

ORIGINAL

Decision No. 19229

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application  
of T. R. Rex, for a certificate  
of public convenience and nec-  
essity to operate a motor truck  
service as a common carrier be-  
tween San Bernardino and Redlands  
and other points.

APPLICATION NO. 14176

Phil Jacobson, for Applicant.

Surr & Hellyer, by H. W. Phipps,  
for Atchison, Topeka & Santa Fe  
Railway Co., Protestant.

BY THE COMMISSION:

O P I N I O N

T. R. Rex, operating under the name and style of  
Rex Transportation Company, a freight common carrier, hav-  
ing principal offices at San Bernardino and Redlands, has  
applied to the Railroad Commission for authority to extend  
its terminal deliveries to Fontana, Rialto, Colton, Redlands,  
Highlands, East Highlands and Yucaipa, and to establish local  
service from San Bernardino and Redlands to such points.

A public hearing was conducted by Examiner Williams  
at San Bernardino.

Applicant now conducts a freight transportation business between Los Angeles and San Bernardino and Redlands and the other points named, by authority of Decisions Nos. 6902 and 13579. Shipments must originate at or be destined to Los Angeles

Applicant now alleges that there is a public need for additional service over the routes now served by him from Los Angeles:

Route No. 1, Between San Bernardino and Rialto and Fontana.

Route No. 2, Between San Bernardino and Colton.

Route No. 3, Between San Bernardino and Redlands, Highlands, East Highlands and Yucaipa.

Route No. 4, (By amendment at hearing) Between Redlands and Highlands, East Highlands and Yucaipa.

To meet this alleged demand, applicant offers daily service, except Sundays and holidays, and at class rates shown in Exhibit "A" attached to the application. Applicant owns seventeen trucks and seven trailers and offers to provide any additional equipment necessary. The deliveries are to be made by the regular trucks transporting Los Angeles shipments, or extra equipment. Special rates are offered for transporting trunks and suit cases.

Applicant explained that he had made many hauls for which authority is now sought, under the belief that his certificate permitted them, but that, when advised that the certificate only permitted transportation to and from Los Angeles, he filed the application now being considered.

At the hearing, applicant amended his time schedules to omit Sundays and holidays, and also to add Route No. 4 from Redlands to Highlands, East Highlands and Yucaipa, at the same rates as proposed for Route No. 2. It was also stipulated that the rates to be charged apply only to shipments originating at the points other than Los Angeles, and will not affect nor alter the rate structure between all points and Los Angeles.

In his support, applicant produced as witnesses, Leslie I. Harris, manager, San Bernardino department store with a branch at Redlands; G. E. Gunnett, San Bernardino tire dealer; Hunter C. Ferguson, manager, San Bernardino Oil Co., wholesale and retail oils and tires, with a branch at Redlands; L. L. Oldfield, San Bernardino, roofing materials and tiles; R. H. Stockwell, San Bernardino, office equipment and supplies; E. N. Jordan, manager, San Bernardino branch of Hammond Lumber Company; C. L. McWilliams, manager of the San Bernardino branch of the Pacific Pipe and Supply Company of Los Angeles; Alden Olcovich, Redlands, sanitary plumbing and drain pipe business, and Robert Waitman, Redlands, distributor of sewing machines.

These witnesses all testified their businesses need a daily service as proposed, and the individual use was estimated at from a few hundred pounds to several tons monthly; that the service of the Santa Fe railroad is not fast enough and requires depot delivery and additional trucking, while witnesses need direct delivery to the customer. Only one witness testified that he has used service of the Santa Fe railroad, except for shipments

from the East, and all had used the service of applicant with satisfaction. The volume of shipments to sustain the service proposed, as shown by these witnesses, aggregates about fifty tons monthly, including department store packages to the amount of eight or ten daily, to truck loads of lumber and building material, all requiring direct delivery to consignees or site of construction.

J. D. Inman, manager of applicant at Redlands, testified to daily demands for service to and from San Bernardino, and very frequently between Redlands and Highlands and Yucaipa. A large part of this demand is for transportation to rail lines of citrus fruits from Highlands packing houses, and deciduous fruits from Yucaipa. The witness named many businesses that sought service. He estimated a daily tonnage of one and one-half tons in both directions between Redlands and San Bernardino.

