

Decision No. 15879

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
CITY TRANSFER AND STORAGE COMPANY
(Long Beach) for Authority to Consol-
idate existing operative rights and
extend service.

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) APPLICATION NO. 14610
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Richard T. Eddy, for Applicant.

John A. Jorgenson, for Tolson Trans-
portation System, Inc., Zimmerman
Eres., and Los Angeles & Newport
Transportation Co., Protestants.

S. B. Cowan, for Rice Transportation Co.,
Los Angeles & Compton Transportation
Co., and S. B. Cowan, Applicant in
Application No. 14147, Protestants.

BY THE COMMISSION:

O P I N I O N

Applicant herein seeks a certificate authorizing the con-
solidation of the separate operative rights now held by it (except
those granted by Decision No. 15085 on Application 9831, for trans-
portation of household goods), and to extend its service between
Downey and Los Angeles and between Watts and Los Angeles, including
all intermediates, together with other enlargements of the rights
now held.

A public hearing herein was conducted by Examiner Williams
in Los Angeles.

Applicant now possesses operative rights by reason of Decision 7571 on Application 5511, by which the City Transfer & Storage Co., a partnership, transferred its rights for freight service between Los Angeles and Long Beach, acquired by operation prior to May 1, 1917, to a corporation of the same name. By Decision 12692 on Application 9336, applicant was authorized to establish a freight service between Long Beach and Wilmington and San Pedro (the latter points being portions of the City of Los Angeles). By Decision No. 17594 on Application 13187, applicant was authorized to conduct a freight service between Long Beach and Watts over a loop route serving many intermediate points and returning to Long Beach, and also on another loop route between Long Beach and Downey serving intermediate points including Norwalk, Garden Grove, Hynes and Clearwater, and including pick-up and delivery one mile on either side of the highways traversed.

In the present application, unification of the three operations as above described is asked, with the additional privilege of transporting property between Downey and Los Angeles and serving the intermediate points of Tweedy, South Gate, Walnut Park, Huntington Park, Maywood and Vernon; also to extend its service north from Watts to Los Angeles, serving all intermediate points. A further request of applicant is authority to route shipments between Los Angeles and Torrance and points south to and including Wilmington and San Pedro via Gardena, by way of Harbor Boulevard, an extension of South Main Street in the city of Los Angeles.

The operation as proposed by applicant in the present proceeding, if granted, would put applicant in possession of an unrestricted right to transport property between Los Angeles and practically all points south of Los Angeles as far east as Garden Grove, and as far west as Torrance, Lomita and Harbor City and all

points along the Coast between San Pedro and Huntington Beach, with the ability to operate between any two points in the area. It would also put applicant in a position to establish a new direct service between Los Angeles Harbor and Los Angeles either over the Truck Boulevard, Harbor Boulevard or Long Beach Boulevard, in competition with the thirty-two certificated carriers now conducting such service principally over Truck Boulevard. Public benefit resulting from such operation would be direct transportation of commodities between Los Angeles and all points south of Los Angeles by one carrier, and applicant proposes to confer the benefit for such enlarged service by new schedules of rates applicable to all classes of property, which rates, particularly as to the third and fourth classes, are either the same rates now established or less rates. In addition, quantity tonnage rates are established on a much lower scale and lower minima than now established. While no complete analysis of the rate structure has been made, it apparently shows reductions of ten to twenty per cent on many of the items, with no increases over present rates. A minimum charge of 35¢ on twenty-five pounds or less, or 50¢ on over twenty-five pounds is also proposed. Applicant proposes routes and schedules in its Exhibit "B" which appear to be adequate for the movements expected.

Applicant presented only one witness at the hearing— J. R. Zimmerman, Secretary and Treasurer and Manager of the corporation. Mr. Zimmerman testified that the applicant now is in possession of between fifty-five and sixty pieces of equipment, and has assets of approximately \$325,000. Its present operation over the existing routes is 351 truck miles daily. Under the new schedules and including extensions, applicant would operate 396 truck miles daily, but would eliminate about forty miles of pick-up service.

Under these schedules, all points would have twice daily service from Los Angeles and Long Beach, and there would be at least daily delivery from Los Angeles Harbor to each point.

