

ORIGINAL

Decision No. 23722

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 MOTOR SERVICE EXPRESS, a corporation,
 for a certificate of public convenience
 and necessity extending its service at
 Los Angeles to San Pedro, East San Pedro,
 Terminal Island, Wilmington and
 Long Beach.)
) Application
) No. 17002
)

- E. J. Bischoff, for Applicant.
- E. E. Cornell and Edward Stern, for Pacific Motor Transport Company, Protestant.
- Libby & Sherwin for Asbury Truck Company, Protestant.
- E. E. Cornell, for Pacific Electric Railway Company, Protestant.
- Edward Stern, for Railway Express Agency, Inc., Interested party.
- E. T. Lucey, for Atchison, Topeka & Santa Fe Railway Company, Protestant.
- J. P. Puckett, for Puckett Freight Lines, Protestant.
- H. W. Hobbs and J. L. Fielding, by H. W. Hobbs, for Southern Pacific Company, Protestant.
- Phil Jacobson, for Rex Transfer Company, Los Angeles & San Pedro Transportation Company, Pacific Freight Lines, and City Transfer and Storage Company of Long Beach, Protestants.
- A. M. Levy, for Southern Pacific Company, Protestant.
- Wm. F. Brooks, for Atchison, Topeka & Santa Fe Railway Company, Protestant.

BY THE COMMISSION -

OPINION

Motor Service Express, a corporation, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation of an automobile service for the transportation by applicant of freight between Los Angeles and San Pedro, East San Pedro, Terminal Island, Wilmington and Long Beach as an extension of presently operated service terminating at Los Angeles. No local service for the transportation of freight to or from Los Angeles or intermediate points is proposed under this application.

Public hearings on this application were conducted by Examiner Handford at Los Angeles and Riverside, the matter was duly submitted following the filing of brief, and is now ready for decision.

Applicant proposes to charge rates which are fifteen cents higher on class rates and twenty five percent higher on commodity rates than the rates now lawfully on file with this Commission for service to and from Los Angeles.

Applicant proposes to operate daily service between Los Angeles and the territory herein proposed to be served, connecting at Los Angeles with regularly scheduled service now operated by applicant to Riverside, San Bernardino and other points, including Banning, Beaumont and the Coachella Valley. Applicant proposes to use as equipment such vehicles as are presently operated on the present authorized service and to increase same to any amount rendered necessary by the demands of traffic.

Applicant relies as justification for the granting of a certificate extending its present operative rights upon the following alleged facts: that the territory of San Pedro, East San Pedro, Terminal Island, Wilmington and Long Beach has in recent years developed, both industrially and commercially, to such extent that there is now a substantial movement of freight to and from these points to points in Riverside and San Bernardino counties and that a daily through truck service is required between such points. Applicant further alleges that no through truck service is now furnished by any authorized motor carrier between the points proposed to be served, and that San Pedro, East San Pedro, Terminal Island and Wilmington are within the municipal limits of Los Angeles and that the city of Long Beach is also as near the center of the business district of Los Angeles as are the above mentioned points.

H. P. Merry, manager of applicant company, testified as to the certificated operation now conducted by the applicant between Vernon and Los Angeles on the one hand and Riverside, San Bernardino,

Hemet, Perris, San Jacinto, Beaumont, Banning and all points in the Coachella Valley on the other hand. The present application seeks to extend pick-up and delivery service to the Los Angeles Harbor area, which is already within the municipal limits of Los Angeles, although requiring operation in the County of Los Angeles to reach such area, and Long Beach, so that shippers and receivers of freight may have the same advantage that is now enjoyed by the shippers and receivers of freight in the Los Angeles and Vernon wholesale districts. No local service is proposed between Los Angeles and the Harbor District or Long Beach. It is the proposal of applicant to pick up at the harbor and at Long Beach as late as 5:00 P.M. and to transport freight as far as Los Angeles in time to be transferred to the regular trucks leaving for the various points that night and resulting in delivery at destination on the following morning. If truck and/or trailer loads are picked up at either the harbor or Long Beach and destined to points north of Los Angeles, such consignments may be transported directly to destination without being transferred to the regular line haul truck at Los Angeles. This witness testified that present equipment owned by the company was adequate to perform the proposed service, and that the company was able to add all necessary equipment which the prospective traffic might require.