Joseph Araizo, manager of applicant at San Bernardino, gave similar testimony as to demands from that point and Colton, Rialto and Fontana. He estimated the tonnage to Fontana at twenty-five tons monthly, and to Highlands ten tons, based on offerings made by shippers.

The application was protested by the Santa Fe railroad, on the ground that its service is adequate to all points. It was admitted that this transportation is from depot to depot only, and that the hours for receipt and delivery of freight are from 8:00 A.M. to 4 P.M. Applicant's hours for receipt at terminals are from 5:00 A.M. to 6:00 P.M., and free pick-up service is maintained in Colton, San Bernardino and Redlands.

Applicant also offers free pick-up at other points after reasonable notice. The Santa Fe, according to the testimony of Harry A. Sugars, division trainmaster, maintains daily service between San Bernardino and Rialto and Fontana, leaving at 7:15 A.M. and returning between 5:00 and 6:00 P.M. A merchandise car to Colton is also daily, and delivery is begun at 7:00 A.M. at the car platform. A loop service with a merchandise car leaves San Bernardino daily at 1:30 A.M. and delivers at Highlands at 2:30 A.M., East Highlands at 3:00 A.M., Redlands at 4:30 A.M., returning from Redlands at 5:30 P.M. Agencies are maintained at all points. These services are available only to those who deliver shipments to the depots before 4:00 P.M. on the day preceding, and require, in most cases, a truck haul at point of destination.

Applicant proposes delivery to Rialto and Fontana at 8:30 A.M. daily, and return at 11:00 A.M.; to Colton at 7:00 A.M. daily, returning at 2:45 P.M., and to Redlands at 3:00 P.M., returning at 5:00 A.M. the day following, and from Redlands to Highlands at 7:00 A.M. and returning at 2:45 P.M. The bulk of the property transported will have additional free pick-up and delivery.

There is almost a parity of rates between applicant and protestant, except on Route No. 3, where the charges are five cents higher than rail. The charges to all other points for the four classes affecting L.C.L. movements are 25¢, 21¢, 18¢ and 15¢ per hundred weight for applicant, and 25¢, 21¢, 17½¢ and 15¢ for protestant.

After consideration of the entire record, we find that there is a substantial demand on the part of the

shipping public for the service proposed, based wholly on the need for direct transportation during business hours, from consignor to consignee. This service protestant does not offer, and the testimony shows that shippers do not use the service of this protestant at all, hence the applicant is not seeking business which protestant is now enjoying. Applicant is asking authority to provide interchange of commodities between all points by a method not now in existence, and serving a real need in a rapidly growing area. The application as amended should be granted, and an order accordingly will be entered.

#### O R D E R

T. R. Rex, operating under the name and style of Rex Transportation Company, having made application to the Railroad Commission for a certificate of public convenience and necessity to establish freight service between San Bernardino and Redlands and to Fontana, Rialto, Colton, Highlands, East Highlands and Yucaipa, 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 of service as proposed by applicant in his amended application, over and along the following routes:

Between San Bernardino and Fontana  
and Rialto, Foothill Boulevard;

Between San Bernardino and Colton,  
Colton Road;

Between San Bernardino and Redlands,  
State Highway;

Between Redlands and Highlands,  
Orange Street;

Between Redlands and Yucaipa, State  
Highway and Yucaipa Road; and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same hereby is granted, subject to the following conditions:

1. Applicant shall file with this Commission, within a period of not to exceed ten (10) days from date hereof, his written acceptance of the certificate herein granted as an extension and enlargement of his present operative rights, and not as a new or separate right.
2. Applicant shall file, in duplicate, within a period of not to exceed twenty (20) days from the date hereof, tariff of rates and time schedules, such tariffs 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 the date hereof.
3. 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.
4. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes, the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 10<sup>th</sup> day of January, 1928.

Leon A. Whall  
Chas. E. ...  
Ernest ...  
Thos. S. ...

Commissioners