

Decision No. 22869**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 COAST TRUCK LINE, a corporation, for)
 a certificate of public convenience)
 and necessity extending its service) Application No. 16491
 at Los Angeles to San Pedro,)
 Wilmington and Long Beach.)

E.J. Bischoff, for Applicant.

Warren E. Libby, for Asbury Truck Company and
 Boulevard Express, Protestants.

E. T. Lucey and W. T. Quirk, for The Atchison,
 Topeka & Santa Fe Railway Company, Protestant.

Howard Robertson, for Pioneer Truck and Transfer
 Company, Star Truck & Warehouse Company,
 Citizens Truck Company, and Paul Kent Truck
 Company, Protestants.

BY THE COMMISSION -

O P I N I O N

Coast Truck Line, a corporation, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by it of an automobile truck line as a common carrier of freight between Wilmington, San Pedro and Long Beach on the one hand, and points in San Diego County to and including the City of San Diego on the other hand.

Public hearings on this application were conducted by Examiner Handford at Los Angeles and San Diego, the matter was duly submitted and is now ready for decision.

Applicant proposes to charge the same rates between San Pedro, Wilmington and Long Beach and the San Diego County points proposed to be served as those now in effect between Los Angeles and the San Diego county points as now regularly filed with the Railroad Commission; to use as equipment the vehicles now regularly operated by the applicant; and to operate on a schedule of at least one round trip daily, except Sunday.

Applicant relies as justification for the granting of the desired certificate upon the following alleged facts: that applicant now operates regular trucking service, in accordance with certificated authority from this Commission, between Los Angeles on the one hand and Oceanside and Escondido and intermediate points, between Oceanside and Fallbrook and intermediate points, and between Oceanside and San Diego and intermediate points, on the other hand; that applicant has frequent request for the transportation of freight between San Pedro, Wilmington and Long Beach to the San Diego County points which are now regularly served by applicant on its presently authorized route; that by Decision No.16902 on Application No.11188, applicant was granted authority to transport furnaces, gas appliances, planing mill products, printing presses, plumbers' supplies, fish, sea foods and berries, between San Pedro and Wilmington, on the one hand, and said San Diego County points, on the other hand, and that since the granting of said application the need for the transportation of all commodities has greatly increased and there is frequent demand for the transportation of all commodities from the docks at Wilmington and San Pedro, and from the various manufacturing plants at Long Beach for transportation to San Diego County points.

Applicant proposes to operate over any of the following routes:

From Los Angeles to San Pedro and Wilmington, via Harbor Boulevard;

From Los Angeles to Long Beach, via Santa Fe Avenue and Long Beach Boulevard;

From San Pedro, Wilmington and Long Beach to Santa Ana, via Westminster Avenue to a connection with the route for which applicant is presently authorized under a decision of this Commission, or via Huntington Beach, Newport Beach and Laguna Beach to a connection at Capistrano with the route for which applicant is presently authorized.

B. E. Carmichael, a witness for the applicant residing at Los Angeles and the President and Manager of a commercial traffic association representing approximately 100 shippers and receivers of freight, testified that some of his clients had use for a trucking service as proposed, citing particularly the Van Camp

Sea Food Company which has plants at Terminal Island and San Diego and exchanges shipments between plants for the purpose of consolidation and otherwise, the Citrus Soap Company of San Diego who receive some soap making material from the San Pedro and Wilmington steamer docks, and the Gladbrook Cannery of San Pedro. The company of witness is also engaged in the business of freight forwarding and could use the proposed service in connection with the transaction of such business.

Don F. Earner, employed as traffic manager for Stewart-Curtis Packing Company of Long Beach, packers of olives, tuna, peppers and spinach, testified that his company now shipped to points in San Diego county and estimated the volume of such shipments to be 20,000 pounds per month, moving in shipments of from 300 pounds to 1500 pounds each. Witness believes the proposed truck service to be desirable and that it would be satisfactory and convenient for the use of his company. At present products for San Diego county points are shipped by rail and water from Los Angeles Harbor, by rail through Los Angeles, and by truck to Los Angeles and then by truck to destination. Witness estimates that at present a little over one half moves by rail and water, about 30 percent by all rail, and the balance via truck via Los Angeles. The proposed service would enable overnight delivery and would be patronized, if authorized, to the extent of 10,000 pounds per month.