R. H. Beaton, Secretary of the Chamber of Commerce of San Pedro, testifying as a witness for applicant, presented an endorsement of the application by his organization. (Exhibit 1). This witness is of the opinion that the extension of service as proposed by the applicant would be of great convenience to his community and the application had been considered by the Rate Committee of the San Pedro Chamber of Commerce and unanimously approved by its Board of Directors.

R. D. Pearsall of B. S. Pearsall Co. of Long Beach, manufacturers of margarine and margarine products, testified that his

concern needed rapid transportation for its products from Long Beach to Riverside as it manufactured a semi-perishable product. Witness is employed by a new company which now ships weekly in amounts of approximately 10,000 pounds. Witness now ships via the facilities of the City Transfer & Storage Company from Long Beach, said company transferring at Los Angeles to other carriers who serve the Riverside district. Witness prefers a direct service without transfer.

Y. R. Shields, President of United Shippers of Los Angeles, testified that he had been familiar with freight transportation for the past eleven years in Southern California. This witness concern is engaged in the consolidation and forwarding of freight shipments, such shipments originating principally in the east and being transported to Southern California points through Los Angeles Harbor. The service proposed would be of advantage to witness and his business and in the handling of the higher class of commodities destined to San Bernardino and Riverside County points. Witness has had some delays by his use of existing transportation facilities but has made no complaint.

Mrs. V. O. Hess, employed by Cook, Boynton & Co., brokers of Los Angeles, testified that her concern marketed products throughout Southern California, such goods originating in the east and arriving by steamer at the Los Angeles Harbor. The employees of witness now make shipments varying in weight from 1000 to 15000 pounds to Riverside and San Bernardino county points. The establishment of the proposed overnight truck service would save on rates and would insure prompt delivery to points in San Bernardino and Riverside counties now served by applicant's facilities.

S. Volgel, a witness employed as auditor for the California Fuel & Utility Co., located between Wilmington and Compton, testified that his company sold coke and manufactured briquettes, the latter largely used by orchardists during periods of frost for orchard protection. Witness has customers in San Bernardino and Riverside

counties and ships on an average of 50 to 100 tons of his company's products during the season, also has customers for small quantities of from 1 to 5 tons. Witness knows of no complaint as to existing methods of transportation, having used the services of contract trucks for his larger shipments and made delivery at his plant of the smaller shipments. If the proposed service were authorized, witness would use it thereby confining all shipments, both large and small, to the care of a single carrier from point of origin to destination.

R. M. Farrar, employed by the City Harbor & Warehouse at Wilmington, testified that the proposed extension of service would be an advantage to his concern and its customers in the district proposed to be served.

John F. Horner, employed by The Stewart-Curtis Packers, Incorporated, canners of Long Beach, with an output of 300,000 cases a year, testified that his concern sold its goods to retail grocers in all towns and communities in San Bernardino and Riverside counties. The proposed extension of service would be of advantage and would be used by his company if authorized. Witness estimates that service would be used to the extent of about 30,000 pounds per month, of which approximately two thirds would go to the cities of San Bernardino and Riverside. Witness has made some shipments by the facilities of Pacific Motor Transport Company upon which he has had complaint from the consignee as to failure to deliver at destination on time. Witness also favors the proposed service of applicant as the rates proposed are less than are now charged by the present service as regards the commodities in which he is interested.

H. Stone, a witness employed by the Baker Dollar Stores at Los Angeles, testified that his concern had branch stores at Riverside and San Bernardino. For these branch stores shipments are forwarded from Los Angeles harbor and from Long Beach. Shipments are now forwarded from Los Angeles, but would go direct from the

Los Angeles harbor and Long Beach in case the extended service was provided. Approximately 2500 to 3000 pounds monthly would be forwarded, shipments being made practically daily. The proposed service would be very convenient and would be used by witness.

