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Decision No. 24524.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application  
of Southern Pacific Company for  
authority to close the agency at  
Aromas Station, County of San  
Benito, State of California.

Application No. 17838.

**ORIGINAL**

In the matter of the application  
of the Railway Express Agency,  
Inc., for authority to abandon  
its agency at Aromas, County of  
Santa Cruz, State of California.

Application No. 17859.

H. W. Hobbs, for Southern Pacific Company.  
J. E. Kane, for Railway Express Agency, Inc.  
Wyckoff, Gardner & Parker, for Protestants.

BY THE COMMISSION:

O P I N I O N

These applications are of the Southern Pacific Company and Railway Express Agency, Inc., respectfully, seeking authority to abandon their agencies at Aromas, Monterey County (erroneously stated in the application of Southern Pacific Company as San Benito County and in the application of the Railway Express Agency, Inc., as Santa Cruz County).

A public hearing was conducted by Examiner Johnson at Watsonville on January 29th, 1932, at which time evidence was taken and the matter submitted.

Aromas is located on the main line of the Southern Pacific Company's Coast Division approximately midway between Watsonville Junction and Sargent. The population is estimated to be approximately 300 permanent residents. It is practically surrounded by an agricultural district devoted to truck farming,

and deciduous fruits. There is a large sand and gravel plant located at Logan in the Canyon about one mile to the north of Aromas. The nearest existing agency stations to Aromas are Watsonville Junction, 5.8 miles to the east, and Sargent, 7.5 miles to the west.

The communities of Nega, 2.5 miles east, and Logan, 1.4 (Granite Rock Company), Chittenden, 2.7, and Betabel, 5.6 miles west, are all located on the railroad, but do not have the service of a local agent available, and as a result make use, to a large extent, of the Aromas Agency, with the exception of Logan, where a clerk is employed jointly by railroad and Granite Rock Company, who attends to the billing of carload shipments originating at Logan. The accounting for the business at Logan is performed by the Aromas Agent.

The carrier presented an exhibit showing a comparative statement of business handled at Aromas for the two-year period ending December 31st, 1931:

Items	Revenue	
	Year ending : Dec.31,1930	Year ending : Dec.31,1931
Passenger Ticket,	\$ 345.	\$ 323.
Milk and Cream,	34.	48.
Less than carload Freight Received and forwarded,	1,078.	1,224.
Carloads Received and Forwarded,	<u>1,448.</u>	<u>7,950.</u>
Total Revenue,	\$2,905.	\$9,545.

During the year ending December 31st, 1931, there were 115 carloads of freight received at Aromas, of which 104 cars were road building material consigned to the Highway Department. The remaining 11 carloads were box shooks, fertilizer, honey and merchandise. During the same period there were 11 carloads forwarded, all of which except one were apples and apricots. At the hearing applicant proposed to arrange to store the less-than-

carload shipments in the warehouse under lock and key and appoint a custodian of the key.

The records of the Railway Express Agency, Inc., show a total revenue for shipments to and from Aromas for the twelve months ending December 31st, 1931, to be \$1,255.67. The commission paid to the station agent on this business amounted to \$185.52. In addition, the station agent handled 277 Western Union messages and 70 pieces of baggage during the year. The records show that the total railroad station expense to Southern Pacific Company during the year ending December 31st, 1931, amounted to \$1,975., the principal item being the agent's salary, or an average of \$164.50 per month.

Some nine witnesses appeared as protestants to the granting of this application, contending for the retention of the agency. It appears that the most serious complaints were directed to the fact that if the application is granted the patrons will be deprived of the service of notifying shippers of the arrival and storing of less-than-carload shipments. It was also contended that it would be an inconvenience to secure a key from a custodian, as well as the handling of carload shipments through the agent at Watsonville Junction and Sargent, and also require the meeting of passenger trains in order to transact express business.

The record in this case is similar to that in many abandonment cases before the Commission in recent years and is without doubt the result of the increased use of the private automobile and commercial truck operation on the highways in competition with the rail line. This was evidenced by the testimony of a number of the protestants. The record shows the total revenue received from less-than-carload shipments and the agency passenger business is materially less than the

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station expenses, without any allowance for cost of transportation, station expenses at the other end and supervision costs. It does not appear that the removal of the agent would result in any hardship to the passengers now using the line, as tickets will be sold by conductors on the trains.

On the other hand, the Commission must consider the fact that the carrier has held out to serve this territory for many years. Aromas is the center for a number of small communities and is the only agency station at present serving the district. After carefully considering the record in this proceeding, it is concluded that the application of the carriers should not be granted as applied for.

A study of the record shows that nearly 75 per cent of the railroad and express revenue over a year's period is received during the six months' period from May to October, inclusive. It therefore appears that an arrangement could be worked out whereby an agency would be maintained for the six months' period from May to October, inclusive, each year and closed during the remainder of the time, provided that during the period when the agency was closed a caretaker would be available to store the less-than-carload shipments in the company warehouse under lock and key. The caretaker should also be provided with necessary supplies for the convenience of shippers and should be able to communicate with the nearest agency without expense to shippers.

An order will accordingly be entered denying these applications and it may be understood that the Commission will entertain applications along the line suggested above.

O R D E R

Public hearing having been held, the matter being ready and under submission, therefore

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IT IS HEREBY ORDERED that the above entitled applications of Southern Pacific Company and Railway Express Agency, Inc., respectively, be denied without prejudice.

Dated at San Francisco, California, this 29<sup>th</sup> day of February, 1932.

Chas. J. ...  
Leon ...  
M. J. ...  
M. B. ...  
James G. ...  
Commissioners.