

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of
GEORGE D. GRANT, an individual doing
business under the firm name of DEL
NORTE FISH AND PRODUCE COMPANY, for
a certificate of public convenience
and necessity to operate automobile
truck service between Crescent City,
Del Norte County, State of California,
and the Oregon State line, and inter-
mediate points.

Application No. 12318

George D. Grant, for Applicant.

H. C. Nelson, J. C. Mallen and G. W. Bryant,
for Coast Auto Lines, Protestant.

BY THE COMMISSION:

O P I N I O N

In this application, George D. Grant, doing business under the fictitious name of Del Norte Fish and Produce Company, seeks a certificate of public convenience and necessity, authorizing the operation of an automotive truck service for the transportation of freight between Crescent City and the point where the Crescent City-Grants Pass State Highway (otherwise known as the Redwood Highway) intersects the California-Oregon State line, and intermediate points. A schedule showing the proposed rates accompanies the application. Applicant will operate according to a regular time schedule, which also is attached to the application, and to conduct the service will use two 2-ton Graham Brothers trucks.

A public hearing was held before Examiner Austin at Eureka on March 16, 1926, when evidence was offered, the matter was submitted and it is now ready for decision.

In support of the application, the applicant, George D. Grant, testified that since the filing of the application he had formed a partnership consisting of himself and Milton M. McVay to operate this service and he requested permission, which was granted, to amend the application so as to include Mr. McVay as one of the applicants. He stated that possibly a corporation might later be formed to take over and conduct this freight line and its allied activities. Applicant Grant is engaged in the produce business at Crescent City. He contemplates constructing a wharf there and operating a small steamer between San Francisco and Crescent City, together with the proposed truck line which will serve points in Oregon and California, it being applicants' plan generally to ship fish from Crescent City by truck and handle produce on the return trip. The total investment in this business will exceed \$100,000 and from the record it appears that applicants are financially able to conduct this service. Mr. Grant testified that applicants expected to serve points on the Redwood Highway only and not on the Roosevelt Highway; at present two trucks are used for this service, operating once a week, which service will be continued, together with such additional equipment as business may require. At present Grant is handling produce only, purchased by himself, or his firm, and resold to the shippers for the purchase price, plus the freight, a large part of such products being the property of applicant Grant or his firm. He has been handling them in his own trucks rather than pay the freight rates of the Coast Auto Lines, which he regards as excessive. He estimates that the volume of traffic moving out of Crescent City will amount approximately to one and one-half tons a week. The proposed rates are based on distance and are lower than

those of the existing carrier. Applicant Grant admitted, on cross-examination, that there was not sufficient business in this territory for two lines and he called no shippers or other witness in support of application.

The granting of this application was protested by Coast Auto Lines, which operate a regular bi-weekly service from Crescent City to the Oregon line over both the Redwood and the Roosevelt Highways, serving also points in Oregon, and handling all freight offered along these routes. One truck is used for this service and an additional standby truck is kept at Crescent City. The traffic to California points is light, the population is sparse and the communities are quite small. At present the truck operating out of Crescent City handles an average of 500 pounds per trip. One of protestant's officials stated there was not sufficient business to support two truck lines in this territory.

The record indicates that protestant is affording dependable and adequate service for the transportation of freight along the route proposed to be served by applicant. No complaint as to its service has been made. Aside from the testimony of the applicant Grant, no evidence was offered by any shipper in support of the application. We believe that under the circumstances the Commission should extend its protection to the existing carrier by excluding a competitive service, for which there appears to be no public need. Possibly the applicant in the conduct of his business at Crescent City may profit personally by a service such as that proposed to the extent that his own merchandise will be transported at rates lower than those accorded by the protestant. However, this in itself is not sufficient to justify the establishment of a competing

truck service. If protestant's rates are excessive, the doors of the Commission are always open to receive complaints, and should the evidence warrant it, corrective measures will be promptly enforced. In our judgment the application should be denied.

Upon full consideration of the evidence, we are of the opinion and hereby find as a fact that public convenience and necessity do not require the operation by George D. Grant, doing business under the fictitious name of Del Norte Fish and Produce Company, nor of George D. Grant and Milton M. McVay, as co-partners, or either of them, of an automotive truck service for the transportation of freight between Crescent City over the Redwood Highway and the point where the Crescent City-Grants Pass State Highway intersects the California and Oregon State line, and intermediate points.

An order will be entered accordingly.

O R D E R

A public hearing having been held in the above entitled application, the matter having been duly submitted, the Commission, being now fully advised, and basing its order on the findings of fact which appear in the opinion preceding this order,

~~THE~~ RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity do not require the operation by George D. Grant, doing business under the fictitious name of Del Norte Fish and Produce Company, nor of George D. Grant and Milton M. McVay, as co-partners, or either of them, of an automotive truck service for the transportation of freight between Crescent City over the Redwood Highway and the point where the

Crescent City-Grants Pass State Highway intersects the California and Oregon State Line, and intermediate points.

IT IS HEREBY ORDERED that the above entitled application be, and the same is hereby denied.

Dated at San Francisco, California, this 12th day of May, 1926.

H. B. Brundage
Chairman
Leon Whitely
Commissioners.