

Decision No. 22543

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

L. D. BARNES

for certificate of public convenience and necessity to operate automobile trucking service for transportation of paper fruit wrappings between Pomona and Highgrove, Riverside, Prenda, Pachappa, Casa Blanca, Arlington and Corona as an extension of present operative rights and to remove certain restrictions.

ORIGINAL

Application No. 16549

L. A. Barnes, Applicant, in propria persona.

H. N. Blair, for Keystone Express, Protestant.

H. J. Bischoff, for Motor Service Express and Rex Transfer, Protestants.

H. S. Payne, for Pacific Motor Express.

BY THE COMMISSION:

O P I N I O N

L. D. BARNES, applicant herein, acquired by authority of this Commission (Decision No. 22117 on Application No. 16253), a certificate originally granted to W. O. Masters for the transportation of citrus paper wrappings between Los Angeles, Azusa, Duarte, Claremont, Pomona, Ontario, Riverside, Rialto and Upland and intermediate points. The service authorized was for a minimum quantity of five tons or more, and has been so conducted. In the present application Barnes seeks to reduce the minimum load from five tons to one ton, and also to transport wrappings for citrus fruits from Pomona to Highgrove, Riverside, Prenda, Pachappa,

Casa Blanca, Arlington, and Corona as an extension of existing operative rights.

A public hearing herein was conducted by Examiner Williams at Pomona, at which time the matter was submitted, and now is ready for decision.

Applicant, according to the showing, is operating under alleged contract with the Arlington Heights Fruit Exchange at Riverside in the transportation of packed citrus fruit to Los Angeles and Los Angeles Harbor. Applicant testified that if the certificate sought in the instant application was granted he would use the truck engaged in paper transportation in hauling citrus fruits to Los Angeles, then return with paper picked up at Los Angeles or Pomona. The testimony shows that he began this practice in May, 1930, six specific instances being admitted. He further testified that the reduction of five tons to one ton was a convenience to accommodate Valencia shippers of the Riverside district in the spring-time, as the quantities shipped are not large and there is no demand for five tons or more wrapping paper. Altogether, applicant serves nine packing houses in the Riverside-Arlington district in the transportation of packed fruit to Los Angeles and returning with some box shock and paper. He admitted that he had no contract with the Fruit Exchange, the controlling body, or with any other packing house except verbal arrangements to transport fruit at 11¢ per box and to give daily service.

Applicant was supported by A. B. Cumming, Manager of the Highgrove Fruit Association, Edward Hagen, Manager of the Monte Vista Citrus Fruit Association, Everett C. Dunham, Foreman of Cavilan Citrus Fruit Association, R. J. Asbury, Assistant Manager of the Riverside-Arlington Citrus Fruit Exchange, all in the district served. These witnesses explained that there are many occasions when a quantity of less than five tons is desired, and that it is convenient to have a carrier available able to haul one

ton or more. They further explained that the citrus wrappers must be fresh and available at the time packing is required, as they will not keep in hot weather without cracking and becoming unserviceable. They also expressed the desire for Barnes' service in view of his close relationship and constant contact with the packing houses at Riverside. The rates proposed by him were regarded as reasonable by these witnesses.

The application was protested by L. R. Kagarise, operating under the name of Keystone Express. By Decision No. 19410 on Application Nos. 13087 and 13378, this carrier established unlimited daily service from Pasadena and Pomona to San Bernardino and Riverside, and has maintained this operation unprofitably for two years. According to his figures presented, the service in the first quarter of the year 1930 showed operating loss of \$390.41. Mr. Kagarise testified that the service was established originally in part at the request of the paper mill at Pomona, which needed a distributing agency for its product, and from which applicant expects to receive shipments. He further testified that he has transported wrapping paper to the citrus industry over this route without complaint. Kagarise further testified that if the Riverside-Arlington district continued to purchase at Pomona, he would arrange his schedules to care promptly for the traffic, but he explained that only in the last few months has this district purchased its supply elsewhere than at Los Angeles.

Protest was also made by Motor Service Express operating between Los Angeles and Riverside without minimum restriction, and by Harry S. Payne, operating as the Pacific Freight Motor Transport Company between Los Angeles and Pomona and Corona. Facilities of both these carriers appear to have been in the main satisfactory for commodities other than wrapping paper, according to the testimony of the witnesses produced by applicant. The question of rates

and their differences did not seem to affect those representing the citrus industry, service being the uppermost need expressed.

The record as presented by applicant and protestants shows that there are already existing abundant facilities to transport wrapping paper in any quantity between Los Angeles and Pomona and Riverside-Arlington district. It appears further that the incentive of applicant in seeking a reduction in minimum quantity and adding Pomona to his pick-up route, is to furnish a back-haul for the truck which would go to Los Angeles loaded with packed citrus fruit. However, the public operation now conducted by applicant has no relationship, whatever, to the alleged private contract under which he is operating between Riverside and Los Angeles. Applicant testified that he would make individual trips for one ton to Los Angeles or Pomona at the request of any packing house. The total revenue from a one-ton operation from Pomona would be \$4.00. The distance to be traversed would be 48 miles. He estimated a cost of $12\frac{1}{2}$ cents per mile for the truck used, which would make a round trip for one ton \$6.00. This seems conclusive that no operation with less than five tons would be compensatory. In view of the fact that rates of other carriers who transport all commodities are less on citrus wrappers, and that they offer already established reasonable service, it appears unnecessary to add new facilities.

For these reasons, we believe the application should be denied.

O R D E R

L. D. BARNES having made application for a certificate of public convenience and necessity to establish automotive transportation service for citrus wrapping paper from Pomona to Highgrove, Riverside, Frenda, Pachappa, Casa Blanca, Arlington and Corona, and to reduce minimum restriction of five tons to one ton; 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 do not require the establishment of service proposed by applicant, and

IT IS HEREBY ORDERED that the application 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 17th day of June, 1930.

W. C. Seavey

John S. Ricketts

W. A. Cunniff

Commissioners.