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Decision No. 24522.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of Application of
RAILWAY EXPRESS AGENCY, INCORPORATED
OF CALIFORNIA, for a certificate of
public convenience and necessity to
operate motor vehicles for the transp-
ortation of freight traffic for account
of the Los Angeles & Salt Lake Railroad
Company, between the local freight stations
of the railroad company in the City of
Los Angeles and its local freight stations
in the Cities of Huntington Park and Bell,
California.

ORIGINAL

Application No. 17693.

Edward Stern and L. B. Bergman, for Applicant.

E. E. Bennett, for Los Angeles & Salt Lake
Railroad Company.

BY THE COMMISSION:

O P I N I O N

Railway Express Agency, Inc., a California corporation, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by it of an automobile freight service for the transportation of l.c.l. freight of the Los Angeles & Salt Lake Railroad Company between the freight station of the railroad company in Los Angeles and the railroad stations of the company in Huntington Park and Bell, California.

A public hearing on this application was conducted by Examiner Handford at Los Angeles, the matter was duly submitted, and is now ready for decision.

Applicant proposes to charge rates on each loaded truck movement, \$2.30 between Los Angeles and Huntington Park, between

Los Angeles and Bell (only) \$3.00, and between Los Angeles and Bell via Huntington Park, including Huntington Park \$3.30. The service proposed is twice daily except Sundays and holidays, and the equipment proposed to be used is a three-ton auto car chassis with pneumatic tires which will haul van type demountable bodies, size 7x7x12 feet.

It appears from the record that the applicant desires to place under certificated operation the service heretofore rendered to the Los Angeles & Salt Lake Railroad between Los Angeles and Huntington Park by a contract, and extend such service to the station of Bell. It appears that both Huntington Park and Bell are within the switching limits of Los Angeles as regards the Los Angeles and Salt Lake Railroad, both stations enjoying the same terminal rate as does Los Angeles. For some months applicant has performed a similar service to that now proposed between railroad stations in Los Angeles, under contract, for the transportation of less than carload freight for the railroads.

The handling of less than carload freight by applicant for Los Angeles & Salt Lake Railroad between Los Angeles and the stations of Huntington Park and Bell will result in a saving in time of at least twenty-four hours to shippers and receivers and without any increase in rates to the public.

Four witnesses, shippers and receivers of freight at Huntington Park or Bell testified as to the advantages to be obtained by the proposed offer of service on less than carload freight to be forwarded or received.

There was no protest against the granting of the application.

From the record herein, we are of the opinion that the

applicant has shown public convenience and necessity require the granting of this application.

Railway Express Agency, Inc., a California 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

A public hearing having been held on the above entitled application, the matter having been duly submitted and the Commission being now fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Railway Express Agency, Inc., a California corporation, of an automobile truck line as a common carrier of freight for the Los Angeles & Salt Lake Railroad Company between the local freight station of the railroad company in Los Angeles and the local freight stations of such railroad company at Huntington Park and Bell over the following route:

From Los Angeles south on Alameda Street to Slauson Avenue; thence east on Slauson Avenue to the Huntington Park Depot of Los Angeles & Salt Lake Railroad Company on State Street; thence south on State Street to Cage Street; thence east on Cage Street to the Bell Station of the Los Angeles & Salt Lake Railroad Company on Salt Lake Street. Returning via the reverse of the foregoing route.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for the above service be and the same is

hereby granted to Railway Express Agency, Inc., a California corporation, 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 this Commission's General Order and containing rates which, in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application in so far 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 shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 29th day of January 1932.

Cl. Leary
Leon Whittier

W. A. Carr

M. B. Lavin

Fred G. Stearns
Commissioners.