E. L. Maxon of Los Angeles, a representative of Northwest Barbed Wire Company of Sterling, Illinois, testified that he had shipments from Los Angeles harbor to points in Riverside and San Bernardino counties. These shipments consist of baling wire and about 1000 tons per annum are handled. Witness directs the distribution from Los Angeles harbor to Riverside and San Bernardino county points and to the Coachella Valley. In the past he has used the service of contract trucks during the shipping season but has experienced so much trouble that in future he intends using only certificated truck service. Witness will use the proposed extension of service, if authorized, the smallest shipment anticipated being approximately three tons. Witness believes rail service to be all right but prefers the proposed service in view of the elapsed time and store door delivery offered.

N. M. Hill, production manager of Agricultural Chemical Works and of Western Sulphur Industries, Incorporated, manufacturers of commercial fertilizer and sulphur, testified that his companies shipped between 3000 and 4000 tons annually into the Riverside and San Bernardino territory, approximately 85 to 90 percent of such amount moving by truck. The service proposed would be convenient and if established, would be used, particularly for less than carload shipments of from 1 to 10 or 15 tons.

Harry Lewis Baker, a witness employed by the General Sales Corporation, testified that the majority of his company's products arrived from the east by steamer to the Los Angeles harbor. Shipments are forwarded from the harbor to Riverside and San Bernardino, Riverside receiving about 12 carloads per year. About four carloads per month are forwarded to

San Bernardino and Riverside county points. Shipments range in weight from 1000 pounds up. Witness would be glad to have available the service proposed by applicant, and to take advantage of the expedited service proposed, some of his shipments being of commodities such as chocolate, which are considered as perishable during the summer months of each year. Witness has used the service of Los Angeles & San Pedro Transportation Co., formerly having used it as distributor for his merchandise, and has found such service to be unsatisfactory.

S. C. Campbell, a resident of Riverside, operating a stationery and book store, testified that he purchased goods in the east and received such shipments through the Los Angeles harbor. Witness now uses the service of the Pacific Electric Railway, the Los Angeles & Salt Lake Railroad, or the service of the applicant. The service proposed by applicant would be of interest, and would be used, if authorized, witness having experienced delay in the delivery of his shipments by Pacific Electric Railway Company. Witness desires a direct service by one transportation company from the Los Angeles harbor area.

A. W. Barth, engaged in the shoe business at Riverside, testified that he bought shoes in the east, using both rail and steamer shipments. Witness has never used rail service from Los Angeles harbor. He would use the proposed extension of applicant's truck service, if authorized, his shipments by steamer arriving two or three times per year and averaging in weight from 250 to 400 pounds.

John R. Westbrook, a resident of Riverside, and engaged as a retail and wholesale hardware merchant, also handling crockery and furniture, testified that he received shipments through Los Angeles harbor from eastern points. Witness has had nails handled by truck by uncertificated carriers, although small shipments are usually received by rail from the harbor. Witness would use the

proposed extension of service, if authorized, and estimates that his shipments average 15 or 20 tons per month from Los Angeles harbor to Riverside. This witness favors the proposed service to eliminate delay in the receipt of shipments after their arrival at the Los Angeles harbor.

By stipulation it was agreed that the testimony of M. V. McRoberts, manager of the Eggers Dollar Store at San Bernardino, would be the same as that of witness Stone of the Baker Dollar Store.

T. Sheehan, a witness engaged in the paint and wallpaper business at San Bernardino, testified that he received shipments from Los Angeles harbor a couple of times each year. Witness receives about 20,000 pounds of wallpaper each year. The proposed extension of service would be convenient for witness and he would use it, if authorized.

H. C. Ardery, a witness engaged in the retail furniture business at San Bernardino, has seasonal goods shipped from Los Angeles harbor. Witness estimates the volume of such shipments amounts to five tons per year. Witness knows of the application and would use the proposed service on account of the saving of time as against the present delay at Los Angeles.

G. I. George, shipping clerk for the Parker Ice Machine Company of San Bernardino, testified that his company received some shipments of materials through the Los Angeles harbor and made some shipments of their finished product through the harbor. Witness estimates 50 tons per annum as the annual output requiring harbor shipment. A direct truck service from San Bernardino to the Los Angeles harbor would be of advantage to his company and would be used, it having been the practice to rent trucks of uncertificated carriers, on an hourly basis, to care for shipments and to move them to steamers. This service has not been entirely satisfactory, trucks not always being available when needed or at the time when shipments are ready for movement, and a regular daily service would

be of advantage.

