

Decision No. 17756

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application)  
of LAMB'S TRANSFER for a certifi- )  
cate of public convenience and )  
necessity. )

APPLICATION NO. 12254.

Denio & Hart, by George A. Hart, for Applicant.

Phil Jacobson, for City Transfer & Storage Com-  
pany of Long Beach, Richards Trucking &  
Warehouse Company, Hodge Transportation Sys-  
tem, Los Angeles & San Pedro Transportation  
Company, Keystone Express, Rex Transfer Com-  
pany, Motor Service Express and Triangle  
Orange County Express, Protestants.

D. W. Layne, for Pacific Electric Railway Com-  
pany, Protestant.

BY THE COMMISSION:

O P I N I O N

B. W. Lamb and C. J. Lamb, a co-partnership doing bus-  
iness under the fictitious name of Lamb's Transfer, have applied  
to the Railroad Commission for an order declaring that public  
convenience and necessity require the operation by them of an  
auto truck service for the transportation of various commodities  
between Los Angeles and Wilmington, Long Beach and Wilmington  
and Long Beach and Los Angeles, and certain other points named  
in the application.

A public hearing herein was conducted by Examiner Wil-  
liams at Los Angeles.

According to the testimony of C. J. Lamb, one of the partners, applicants established this business in 1916 and since that time have been conducting a drayage service in and about the city of Long Beach. The co-partnership owns 14 trucks with a total gross capacity of 40 tons and having a present value of approximately \$62,000. Mr. Lamb testified that they transport approximately 5430 tons of merchandise monthly, a considerable portion of this movement consisting of kerosene, flour, canned goods, glassware, salt and junk. Rates covering movements of these commodities are set forth in detail in applicants' Exhibit "A" attached to the application.

The principal movement for which public need is shown is that of flour, and in support of this feature of the application applicants presented as witnesses J. A. Lovejoy of the Standard Flour Company, Charles Longhurst of Fisher Flour Company, J. A. MacKechnie, wholesale baker of Los Angeles, E. A. Castenada, sales manager of the Weber Baking Company of Los Angeles, David S. Kirkpatrick, proprietor of the National Bakery of Long Beach, and W. M. Bemish of the Davis-Standard Baking Company of Los Angeles.

According to the testimony of these witnesses, flour is received by brokers via water shipment from northern points, particularly Washington and Oregon, and is transported to bakeries in Los Angeles and elsewhere by truck, in preference to rail service, because the great majority of bakeries are not located on rail lines and therefore have no spur track facilities. Mr. Lovejoy and Mr. Longhurst testified that they have used the service of applicants under private contract for a

year or more, with satisfactory results, as applicants have special equipment and devote special attention to the service.

The testimony of the other witnesses was as to the necessity for the prompt receipt of consignments of flour shipped by water, and the superior ability of truck service to receive such consignments at shipside and deliver them at the bakeries without intermediate handling and at low rates.

We believe applicants have established need of the service proposed for the transportation of flour, but we must direct attention to the fact that the rates shown in the application vary according to the exact destination at each bakery, and that there are no general rates for different zones in Los Angeles. Applicants should provide a schedule of rates for this class of service that shall be applicable to any distance or any zone, rather than to the actual point of destination.

As to the movement of glassware and bottles from Long Beach to Los Angeles, applicants were supported by the testimony of R. H. Dallas, manufacturer of bottles at Long Beach. According to this witness, 75 per cent of his total tonnage moves to Los Angeles. He testified that he receives orders late in the afternoon for delivery before noon on the following day, and that applicants' service in this respect has been ideal. Applicants offer to extend this service to all Long Beach shippers shipping a minimum of one ton.

The need of service for the transportation of kerosene between Long Beach and Wilmington was supported by the testimony of W. J. Gorham, president of the Gorham-Durbrow Oil

Company, oil refiners of Long Beach who make shipments of kerosene in cases to China, Japan and other points in the Orient. Applicants now are transporting all these shipments to the docks at Wilmington under private contract with the company, at rates much lower than those offered by any other truck carrier or by any rail carrier. Applicants offer to extend the same service to any other oil producer in Long Beach at the same rates.