Mr. Zimmerman testified that the application resulted from many demands upon this carrier in the conduct of its two loop services beyond Long Beach, for additional service to Los Angeles, and also by shippers between Los Angeles and Long Beach and Los Angeles Harbor, to have their needs served by one carrier. Mr. Zimmerman did not identify from what particular shipper or interest this demand came, but said it was a continuing offer of business at his Long Beach office for commodities and to points which he is not now authorized to serve, and came largely through his solicitors and other employees. He particularly instanced the desire of the Craig Oil Tool Co. of Long Beach for such service, and also from Parmelee-Dohrmann Co., S. H. Kress Co. and F. W. Woolworth Co. at Los Angeles for service that could be handled to all points by one carrier.

On cross-examination, Mr. Zimmerman testified that the only demand he knew of personally was that of the Craig Oil Tool Co. for a movement between Long Beach and Huntington Beach, which applicant already has the ability to conduct; also that there has been no demand from Downey, Norwalk, Buena Park or adjacent points for any service either from Los Angeles or from Long Beach.

Albert W. Zimmerman, of Zimmerman Bros., operating under authority of this Commission between Los Angeles and Long Beach and serving intermediately Watts, Compton, Huntington Park, Lynwood, Watson, Home Gardens, South Gate, Signal Hill and Virginia City, testified that he had, previous to April 1, enjoyed all the business of Parmelee-Dohrmann Co. from Los Angeles, and that all the consignments were destined for Long Beach where the company has a branch store, and that there were no intermediate movements during that

period. He also testified that the Woolworth shipments to Compton and Watts are handled by a private carrier, and that all shipments moving from Los Angeles to Compton and Watts did not exceed \$10.00 per day in revenue, and there was practically no movement between these points and Long Beach. Witness testified that his firm conducts two services daily, serving all points, and that the intermediate shipments are extremely small in volume. Many of the same points are also served by the Los Angeles & Compton Transportation Co. and Richards Trucking & Warehouse Co.

Henry B. Cooke, the Secretary-Treasurer of Tolson Transportation System, Inc., a protestant, testified that this carrier, operating under authority of the Commission, conducts two trips from Los Angeles to Torrance daily and one return trip; that while the business has increased, additional equipment was not needed, as the increase was met by the use of a larger unit of equipment. Protestant conducts an on-call service between Long Beach, Los Angeles Harbor and Torrance under authority of this Commission. It also conducts a service between Los Angeles and Huntington Beach and Newport Beach. It was the testimony of Mr. Cooke that no demands for additional service or complaints of the service already established have been made.

A consideration of the record herein leaves the applicant standing alone upon the testimony of its manager, that public necessity and convenience require the unification proposed and the extensions incident to it, together with a new routing from Los Angeles to the Harbor. His testimony is unsupported by the testimony of any shipper or user of any service, that such service is necessary either by absence of service or by inadequacy of existing service. The testimony of Mr. Zimmerman amounts to little more than an assertion of the desire on the part of the applicant to unify its service as provided by the various certificates hereto-

fore granted, and their enlargement by admitting this applicant by two new routes into Los Angeles, and in return permitting it to compete with all the established services now available between Los Angeles and a great populous territory to the South. This would mean additional competition for the thirty-two authorized truck lines between Los Angeles and Los Angeles Harbor, and incidentally competition with many other established services, against which there is no complaint as to inadequacy or inefficiency or rates even by the applicant. Approximately seventy-five different carriers by rail and automotive equipment would meet the competition of the service proposed. The Commission has repeatedly asserted the principle that certificates of public convenience and necessity will not be granted upon a mere showing by the applicant that the service is desired by it or is feasible, without affirmative proof that the service is needed by those who may be expected to use it, and by the testimony of witnesses competent to know their own needs or the needs of others. Such an affirmative showing is entirely absent, and without it, the Commission cannot feel authorized to grant any certificate, particularly one of the character sought herein which would so enlarge applicant's operative rights and incidentally affect so many public carriers against whose operations there is at present no proof of inadequacy. Accordingly, therefore, we find as a fact from the record herein that public necessity and convenience do not require the establishment of the unified service or its extension, as proposed by applicant herein. An order denying the application will be entered.

O R D E R

City Storage & Transfer Company having made application for a certificate authorizing consolidation of its operative rights and for extension of its service, a public hearing having been held, the matter having been duly submitted and now being ready for decision,

IT IS HEREBY DECLARED that public necessity and convenience do not require the service proposed by applicant herein, and

IT IS HEREBY ORDERED that the application herein be and the same hereby is denied.

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

Dated at San Francisco, California, this 22^d day of

June, 1928.

Leon Whitwell

C. Seaver

Thos. D. Lovitt

M. A. Linn

Commissioners