A. G. Hornblower, traffic manager for Johnson, Carvell and Murphy, wholesale jobbers of Los Angeles, testified that his concern had shipped during the present year approximately 10,000 pounds per month from the Los Angeles Harbor to San Diego and Escondido, about 10 percent moving via Los Angeles and the balance moving by water to San Diego. A portion of this tonnage would move via the route of the proposed truck line if such were to be authorized, the amount being uncertain and dependent upon investigation and comparison of rates with other existing methods of transportation.

Miss G. E. Carn, a witness employed as traffic manager for the Wilbur-Ellis Company of Los Angeles, brokers and jobbers dealing in fish by-products, feeds and fertilizers, testified that shipments were made from Los Angeles Harbor to San Diego County points, and during the canning season some shipments from the San Diego fish canneries to Los Angeles harbor. The proposed service would be an advantage, especially as regards the shipment of rush orders.

E. C. Zies, employed by the Hammond Lumber Company in Los Angeles, testified that his concern shipped lumber, building material, hardware, sash and doors, from Los Angeles to San Diego county points; that although it was the practice of his company to consolidate shipments and forward them in their own trucks, the inauguration of the proposed service would enable the shipment of small, rush orders and thereby facilitate their delivery to consignee.

J. R. Zimmerman, Manager of the City Transfer and Storage Company, Long Beach, testified regarding the need for direct transfer between Long Beach and San Diego, particularly as to the matter of baggage. It appears that many people utilize stage transportation between these points, and such stage passengers require the forwarding of trunks and other large pieces of baggage by other methods of transportation than the stages. This baggage usually requires a rush movement and the service proposed by the applicant would provide the necessary facility without the necessity of shipment by express or by truck via Los Angeles.

F. F. Sutton, a witness residing in Long Beach and engaged in the making of pickles, testified that he made shipments from Long Beach to San Diego county points, such shipments varying from 100 pounds to 2000 pounds in weight, shipments at present being hauled to Los Angeles by the consignor and thence shipped by the truck line of the applicant. Witness will use the proposed service on account of its expedition and by reason of the saving by eliminating the hauling of his product to Los Angeles for shipment.

A. H. Buck, a witness employed by the American Wholesale Hardware Company of Long Beach, testified that his company made shipments to practically every point in San Diego county, shipments being made practically daily and averaging from 100 pounds to 800 pounds in weight. These shipments are at present transported to Los Angeles by the trucks of the shipper for forwarding to their destination in San Diego county. Witness is of the opinion that the proposed service will be patronized by his company.

Seventeen witnesses, merchants or their representatives, appeared at San Diego to testify for applicant. These witnesses testified that the majority of their goods were received from the east by steamer shipment; that not all the steamer lines made San Diego a port of call; that steamers arrived practically daily at San Pedro or Wilmington from the east and brought merchandise with ultimate destination at San Diego; that frequently San Pedro or Wilmington were used for the purpose of consolidating shipments to gain the advantage of a steamer carload rate, the shipments going partially to Los Angeles and the remainder to San Diego; that some of the witnesses would use the service from San Diego to Long Beach or the Los Angeles Harbor; and that there was a substantial portion of the tonnage moving by water to San Diego via the Los Angeles Harbor that would be diverted to the proposed truck line, provided that same were to be established with proper rates and service available to shippers or receivers of freight.

The granting of the application is protested by The Atchison, Topeka & Santa Fe Railway Company, by the Boulevard Express and by the truck lines serving between Los Angeles and the Los Angeles Harbor.

Witnesses representing the protesting truck lines testified as to the great amount of equipment available for the transporting of merchandise from the harbor to Los Angeles and the frequent schedules available, some of them leaving the harbor as late as 8:00 P.M.; that frequent movement was made of shipments destined to San Diego via truck which were delivered to the trucks of the applicant or to those of the Boulevard Express for forwarding to

San Diego county points as their ultimate destination; and that the present method of truck transportation to San Diego via Los Angeles was adequate and at rates which had not been found to be unreasonable or burdensome to shippers or receivers.

W.T.Quirk, assistant to the General Manager of protestant, Atchison, Topeka & Santa Fe Railway Company, testified regarding the service rendered by his company between Los Angeles harbor points and San Diego; two trains daily being operated which afforded arrival in San Diego either overnight in one instance and on the morning of the second day for the other. Ample equipment is available to care for all traffic offered, and the witness had heard of no complaint from receivers of freight as to delay or lateness of arrival in San Diego.