Chas. O. Reid, Vice President of the George M. Reynolds Company, a department store in Riverside, testified that his company had frequent shipments from the Los Angeles Harbor to Riverside, goods being purchased in the east and arriving by steamer. The average weight of these shipments would be 200 pounds. Witness now uses the rail line of Pacific Electric Railway direct from Los Angeles harbor to Riverside, or has shipments trucked from the harbor to Los Angeles and then forwarded by one of the regular truck lines. Witness believes the extension proposed by applicant would result in a more expeditious delivery of his shipments to Riverside from Los Angeles harbor.

E. M. Cummings, of the Davis Manufacturing Company, manufacturers of children's clothing, testified that his company received shipments through Los Angeles harbor. These shipments approximate 350 pounds per month. The extension of service proposed by the applicant would be a convenience and would be used. The through service, rendered daily by the applicant, would save time in the receipt of shipments by the witness and would be of financial saving to witness' company.

J. H. Barnum, a witness engaged in the stationery, office equipment and paper products business, with stores at San Bernardino and Riverside, testified that he received shipments through Los Angeles harbor from the east and from Pacific northwest points. Witness receives approximately 26 tons every month, one third of the shipments being in less than carload quantities. The extension of service proposed by applicant would be a great convenience as witness has experienced delays in the past in the transportation of his shipments from Los Angeles harbor. Witness also desires a store-door delivery and an overnight service from Los Angeles harbor.

O. R. Ormiston, a witness engaged in the kodak and stationery business at Riverside, testified that he received shipments from Los Angeles harbor. Witness has less than carload shipments weighing from 100 to 400 or 500 pounds. The proposed extension of service would be of advantage and would be used, if authorized. Witness also prefers to do business with a single transportation company, wherever possible.

By stipulation it was agreed that the testimony of Sheldon R. Westfall, of the department store of H. F. Grant & Co., Riverside, would be the same as that of witness Reid of the George M. Reynolds Company.

Benedette R. Marvin, of the Marvin Date Company, packers of dates, testified that he shipped dates to Los Angeles harbor and to Long Beach. Shipments to the harbor weight from 200 to 500 pounds, those to Long Beach vary from 500 to 1000 pounds. Witness estimates that Long Beach shipments average five times per month. The proposed service would be used by witness, particularly to Long Beach.

W. L. Beasley, manager of Kress Department Store at Riverside, testified that his company received shipments through Los Angeles harbor practically every other day, such shipments varying in weight from 100 to 500 or 600 pounds, sometimes weighing 2000 or 3000 pounds, depending on the season of the year. By stipulation it was agreed that this witness would testify the same as Messrs. Reid and Westfall, previous witnesses of department stores.

S. G. Winkelman of Winkelman and Rhodes, wholesale and retail cigar dealers of San Bernardino, testified that his concern received shipments from Los Angeles harbor, shipments averaging once each week and being light in volume. Witness would use the proposed extension of service, if authorized, believing that it would expedite the receipt of shipments from Los Angeles harbor regarding which there has been some delay in the past.

E. P. Whitehead, residing in Riverside and engaged in the wholesale butter and egg business, testified that he made shipments from Riverside to Long Beach practically every day, shipments now averaging 150 cases of eggs daily. Witness has been obliged to use his own equipment to get satisfactory and prompt service. Witness has other uses for his equipment and would prefer to use the service of an authorized freight truck carrier for the transportation of his Long Beach shipments.

J. M. Winship, a witness employed by the J. C. Penny Co. at San Bernardino, testified that his company had shipments from the Los Angeles harbor to San Bernardino, shipments moving from once to twice per week and having an average weight from 100 to 1000 pounds. The proposed daily truck service would be a convenience. Shipments of overalls are also received from a factory at Long Beach and the proposed service would be used for such shipments if it were to be established.

