Decision No. 21443



BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Investigation) upon the Commission's own motion into) the operations, rates, charges, classi-) fications, rules, regulations, practices) and contracts of CALIFORNIA FREIGHT) FORWARDERS, operating as an express) corporation between points within the) State of California.

Case No. 2717.

- Dougles Brookman, for California Freight Forwarders. A. L. Hammell and Edward Stern, for Railway Express Agency, Inc., interested
- party. W. S. Johnson, for Southern Pacific Company, interested party.

CARR, COMMISSIONER:

<u>O P I N I O N</u>

Robert W. Lacey is the sole owner of California Freight Forwarders. Mr. Lacey is also the owner of the Red Line Express Company in Los Angeles. The business of the California Freight Forwarders, as developed at the hearing, may be described briefly as follows:

The Red Line Express Company collects freight in Los Angeles and assembles it at the office and loading platform maintained by this Company and California Freight Forwarders on Pico Street. The freight thus collected is then loaded on a truck owned by one E. Sundberg, who, under contract with California Freight Forwarders, then transports it to San Francisco, the truck being padlocked before leaving. On arrival at San Francisco the

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freight is then distributed by Red Line Express of San Francisco, owned and operated by Coughlan Bros. under contractual arrangement with California Freight Forwarders. South bound freight is handled in the same way. A truck leaves Los Angeles and San Francisco daily. Sometimes more than one truck is used.

California Freight Forwarders maintains a solicitor at Los Angeles and one at San Francisco. It assumes full responsibility for delivery of freight from the place where picked up in one city to the place where delivered in the other. If there is any loss or damage it settles with the shipper. If this loss or damage is occasioned by either the Red Line Express Company at Los Angeles or at San Francisco, or by E. Sundberg, appropriate adjustment is made by it with them. E. Sundberg is not a certificated carrier. If he were there would be no question but that California Freight Forwarders would be an express company under re Pacific States Express, 22 C. R. C. 925. Whether it is an express company if Sundberg is in fact a common carrier but not a certificated one, it is unnecessary here to decide. The evidence tends to show that the shipping service performed by California Freight Forwarders in conjunction with the two Red Line Express Companies and Sundberg is of a public cast and is either that of an express company or a transportation company, or possibly that of an express company as far as California Freight Forwarders is concerned and that of a transportation company as far as Sundberg is concerned.

Unfortunately, the proper parties are not before the Commission, nor is this investigation broad enough to adequately and properly determine the status of California Freight Forwarders, E. Sundberg and the Red Line Companies. Any order that might be made here would be of dubious value. I therefore recommend that this proceeding be dismissed without prejudice and that there be instituted an investigation into the practices of Robert W. Lacey,

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doing business either under the name of California Freight Forwarders or Red Line Express Company of Los Angeles and of Red Line Express Company of San Francisco, owned and operated by Coughlan Bros., and E. Sundberg, such investigation to be sufficiently broad to permit of a proper determination of the status of these various parties and their operations, and an order in accordance with such determination.

I recommend the following form of order:

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A public hearing having been had in this matter,

IT IS HEREBY ORDERED that the proceeding be dismissed without prejudice.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this <u>/2</u> day of August, 1929.

Commissioners.