A. E. Mc Gowan, a rate clerk in the traffic department of protestant, Atchison, Topeka & Santa Fe Railway Company, testified regarding the class rates of his company between Los Angeles Harbor points and San Diego, and also stated that effective on September 30, 1930, some reduction in the class rates would be available, the changes being in the nature of a reduction .

We have carefully considered the record in this proceeding. It appears therefrom that it is the intention of the applicant to institute what may be termed as an experimental service between Los Angeles Harbor points and Long Beach, on the one hand, and San Diego county points, on the other hand. If sufficient business and tonnage develop, it is the intention to route trucks from the Los Angeles Harbor through Long Beach directly down the new coast highway to Capistrano and thence via the highway to San Diego, transfers being made, if necessary, at Oceanside for Escondido, and Fallbrook. If the tonnage does not justify a through operation, or if there is an overload, applicant proposes to transport the shipments to either Capistrano, Santa Ana or Los Angeles and at such points to transfer the shipments to the main line trucks of the applicant operating between Los Angeles and San Diego. But little evidence is embraced in the record

covering transfer at other points than Los Angeles, and it would appear that at present ample facilities are available for any shipments which it may be necessary to move from Los Angeles Harbor to San Diego County points, via Los Angeles, either by the almost unlimited amount of trucks or by movement by rail.

Applicant relies especially on the lower rate which it publishes for the transportation of shipments which may arrive at the Los Angeles Harbor by steamer from the northwest, or from eastern ports, this rate being shown in its Supplement No.24 to its Local Freight Tariff showing Class and Commodity rates as issued September 23, 1930, and effective October 27, 1930, which shows the item "Merchandise (Freight) classified first class or lower from Los Angeles to San Diego 55¢ per CWT." This rate is subject to a minimum of 55 cents per shipment and applies only on shipments originating outside of the State of California which may be received from transcontinental rail lines or from steamship lines. Under the proposal of applicant it is the intention to apply the present Los Angeles-San Diego rates to the business herein proposed, including Long Beach and the Los Angeles Harbor district. This rate is less than the local rates proposed which are as follows:

Between Los Angeles and San Diego				
<u>Class</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
	75¢	70¢	60¢	55¢

The lower rate is only effective on shipments which originate outside of the State of California and which, when so originating, may be received from rail or steamship lines. This rate may be advantageous to merchants of San Diego who are compelled to receive shipments from the eastern seaboard via the Los Angeles Harbor for the reason that all intercoastal steamers do not make San Diego a port of call.

After full consideration of all the evidence in this proceeding we are of the opinion and hereby find as a fact that applicant has not justified the public convenience and necessity which is necessary for the granting of a certificate. The proposal of applicant is really for an experimental service, which if not justified when operated as a through service may be operated as an extension of its presently authorized lines by a transfer of freight at Capistrano, Santa Ana or Los Angeles. As to the latter point, there is evidence herein that ample service and facilities are present to care for all traffic which may exist at present or in the near future. As to the necessity for transfer at either Santa Ana or Capistrano, there is no substantial evidence that such is needed by the public, either as a regular operation or in case of overloads, should such exist in future. The convenience to be served by such an arrangement is that of the applicant rather than the public which is to be served. While a limited number of shippers and receivers of freight might be served by the applicant's proposal, whose shipments now moved from the east by steamer through the Los Angeles Harbor, such shipments being ultimately destined to San Diego and San Diego County points, we are not of the opinion that justification has been shown for the diversion of such shipments from the steamer lines, rail line and truck lines, including that of the applicant, for the movement between Los Angeles Harbor and San Diego County points, there being no substantial complaint against the rates and service as rendered by the presently authorized carriers nor ~~no~~ new business, of any substantial volume, to be developed by the inauguration of the additional service herein proposed. For these reasons and based upon our conclusion from the record herein the application will be denied.

O R D E R

Public hearings having been held on the above entitled application, the matter having been duly submitted, the Commission being now fully advised and basing its order on the conclusions and finding of fact as appearing in the Opinion which precedes this order,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity do not require the establishment by Coast Truck Line, a corporation, of an automobile truck line as a common carrier of freight extending the service of applicant from Los Angeles to San Pedro, Wilmington and Long Beach, nor to establish service from Los Angeles to San Diego county points either as a through route via the Coast Route or by extension via either Capistrano or Santa Ana, and

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

Dated at San Francisco, California, this 13th day of November 1930.

[Signature]

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COMMISSIONERS.