W. R. Kilgore, employed as assistant manager for the J.C. Penny Co. at Riverside, testified that his company received shipments of overalls from a factory at Long Beach, and for such shipments the proposed service would be used. His concern also receives shipments from eastern points through Los Angeles harbor, such shipments varying in weight from 50 to 600 or 700 pounds. The proposed service of applicant would be used, if authorized, being a daily overnight service.

L. R. Alport, employed as traffic manager for the Harris Dry Goods Company of San Bernardino, testified that his company received shipments from the east through Los Angeles harbor, shipments varying in weight from 50 to 600 or 700 pounds. The proposed service appears satisfactory and would be used if authorized. Witness has had no cause for complaint as to service heretofore rendered by Pacific Motor Transport Company.

R. O. Baldwin, commercial secretary of the Long Beach Chamber of Commerce, testified that the matter of the application had been considered by the transportation committee of his organization, its approval recommended to the Board of Directors and that the Board of Directors unanimously voted to adopt the report of the transportation committee.

D. E. Mitchell, plant manager of the Deglet-Noor Date Growers Association, of Indio, testified that his concern marketed its products in California, some shipments going to eastern destinations through Los Angeles harbor, and some shipments being made through the harbor to Honolulu. Witness also ships about sixty tons of his product to Long Beach. A daily service by truck to Los Angeles harbor, Wilmington and Long Beach would be desirable for his company and would be used, if authorized. Witness now ships on an average of three times per week to Long Beach and makes seasonal shipments to eastern destinations through Los Angeles harbor. Witness favors the truck service proposed, as shipments would be picked up at the door of his packinghouse and forwarded by overnight service to the Los Angeles harbor and to Long Beach. The present rail service at Indio does not satisfactorily meet the shipping needs of this witness. Some supplies are bought in San Francisco and received through Los Angeles harbor, the weight approximating 5 tons per year. Truck service is also desirable for these shipments from Los Angeles harbor to Indio.

C. F. Joyce, manager of the C.W. Woodhouse Company, Coachella Valley agent for the International Harvester Co., and Fairbanks-Morse Co., located at Indio, testified that his concern received shipments from San Francisco, some coming through the Los Angeles harbor. Witness estimates the volume of these shipments to be approximately 43 tons per year. A daily truck service from Los Angeles harbor to the Coachella Valley would be convenient to the witness for the prompt receipt of shipments.

E. F. Beavers, traffic manager for Long Beach Glass Manufacturing Co., has customers in, and makes shipments to Riverside, San Bernardino, Hemet, San Jacinto, Beaumont and Banning. Witness estimates the volume of such shipments to be three or four tons per month, shipments averaging from 150 pounds up. Witness knows of application and would use the proposed extension of service, if authorized, his customers having requested more prompt service than is at present available. Witness has made shipments to San Bernardino, using the facilities of the City Transfer & Storage Company from Long Beach but customers at San Bernardino have complained that the delivery service was not satisfactory. Witness now hauls his shipments from Long Beach to Los Angeles and delivers to a truck line there, this hauling would be discontinued if the application were granted and the extension of service established.

Marcus Ray, a witness employed by the Smart & Final Company, wholesale grocers with a warehouse at Wilmington, testified that the extension of service proposed by the applicant would be a convenience to his company, who would use same for the transportation of 50 tons monthly to San Bernardino, such shipments now being transported by his company's trucks.

The granting of the application is protested by The Atchison, Topeka & Santa Fe Railway Company, Southern Pacific Company, Pacific Electric Railway Company, Pacific Motor Transport Company, Railway Express Agency, Inc. and by certain certificated truck lines serving the territory in which extension of service is proposed.

A. E. Norrbom, assistant freight traffic manager of the Pacific Electric Railway Company, testified regarding the service now available by his company and the Pacific Motor Transport Company between Long Beach and the Los Angeles harbor territory to San Bernardino and Riverside. The service of Pacific Electric Railway Company accomplishes delivery of shipments on the morning of the second day at points served by it. The service of

Pacific Motor Transport Company does not reach Los Angeles harbor points but is operative and available at Long Beach. The same service as to time of delivery is made as available via that of Pacific Electric Railway Company, and the service includes store-door pick-up and delivery at San Bernardino and Riverside. Shipments to or from the harbor may be forwarded by any rail or truck carrier to Los Angeles and thence to or from Riverside or San Bernardino via the Pacific Motor Transport Company. The Pacific Motor Transport Company does not serve the communities of Perris, Hemet, San Jacinto, Beaumont, Banning, Palm Springs, Indio, Coachella, Thermal, Mecca or Oasis, all of which are now served by the truck line of the applicant. This witness presented exhibits showing comparison of the rates proposed by the applicant with existing rates of the Pacific Electric Railway Company and the Pacific Motor Transport Company.

