

Decision No. 17283

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
IMPERIAL VALLEY-LOS ANGELES EXPRESS,  
a co-partnership owned and operated  
by F. M. Hodge and John D. Kwis, and  
IMPERIAL VALLEY-LOS ANGELES EXPRESS,  
a corporation, for extension of op-  
erative rights.

ORIGINAL

Application No. 11863.

Devlin & Brookman, by Douglas Brookman,  
for Petitioners.

B. J. Cross, for Southern Pacific Company.

BY THE COMMISSION:

O P I N I O N

F. M. Hodge and John D. Kwis, copartners, doing business under the fictitious name of Imperial Valley-Los Angeles Express, and Imperial Valley-Los Angeles Express, a corporation, have petitioned the Railroad Commission in accordance with their amended application for an order declaring that public convenience and necessity require the operation by Imperial Valley-Los Angeles Express, a corporation, of an automobile truck service for the transportation of freight and express as extensions of, and in connection with the authorized service of applicants under and by virtue of Decision No. 14,291 in Application No. 9630, which extensions are as follows:

1. The inclusion of Kane Springs, Fish Springs and Oasis, and all points within five miles of the route traversed, said three points now being on the route traversed by applicants under said Decision No. 14,291;

2. An extension to serve Calipatria, including all points within five miles on each side of said extension, with minimum loads of 10,000 pounds;

3. An extension to include Los Angeles via Pasadena over the Foothill Boulevard and all points within five miles on each side of the highway traversed, serving all intermediate points, with point of origin or destination of every shipment either Oasis or points east thereof, served by applicants in the Imperial Valley, with minimum loads of 10,000 pounds, with the exception of dairy products, i.e., butter, eggs and cream, which will carry a minimum of 4,000 pounds. Provided, however, that the western terminus of this proposed extension is Los Angeles, and not Los Angeles Harbor;

4. An extension to include Los Angeles Harbor over the following routes:

(a) Present route, which passes through Beaumont, Redlands, Colton, Ontario, Pomona and Los Angeles;

(b) Santa Ana Canyon Road, which shall be via Beaumont, Redlands, Riverside, Corona, Orange, Anaheim and west to Los Angeles Harbor:

(c) Cut-off from existing route south of Puente through Whittier and Downey to Los Angeles Harbor.

Provided, that the above three routes to the Los Angeles Harbor shall cover territory five miles on each side of the highway traversed, serving all intermediate points, with point of origin or destination of every shipment either Oasis or points east thereof served by applicants in the Imperial Valley, with minimum loads of 10,000 pounds, with the exception of dairy products, i. e., butter, eggs and cream, which will carry a minimum of 4,000 pounds.

A public hearing on said application was conducted before Examiner Satterwhite in Los Angeles, the matter was submitted, and

is now ready for decision.

Applicants propose to charge rates and to operate on a time schedule in accordance with amended Exhibit "A" and Exhibit "B" attached to said application, and to use the equipment now operated in its present service or held in reserve in accordance with Exhibit "C" attached to said application. The proposed classification governing class freight rates, also proposed rules and regulations governing traffic to be adopted and to govern the proposed service, are shown in Exhibit "D" attached to said application. Applicants further allege that the rates to be charged for these proposed extensions shall be as follows:

(a) The Westmoreland rates shall apply to Kane Springs, Fish Springs and Oasis;

(b) The Los Angeles rate shall apply to points west of Oasis;

(c) The Brawley rates shall apply to Calipatria.

No one protested the granting of said application.

The record shows that since the filing of the original application herein the said Imperial Valley-Los Angeles Express, a co-partnership, has filed Application No. 12,329, in which authority was sought to transfer the said certificate as granted in said decision above mentioned, to-wit: Decision No. 14,291, to said Imperial Valley-Los Angeles Express, a corporation, and a hearing was had upon said application and thereafter Decision No. 16,335 was rendered therein on March 30, 1926, authorizing the transfer of said certificate under Decision No. 14,291 to said corporation, and authorizing said corporation to issue stock therefor. Inasmuch as the transfer has now been effected in accordance with the authority granted in said Decision No. 16,335, and inasmuch as the Imperial Valley-Los Angeles Express, a corporation, has joined in this proceeding, as shown by amendment to this application, the certificate herein sought will be granted

in accordance with said amended application, and will run to said corporation, and not to said co-partnership.

Applicants called a considerable number of witnesses in support of the proposed extended service. The record contains a map of a portion of the territory now covered by the Hodge Transportation System, marked "Applicants' Exhibit No. 1," and shows clearly the present route traversed by applicants between Los Angeles and Imperial Valley points and the proposed extended routes desired by applicants.

The evidence shows that Kane Springs, Fish Springs and Oasis are fifteen miles, thirty-seven miles, and forty-four miles, respectively, west of Westmoreland and are on the authorized route traversed by applicants between Los Angeles and Imperial Valley points. At each of these three points there is operated a general merchandise store, garage and service station. The owners and operators of these stores appeared at the hearing and endorsed the proposed truck service on the basis that they purchased a great portion of their supplies at Los Angeles, and desire a direct store-door delivery, particularly in the transportation of fresh fruits, vegetables, ice cream, and other perishables into this desert region. These witnesses testified that the rail service was very unsatisfactory because they are compelled to haul with their own auto trucks nearly all of their freight shipments from the Southern Pacific station, over fifteen miles away, and very frequently have to make a second trip on account of the freight having failed to arrive.

