Decision No. <u>17229</u>

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA



Application No. 11254

In the Matter of the Application of JAMES A. SCEOONOVER for certificate of public convenience and necessity to operate auto truck service between Oasis, Mecca, Thermal, Coachella, Indio and Los Angeles.

> James A. Schoonover, in propris persona.
> M. Thompson and Edward Stern, for the American Railway Express Company, Protestant.
> T. J. Arnett, for Southern Pacific Company, Protestant.
> H. J. Bischoff, for Coachella Valley Transportation Co., Protestant.
> F. M. Hodge, for Hodge Transportation Company and Imperial Valley & Los Angeles Express; Myron Westover, for Jerry F. Lyon Truck Company, Protestant.

BY THE COMMISSION:

<u>OPINION</u>

In this proceeding James A. Schoonover has applied for a certificate of public convenience and necessity, authorizing the operation of an automobile truck service for the transportation of farm products and supplies between Oasis, Mecca, Thermal, Coachella and Indio on the one hand, and Los Angeles on the other hand. The proposed rates appear in the schedule accompanying the application. No definite time schedule has been proposed, applicant stating that equipment will be furnished whenever required. Applicant proposes to commence operation with one $2\frac{\pi}{2}$ -ton truck, increasing the equipment as business requires.

1.

The matter was first set for hearing at El Centro on October 6, 1925, but the applicant did not appear, apparently due to inadvertence, as was explained later. Subsequently, a public hearing was held before Examiner Austin on November 17, 1925, at Los Angeles, when evidence was offered, the matter submitted, and it is now ready for decision.

Applicant intends to serve the towns of Oasis, Mecca, Thermal, Coachella and Indio and the territory within a radius of five or six miles of each of these towns. The service is designed primarily for the transportation of vegetables, fruit and grapes from the Coachella Valley to the markets of Los Angeles, shipments being picked up and loaded at the farms and transported directly to the Los Angeles markets. It is expected that there will be a back-haul of fertilizer in truck-load quantities, but this will probably be quite light. The heaviest movement of farm products occurs during the months of May, June and July; during the rest of the year the movement is insignificant. By stipulation, entered into at the hearing between the applicant and protestant, Hodge Transportation Company, it was agreed that the applicant would not receive any shipments at the town of Oasis itself, deliveries being confined to shipments tendered at the farms in the surrounding territory.

Applicant testified that he now owns one 2¹/₂-ton truck and if the application is granted he will purchase five two-ton trucks to be used in this service. He appears to be financially able to conduct the proposed service. He commenced operations in May, 1925, in the belief that he was entitled to do so without a certificate from this Commission, but ceased during June or July of that year, when notified to do so. He called three witnesses, all of whom are engaged in the produce

87 2-

business in Los Angeles, who testified in substance that the trucking service proposed by applicant would in every way meet their needs and would be a great convenience in their business. They stated that the produce handled by applicant would arrive at their markets at a more convenient hour than under any other method of transportation, that the direct delivery would be of great convenience, and that the shipments would be in better condition than if unloaded and transferred en route. The rates appear to be satisfactory to the shippers. Applicant proposed to serve no territory west of Indio and between that point and Los Angeles he will operate over the best available route. either by way of Riverside and Redlands or over the Jackrabbit trail via Moreno.

The granting of this application was protested by American Railway Express Company, Hodge Transportation Company and the Coachella Valley Transportation Company. When the case was called at El Centro an appearance was entered by the Jerry F. Lyon Truck Company, but this protestant did not appear at the Los Angeles hearing. The Southern Pacific Company also appeared at the El Centro hearing, but later withdrew its protest. The protestant, American Railway Express Company, introduced evidence describing its operations in connection with the Southern Pacific rail lines from the Coachella Valley to Los Angeles. In order to suit the needs of the Los Angeles markets, this protestant arranged for transporting produce in a specially ventilated car which was handled on Southern Pacific train No. 101, the Sunset Limited, serving Coachella Valley points and arriving at Los Angeles at 7:50 p.m. At the option of the consignees, such shipments are delivered immediately or are held over night and delivered the following morning. This protestant also maintains a service between Los Angeles and Coachella Valley

3.

88

points. Protestant, Coachella Valley Transportation Company, called witnesses who explained its service in detail. It is now operating a truck line between Los Angeles and Whitewater, Palm Springs. Indio, Coachella, Thermal and Mecca, pursuant to authority previously granted by this Commission. (Decision No. 8965 in Application No. 6428; Decision No. 11867 in Application No. 8607, and Decision No. 11971 in Application No. 8928.) It maintains a daily service, operating three trucks each way handling farm products to Los Angeles and general merohandise in the opposite direction. However, it does not perform a direct pick-up service at the farms. Its equipment is now running partly loaded from the Coachella Valley and it is able to handle additional shipments, if tendered.

The evidence shows that the towns along applicant's proposed route are now adequately served by protestants. American Railway Express Company, Coachella Valley Transportation Co., and Hodge Transportation Co.; consequently, the granting of the certificate sought herein will result in a duplication of transportation facilities for which there is no public need. It is true that none of protestants undertake to pick up and deliver shipments directly from the farms, as applicant proposes to do, within a radius of five or six miles from each of these towns. But applicant has shown no regular routes nor fixed termini over or between which he proposes to operate within these radial areas, and in the absence of such a showing no certificate can be granted for this service.

> In re Ben Moore, Decision No. 15,818, 27 R.R.C. 388. Therefore, the application will be denied.

> > -4-

89

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 James A. Schoonover of an automotive truck service for the transportation of farm products and farm supplies between Casis, Mecca, Thermal, Coachella and Indio, on the one hand, and Los Angeles, on the other hand.

An order will be entered accordingly.

ORDER

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 appearing in the opinion which precedes this order,--

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES THAT PUBLIC CONVENIENCE AND NECESSITY DO NOT REQUIRE the operation by JAMES A. SCHOONOVER of an automotive truck service for the transportation of farm products and farm supplies between Oasis, Mecca, Thermal, Coachella and Indio, on the one hand, and Los Angeles, on the other hand.

IT IS HEREBY ORDERED that the application of said James A. Schoonover for a certificate of public convenience and necessity be, and the same is hereby denied.

Dated at San Francisco, California, this $\frac{77}{2}$ day of August, 1926.

Commissioners

90[°] -

5.