Mark Thompson, superintendent of Railway Express Agency, Inc. at Los Angeles, testified that he was in charge of the operations of his company in the territory now served and proposed to be served by the applicant. This witness presented an exhibit showing the passenger trains upon which shipments in the territory were handled by his company. Witness claims that the service and facilities offered by his company are prompt and adequate. About 1500 pounds daily are handled by his company in the territory proposed to be served by applicant, and without complaint from shippers or consignees as to the service rendered. There is no evidence in these proceedings regarding inadequacy or delay in the express service, the rates, however, are higher than those proposed by applicant.

K. E. Gillette, assistant superintendent of The Atchison, Topeka & Santa Fe Railway at Los Angeles, and familiar with the facilities rendered by his company between Los Angeles harbor and Riverside and San Bernardino, testified regarding the facilities available and the service rendered by his company. No pick-up

or delivery service is offered by this rail carrier and the delivery at San Bernardino and Riverside is approximately the same as that offered by the rail line of Pacific Electric Railway Company.

G. E. Donnatin, trainmaster of the Southern Pacific Company, at Los Angeles, and familiar with the service of his company in the territory proposed to be served by applicant, testified regarding the service available between Indio and the Coachella Valley and Long Beach and the Los Angeles harbor district. Second morning delivery is available, in either direction, for all shipments from Indio to or from Long Beach, San Pedro, Wilmington or the Los Angeles harbor district. Witness further testified that his company has ample facilities available for the transportation of all freight that may be offered for movement.

E. T. Longenecker, a witness employed by the Pacific Freight Lines, testified that his company operated the Los Angeles & San Pedro Transportation Company which made approximately 25 trips daily between the Los Angeles harbor district and Los Angeles, making store-door pick-up and delivery at each end of such route. Service is given to the depot of any connecting truck line at Los Angeles and shipments picked up in the harbor district as late as 3:00 P.M. will arrive in Los Angeles by 5:00 P.M. The applicant and the Los Angeles & San Pedro Transportation Company are participants in a joint tariff and have been for about five years. Thirty eight trucks and thirty trailers are available for the carriage of shipments between Los Angeles and Los Angeles harbor. Witness has received no complaint as to the inadequacy of the service now rendered.

Joe Araiza, employed by the Rex Transfer Co. as San Bernardino agent, testified that his company used 22 trucks and 8 trailers in its operation between Los Angeles, San Bernardino and Redlands, two round trips daily being scheduled. Witness has had no complaint regarding the rates or service of his company.

His company is a party to a joint tariff with the Los Angeles & San Pedro Transportation Company, enabling through rates being given from San Bernardino or Redlands to Los Angeles harbor.

By stipulation it was agreed that the testimony of R. C. Zimmerman, manager of the City Transfer & Storage Company of Long Beach, would be that they operate a fleet of trucks between Los Angeles and Long Beach; that such line operates under certificate; that it operates a number of schedules daily between Los Angeles and Long Beach, and that it is a party to the joint tariff with applicant covering through rates between Long Beach and the points north and east of Los Angeles as proposed to be served by applicant.

We have carefully considered the record as covered by the evidence and exhibits in this proceeding. The entire matter appears to be the overnight daily service with store-door pick-up and delivery as proposed by applicant. This service is desirable for the shippers and receivers of freight in the districts proposed to be served and such service is not at present available by present transportation facilities other than the Railway Express Agency, Inc. but then at rates which are higher than those proposed by applicant. The rates proposed by applicant do not vary materially from the freight rates of other carriers, but the applicant proposes a service which is not offered or performed by other protesting rail or truck carriers.

We are of the opinion and hereby conclude that applicant has justified public convenience and necessity for the granting of the application.