Applicants produced no proof, other than the testimony of C. J. Lamb, as to the movement of salt, canned goods, sugar, or junk between any points, and we cannot find in the record sufficient justification to regard these movements as other than the "on call" movements of a private carrier, and hence not within the jurisdiction of this Commission. It was the testimony of C. J. Lamb that applicants maintain a general drayage business, offering "on call" service, and that in the development of the business within the last ten years certain continuous hauls of large volume have accrued. It was from this service that the movement of flour, glassware and kerosene developed into a regular operation.

The record seems clear that the only movements for which public necessity has been shown are those of flour, glassware and kerosene. As to flour, the evidence in support of need for the special service rendered seems adequate, but there does not appear to be sufficient proof to justify the transportation of "bakery supplies" as detailed by applicants, as this would include sugar, canned fruits and shortening, which are used in large quantities, without restricting this movement to consignees who maintain bakeries. As to glass and kerosene,

we believe these commodities also should be included in the certificate granted in the order following this opinion, as the present movements are daily (in the case of kerosene, applicants require four trucks in constant use twenty-four hours a day, as cased kerosene must be shipped as soon as cased, storage being forbidden), and applicants offer to extend these same services to all Long Beach shippers at the same rates.

While appearances were entered for a number of protestants, only the City Transfer & Storage Company of Long Beach introduced testimony in support of the protest. This company has 57 pieces of equipment, of which 36 are trucks, and maintains four scheduled round trips daily between Long Beach and Los Angeles, and has abundant equipment for special hauls. This carrier was asked to establish the rates for flour and kerosene offered by applicants, but declined to do so, declaring such rates unprofitable. The financial showing made by applicants, however, is that of a profitable operation and does not justify the conclusion that the rates proposed are not profitable. Affirmative showing of necessity, coupled with lower rates, present a benefit to be conferred upon the public.

As regards all other movements proposed by applicants, a certificate must be denied because of lack of proof of public necessity.

We therefore find as a fact, upon the record herein, that public convenience and necessity require the operation by applicants B. W. Lamb and C. J. Lamb, doing business under the fictitious name of Lamb's Transfer, of an auto truck service

for the transportation of flour and bakery supplies, glassware and kerosene, subject to certain restrictions as noted in the order following this opinion.

O R D E R

B. W. Lamb and C. J. Lamb, a co-partnership doing business under the fictitious name of Lamb's Transfer, having applied to the Railroad Commission for an order declaring that public convenience and necessity require the operation by them of an auto truck service for the transportation of various commodities between Los Angeles and Wilmington, Long Beach and Wilmington and Long Beach and Los Angeles, and certain other points set forth in the application, 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 establishment and operation by applicants herein of an automobile truck service, as a common carrier, for the transportation of flour and bakery supplies between Wilmington and Los Angeles and Long Beach and Los Angeles and Wilmington and Long Beach, provided, however, that all such property so transported shall be delivered at a bakery; also for the transportation of kerosene in cases between Long Beach and Wilmington (a portion of the city of Los Angeles); also for the transportation of glassware and bottles between Long Beach and Los Angeles, over and along the following routes:

Between Long Beach and Wilmington via Anaheim Road; between Wilmington and San Pedro via Harbor Truck Boulevard; between Wilmington and Los Angeles via Harbor Truck Boulevard; and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such service be and the same is hereby granted to B. W. Lamb and C. J. Lamb, co-partners doing business under the fictitious name of Lamb's Transfer, subject to the following conditions:

- I. Applicants shall file with the Railroad Commission, within a period of not to exceed ten (10) days from date hereof, their written acceptance of the certificate herein granted.
- II. Applicants shall file, in duplicate, within a period of not to exceed twenty (20) days from date hereof, tariff of rates and time schedules, such tariff of rates and time schedules to be identical with those attached to the application herein, or rates and time schedules satisfactory to the Railroad Commission, and shall commence operation of said service within a period of not to exceed sixty (60) days from and after the date hereof.
- III. The rights and privileges herein granted 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.
- IV. No vehicle may be operated by applicants under the authority hereby granted unless such vehicle is owned by applicants or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

IT IS HEREBY FURTHER ORDERED that in all other respects and as to all other points, the application herein be and the same is hereby denied.

For all purposes except as hereinbefore stated, the effective date of this order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 13<sup>th</sup>  
day of December 1926.

H. H. Brown  
W. J. Seaver  
Edward C. ...  
Leon ...  
W. S. ...  
COMMISSIONERS.