The testimony also shows that this desert territory between Oasis and Westmoreland is a large farming district devoted extensively to the growth of citrus fruits, which are shipped in large quantities to the Citrus Fruit Association of Pasadena and many other packing houses there handling citrus

fruits. It was shown that citrus fruits are kept in excellent condition when shipped directly by auto truck.

Calipatria is about six miles from the main highway traversed by applicants and about eight miles distant from any rail station. Los Angeles is also a buying center for this farming territory, and it appears that one of the biggest ranching organizations including an oil company in this section which makes large shipments from Los Angeles, desire this proposed extended service to Calipatria.

Applicants offered considerable evidence in support of their proposed extension to Los Angeles Harbor. At San Pedro are located many large fish canning companies which purchase large quantities of fresh fish from Lower California, which are hauled from there to Calexico, and thence by rail to Los Angeles Harbor. The evidence indicates that the rail service is slow and very unsatisfactory by reason of the fact that fresh fish spoil rapidly and cannot be packed properly under ice for a long journey, and that the more expeditious truck service is the best means for transporting this perishable commodity. The Sales Manager for the Pittsburg Steel Company and several other large steel and iron companies, gave testimony to the effect that these companies constantly ship from San Pedro large consignments of wire nails and wire to the fruit packing companies throughout Imperial Valley, which are used in the making of crates for fruit, vegetables and other farm products, and that the proposed extension service to Los Angeles Harbor is very much desired.

Applicants are now compelled to make innumerable back-hauls from Los Angeles to Riverside, San Bernardino and other places, of various shipments from points in Imperial Valley by reason of the fact that they only have authority to route their trucks over and along the Valley Route by way of Colton, Ontario

and Pomona. It appears that Whitehead Bros., one of the largest wholesale dealers in eggs, butter and cheese at Riverside, purchase and ship 160 boxes of Golden State butter weekly from Los Angeles. This butter originates at El Centro and is hauled to Los Angeles and then reshipped in a back-haul to Riverside, involving an extra haul of 100 miles. The Challenge Cream and Butter Association at Los Angeles, which moves immense consignments of milk products from at least 300 dairymen in Imperial Valley over the authorized truck line of applicants, also have large deliveries to make in San Bernardino, and are compelled to make a back-haul of these deliveries from Los Angeles to San Bernardino. The Associated Warehouse and Truck Company, Inc. at San Bernardino, which does a large jobbing business in building material, covering about 30 different lines in Southern California, have endorsed the extended service of applicants. Herbert C. Shaw, representing this firm, testified to the effect that San Bernardino has become an important industrial and distributing center, and urged the authorization of the extended routes proposed by applicants on the ground that this extended service would meet the demands not only of these large warehouse companies, but many industrial concerns.

After careful consideration of all the evidence in this proceeding, we are of the opinion, and find as a fact that public convenience and necessity require the proposed extended service sought by applicants, and that the application should be granted.

#### O R D E R

A public hearing having been held in the above-entitled application, the matter having been submitted, and being now ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY  
DECLARES THAT PUBLIC CONVENIENCE AND NECESSITY REQUIRE THE OPERA-  
TION BY IMPERIAL VALLEY-LOS ANGELES EXPRESS, a corporation,  
of an automobile truck service for the transportation of freight  
and express as extensions of and in connection with the author-  
ized service of applicants under and by virtue of Decision No.  
14,291 in Application No. 9630, which extensions are as follows:

1. The inclusion of Kane Springs, Fish Springs  
and Oasis, and all points within five miles of the  
route traversed, said three points now being on the  
route traversed by applicants under said Decision  
No. 14,291;

2. An extension to serve Calipatria, including  
all points within five miles on each side of said ex-  
tension, with a minimum of 10,000 pounds;

3. An extension to include Los Angeles via Pasa-  
dena over the Foothill Boulevard and all points within  
five miles on each side of the highway traversed, serv-  
ing all intermediate points, with point of origin or  
destination of every shipment either Oasis or points  
east thereof served by applicants in the Imperial Valley,  
with minimum loads of 10,000 pounds, with the exception of  
dairy products, i.e., butter, eggs and cream, which will  
carry a minimum of 4,000 pounds. Provided, however,  
that the western terminus of this proposed extension is  
Los Angeles, and not Los Angeles Harbor;

4. An extension to include Los Angeles Harbor over  
the following routes:

- (a) Present route, which passes through Beaumont, Redlands, Colton, Ontario, Pomona and Los Angeles;
- (b) Santa Ana Canyon Road, which shall be via Beaumont, Redlands, Riverside, Corona, Orange, Anaheim and west to Los Angeles Harbor;
- (c) Cut-off from existing route south of Puente through Whittier and Downey to Los Angeles Harbor.

Provided, that the above three routes to the Los Angeles Harbor shall cover territory five (5) miles on each side of the highway traversed, serving all intermediate points, with point of origin or destination of every shipment either Oasis or points east thereof served by applicants in the Imperial Valley, with minimum loads of 10,000 pounds, with the exception of dairy products, i.e., butter, eggs and cream, which will carry a minimum of 4,000 pounds.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for the foregoing service be, and the same is hereby granted to applicant, IMPERIAL VALLEY/EXPRESS, a corporation, not as a separate service, but as supplemental to applicants' present operative rights between Los Angeles and Imperial Valley points, and subject to the following conditions:

1. Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof; shall file, in duplicate, tariff of rates and time schedules within a period of not to exceed twenty (20) days from date hereof, such tariff of rates and time schedules to be identical with those attached to the application herein; and shall commence operation of said service within a period of not to exceed thirty (30) days from date hereof.
2. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.