A certificate of public convenience and necessity will be issued, not as a new and separate certificate but as an extension of certificates now held by applicant between Los Angeles and points north and east of Los Angeles as more specifically set forth in the following order.

Motor Service Express, a corporation, is hereby placed upon notice that "operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state which is not in any respect limited to the number of rights which may be given.

O R D E R

Public hearings having been held on the above entitled application, the matter having been duly submitted upon the filing of brief, the Commission being now fully advised and basing its order on the conclusion as appearing in the opinion which precedes this order,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Motor Service Express, a corporation, of an automobile line as a common carrier of freight between its presently operated lines north and east of Los Angeles and San Pedro, East San Pedro, Wilmington, Terminal Island and Long Beach and intermediate points, provided, however, that no transportation of freight shall be given locally between Los Angeles and San Pedro, East San Pedro, Wilmington, Terminal Island and Long Beach and intermediate points, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same hereby is granted to Motor Service Express, a corporation, for the extension of operative rights now held by applicant north and east of Los Angeles to San Pedro, East San Pedro, Wilmington, Terminal Island and Long Beach and intermediate points over the Harbor Boulevard and Long Beach Boulevard from Los Angeles and with pick-up and delivery service within an area

known as Wilmington and San Pedro and from the intersection of Wilmington Boulevard to the city limits of Los Angeles and west to the city limits of Torrance, thence north to the point where the city limits of Torrance turn east to meet the city limits of Los Angeles and from such point north along what is known as the "shoestring section" of Los Angeles to the point where the city limits of Los Angeles run east to meet the city limits of Lynwood, thence south along the west city limits of Lynwood and Compton to the east city limits of Long Beach, thence along the easterly city limits of Long Beach to the Pacific Ocean, all as more particularly shown on a map marked "Exhibit 2," and as filed in evidence as a portion of these proceedings. It is hereby expressly provided that no local service or the transportation of property is hereby authorized between the City of Los Angeles and San Pedro, East San Pedro, Wilmington, Terminal Island and Long Beach and intermediate points, including pick-up and delivery of such local shipments within the area hereinabove described is hereby authorized, this certificate being an extension of the rights heretofore granted to applicant north and east of the City of Los Angeles.

The operative rights, extension of which are hereby authorized, are as follows:

"Between Los Angeles and San Bernardino, covering through service between such terminals, no local business to be handled between intermediate points." (Decision No. 6966 on Application No. 4712, decided December 19, 1919).

"Between Los Angeles and Riverside and between Riverside and San Bernardino, but not locally along said route between any other points." (Decision No. 8405 on Application No. 5887, decided November 30, 1920).

"Between Los Angeles and Riverside, Colton, Banning and Mecca, with interlocal service between Banning and Mecca, and between Colton and Banning via San Timoteo Canyon and between Riverside and Beaumont via Moreno and Box Springs Grade." (Decision No. 15952 on Application No. 12244, decided February 8, 1926).

"Between Los Angeles, San Jacinto and Temecular, provided, however, that this certificate does not authorize the handling of local shipments between Los Angeles and Riverside, including the City of Riverside, nor the receipt or delivery of any freight at points intermediate between the City of Riverside and the City of Los Angeles." (Decision No.21934 on Application No.16127, decided December 20, 1929).

The authority hereby conveyed is not to be construed as in any manner authorizing the merger, consolidation or unification of the several certificates, or any of them, as herein more specifically referred to, nor the transportation of freight or other property locally between the City of Los Angeles and San Pedro, East San Pedro, Wilmington, Terminal Island and Long Beach and intermediate points including also the pick-up and delivery area hereinbefore specified.

The granting of this certificate is subject to the following conditions:

- 1- Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof.
- 2- Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application, insofar as they conform to the certificate herein granted.
- 3- Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof time schedules, covering the service herein authorized, in a form satisfactory to the Railroad Commission.
- 4- 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.

5- No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant, or is leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes the effective date of this order is hereby fixed as twenty (20) days from the date hereof.

Dated at San Francisco, California, this 25th day of May, 1931.

C. Seaman
Leon Whitwell
M. A. Carr
M. B. Harris
Fred G. Pleasant
COMMISSIONERS.