

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
CITY AND SUBURBAN PACKAGE DELIVERY, )  
a corporation, to transfer operative )  
rights to UNITED PARCEL SERVICE OF )  
LOS ANGELES, INC., a corporation. )

Application No. 13755.

BY THE COMMISSION:

OPINION AND ORDER.

City and Suburban Package Delivery, a corporation, has applied to the Railroad Commission for an order approving the sale and transfer by it to United Parcel Service of Los Angeles, Inc., also a corporation, of an operating right for the transportation of property of limited weight between Los Angeles and points in territory adjacent to Los Angeles and United Parcel Service of Los Angeles, Inc., has applied for authority to purchase and acquire said operating right, to hereafter operate thereunder and to charge the patrons of City and Suburban Package Delivery the rates of United Parcel Service of Los Angeles, Inc., now on file with the Railroad Commission, being numbered C.R.C. No. 2. Authority to discontinue its operations as a transportation company and to withdraw its tariffs is also sought by City and Suburban Package Delivery.

The consideration to be paid for the property herein proposed to be transferred is given as \$100, no equipment being involved.

Applicant City and Suburban Package Delivery, is a transportation company as that term is defined in Chapter 213, Statutes of 1917, and Amendments thereto, and is engaged in the delivery of packages weighing not more than 50 pounds each by auto truck and delivery cars for merchants and shippers in the city of

Los Angeles, deliveries being made to points within the city of Los Angeles and to points in the suburban territory adjacent thereto. Said business is conducted under operating right established by Russell A. Peck, through operation in good faith on and prior to May 1, 1917. In Decision No. 10686, of the Railroad Commission rendered August 19, 1922, on Application No. 7979, Peck was authorized to transfer the operating right so established to United Parcel Service, a corporation, which corporation subsequently changed its name to City and Suburban Package Delivery, the applicant herein.

Applicant, United Parcel Service of Los Angeles, Inc., is also a transportation company as that term is defined in Chapter 213, Statutes of 1917, and Amendments thereto, and is likewise engaged in the delivery of packages by auto truck and delivery cars for merchants and shippers in the city of Los Angeles to points within the city of Los Angeles and to points within the suburban territory adjacent thereto. Applicant is engaged in said business in and by virtue of two certificates of public convenience and necessity granted by the Railroad Commission in its Decision No. 16425, dated April 7, 1926, and issued on Application No. 11122, and its Decision No. 13429, dated April 17, 1924, and issued on Application No. 9934.

Both applicants are engaged substantially in the same kind of business. City and Suburban Package Delivery delivers to no points to which deliveries are not also made by United Parcel Service of Los Angeles, Inc., resulting in many instances in a duplication of service. The business done by applicant City and Suburban Package Delivery is now primarily a local business in the city of Los Angeles.

It is declared by applicants that the transfer of operating rights herein proposed will be in the public interest

in that the patrons now served by City and Suburban Package Delivery will receive service through a company doing a very much greater suburban delivery service, with a much larger fleet of equipment, and making in many instances more frequent deliveries in the territory at present served by City and Suburban Package Delivery.

Supporting the request of City and Suburban Package Delivery for authority to cancel its tariffs now on file with the Railroad Commission, (C.R.C. No. 2 of Russell Peck, issued June 29, 1922, effective July 1, 1922), and that of United Parcel Service of Los Angeles, Inc., that it be permitted to charge the patrons of City and Suburban Package Delivery the rates of United Parcel Service of Los Angeles, Inc. now on file with the Railroad Commission, (C.R.C. No. 2), applicants declare that the rates of United Parcel Service of Los Angeles, Inc. up to and including 40 pounds are lower than the rates of City and Suburban Package Delivery; that the rates are the same for 41 pounds; that City and Suburban Package Delivery rates are slightly lower between 40 and 50 pounds than those of United Parcel Service of Los Angeles, Inc., but that as a matter of fact applicant, City and Suburban Package Delivery, gets practically no business of deliveries between 40 and 50 pounds, its operative right being limited to a 50 pound weight. Briefly, then, it is claimed that the application to patrons of City and Suburban Package Delivery of the rates of United Parcel Service of Los Angeles, Inc. will, in practically every instance, mean a reduction in the rates now paid by the patrons of City and Suburban Package Delivery.

We are of the opinion that this is a matter in which a public hearing is not necessary and that the application should be granted.

IT IS HEREBY ORDERED that the certificate of public

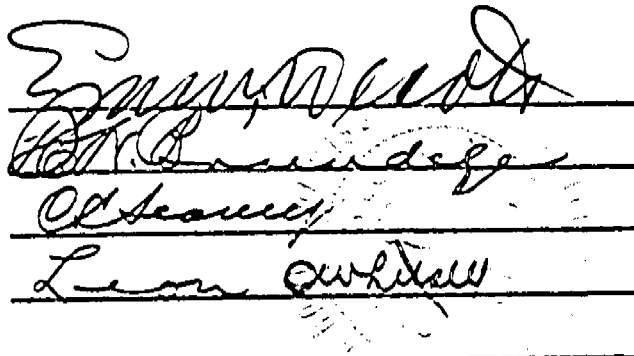
convenience and necessity heretofore granted to City and Suburban Package Delivery, a corporation, by the Railroad Commission in its Decision No. 10886, be and the same hereby is transferred to United Parcel Service of Los Angeles, Inc. a corporation, and

IT IS HEREBY FURTHER ORDERED that City and Suburban Package Delivery be and the same hereby is authorized to discontinue its operations as a transportation Company, heretofore performed under authority of the certificate of public convenience and necessity the transfer of which is herein authorized, and

IT IS HEREBY FURTHER ORDERED that said City and Suburban Package Delivery shall immediately withdraw tariff of rates and time schedules on file in its name with the Railroad Commission and

IT IS HEREBY FURTHER ORDERED that United Parcel Service of Los Angeles, Inc. be and the same hereby is authorized to apply tariff rates on file with the Railroad Commission in its name (C.R.C. No. 2), to any and all business done under the certificate of public convenience and necessity granted to City and Suburban Package Delivery, and which, by the order herein, is transferred to said United Parcel Service of Los Angeles, Inc.

Dated at San Francisco, California, this 9<sup>th</sup> day  
of June, 1927.

  
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Commissioners.