery and

adequacy of equipment. the element of breakage was so great as to result in considerable loss. Mr. Davids testified that 70 per cent of the distribution is in the city of Los Angeles and a large proportion of the remainder in Orange County, although deliveries in quantities of not less than one ton are made to scores of other points in Southern California in supplying building construction and plumbing trade demands.

The granting of the application was protested by the Granger Truck Line, Hodge Transportation System and the Pacific Electric Railway Company. The only testimony introduced by protestants, however, was that of F. W. Granger, proprietor of the Granger Truck Line. Mr. Granger testified that he has five trucks and two trailers available for the transportation of the commodities produced by Gladding, McBean & Company, and that he is ready, able and willing to perform the service required by them, particularly as to points east of Riverside and along the Valley Boulevard from Pomona to San Bernardino. A comparison of the rates of the Granger Truck Line with applicants' shows that applicants' rates are considerably lower than those of this protestant. It further appears by comparison of the rates of the Hodge Transportation System with those of applicants that a similar disparity exists. The rates of protestant Pacific Electric Railway Company cannot be compared with applicants', for the reason that this protestant's rates on less than carload quantities are higher than those of applicants. but on carload lots of 15 tons or more are lower. A part of this difference in rates is apparently due to the fact that the protestant truck lines furnish service to load their

own trucks, while applicants' trucks are loaded by the factory. Discharge of cargo, however, is made by the truck operator at destination.

According to the record herein, applicants are doing business as a private carrier between fixed termini and at fixed rates. While it is true that 70 per cent of their movement is within the city of Los Angeles exclusively, and therefore does not require a certificate from this Commission, the remainder of the movement is so related to the business of the factory and of the applicants as a whole, with a portion of the contract requiring delivery to points outside the city of Los Angeles, that in order to fix a limit on the business to be done by applicants between termini over the public highways, and also to facilitate the distribution of a native product sold in competition with similar native products generally to the public and for use in constructing public sewage systems and public and private buildings, we deem it a proper exercise of the authority vested in this Commission to certificate the operation as one justified by public convenience and necessity. While it is true, as the record shows, that movements between the factory and some of the points included in applicants' offer may not be made during the life of the contract, nevertheless applicants offer service between all points, on demand, for any quantity from one ton upward, and at the specific rates proposed in the application. It is the testimony of Mr. Davids that applicants' service is satisfactory, useful and beneficial to all parties concerned in the transaction. It is a wholesome feature of this record to find that all parties to

the proceeding prefer to comply with the law, rather than seek evasion of it.

It is our finding, therefore, based upon the record herein, that public convenience and necessity require the service proposed by applicants as a private carrier, and that a certificate therefor should be granted. An order accordingly will be entered.

O R D E R

Arduino Camillo, Angelo Camillo and Bartie Camillo, a co-partnership, doing business under the firm name and style of A. Camillo & Sons, having made application to the Railroad Commission for a certificate of public convenience and necessity to operate a service for the transportation of goods and merchandise between the city of Glendale and other points in Southern California, 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 convenience and necessity require the operation of an automobile truck service as proposed by applicants herein, for the transportation of goods, wares, merchandise and clay products between the plant of Gladding, McBean & Company in the city of Los Angeles, and Arlington, Alhambra, Altadena, Arcadia, Azusa, Anaheim, Artesia, Burbank, Baldwin Park, Bassett, Brea, Balboa, Buena Park, Bell, Beverly Hills, Belvedere, Claremont, Cucamonga, Chino, Corona, Covina, Compton, Clearwater, Culver City, Colton, Duarte, Downey, Eagle

Rock, El Monte, El Segundo, El Molino, Elsinore, Flint Ridge, Fullerton, Glendale, Glendora, Gardena, Hermosa, Huntington Park, Hyde Park, Hynes, Hawthorne, Huntington Beach, Inglewood, La Crescenta, La Canada, Lordsburg, La Habra, Long Beach, Lomita, Lankershim, La Verne, Los Angeles, Montebello, Monrovia, Montrose, Maywood, Newhall, Newport, Norwalk, Owensmouth, Ocean Park, Olive, Ontario, Orange, Oxnard, Palmdale, Palms, Placentia, Puente, Pasadena, Pomona, Rialto, Riverside, Rivera, Redondo, Roscoe, San Bernardino, Saugus, Sunland, South Pasadena, San Gabriel, Sierra Madre, San Dimas, Santa Ana, San Pedro, Santa Monica, Sawtelle, Sherman, San Fernando, San Marino, Sylmar, Tustin, Torrance, Tujunga, Uplands, Venice, Van Nuys, Ventura, Vernon, Whittier, Watts and Wilmington, over and along the following route:

By the most direct public highway available;

Provided, however, that applicants shall transport no commodities except such commodities as are manufactured and distributed by Gladding, McBean & Company at their plant in the city of Los Angeles, or such commodities as are returned to said plant as rejected or surplus material from the points named above; 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. Applicants shall file with this Commission, within twenty (20) days from date hereof, their 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 hereby 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 applicants under the authority hereby granted unless such vehicle is owned or is leased by applicants under a contract or agreement on a basis satisfactory to the Railroad Commission.

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 3rd
day of March 1926.

H. B. ...
C. ...
Leon ...
Commissioners.