

Decision No. 24898.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of (a) Southern Pacific Company for authority to close its agency at Capitola Station in the County of Santa Cruz, State of California, during the period October 15th to May 15th, inclusive, of each year, and (b) Railway Express Agency, Inc., for authority to discontinue its agency at Capitola Station during the period October 15th to May 15th, inclusive, of each year.

Application No. 17989.

ORIGINAL

BY THE COMMISSION:

O R D E R

In the above entitled joint application Southern Pacific Company and Railway Express Agency, Inc., seek authority to close their respective agency stations at Capitola, in Santa Cruz County, California, during a seven-months' period beginning October 15th of each year and ending the following 15th day of May.

Accompanying the application is a comparative statement showing the amount of business transacted by Southern Pacific Company at said station during the years 1930 and 1931, and by Railway Express Agency, Inc., during the year 1931.

The following is taken from their reports:

SOUTHERN PACIFIC COMPANY

<u>Items</u>	<u>Year Ending 1930</u>	<u>Year Ending 1931</u>
Passenger tickets sold,	931	739
Number of less-than-carload shipments received,	1,451	1,032
Number of less-than-carload shipments forwarded,	237	180
Number of carload shipments received,	14	51*
Number of carload shipments forwarded,	36	14

*Forty-three of the fifty-one carloads received was construction material consigned to the California Highway Commission for road building.

A study of the records shows that nearly 60 per cent of the railroad revenue over a year's period is revenue received during the five months' period from May 16th to October 14th, inclusive.

RAILWAY EXPRESS AGENCY, INC.

<u>Year 1931</u>	<u>Earnings</u>	<u>Expenses</u>	<u>Number Shipments</u>
January	\$507.70	\$50.77	281
February	667.90	66.60	387
March	378.29	37.83	329
April	302.80	30.28	301
May	704.17	70.42	488
June	774.30	77.33	487
July	583.67	58.37	240
August	1,065.56	103.28	332
September	510.98	51.10	250
October	415.65	41.06	274
November	382.20	37.09	195
December	277.77	27.78	253
TOTAL---	\$6,570.99	\$652.11	3,817
AVERAGE-	547.58	54.34	318

Average revenue per shipment 1.7215
Average cost per shipment .1708

It may be noted that the largest volume of express business is conducted during the summer months, although there is a good showing throughout the entire year.

Capitola is located on the Santa Cruz Branch of the Southern Pacific Company's Coast Division at a point five miles

east of Santa Cruz. The population is estimated to be approximately 225 permanent residents and it is practically surrounded by an agricultural district devoted to truck farming, nursery business, raising of deciduous fruits and dairy products. During the period from May to October of each year the Beach resort attracts large groups of people.

The nearest existing agencies to Capitola are Santa Cruz, 4.7 miles west, and Watsonville, 15.3 miles east. The proposed seasonal abandonment of said agency does not contemplate the abandonment of any facilities, as it is planned to continue the agency as a non-agency station.

California Farm Bureau Federation signified, in writing, that it does not object to the granting of this application.

A member of the Transportation Division of the Commission's Engineering Department has made an investigation into the matter and his report shows that interested shippers and receivers of freight at Capitola have indicated that they will not oppose the granting of this application in so far as it relates to Southern Pacific Company's service.

Southern Pacific Company has indicated that if the application is granted it plans to take care of the less-than-carload shipments by storing them in the warehouse under lock and key.

With respect to that portion of this application dealing with Railway Express Agency, Inc., service, we are in receipt of a letter advising that this company has secured the service of an agent other than the station agent to handle its business in case the station is closed as applied for herein, therefore request is made that the application be dismissed without prejudice in so far as it relates to the Railway Express Agency, Inc.

It appears that a public hearing is not necessary herein and that the application should be granted with respect to Southern Pacific Company's request, and the dismissal in so far as it relates to Railway Express Agency, Inc., therefore,

IT IS HEREBY ORDERED that Southern Pacific Company is hereby authorized to close its agency at Capitola, located on the Santa Cruz Branch of its Coast Division in Santa Cruz County, California, from approximately October 15th of each year to May 15th of the following year and to change its records and tariffs accordingly, provided that the said agency shall be continued as a non-agency station during this period of time, subject, however, to the following conditions:

- (1) The seasonal abandonment of this agency shall not result in an increase in fares for Southern Pacific Company's passengers boarding train at this point.
- (2) Less-than-carload shipments shall be stored under lock and key in the company's warehouse, the key to be obtained from the custodian located at or near the said station, and notice to that effect shall be maintained at the warehouse.
- (3) Applicant shall, each year, notify the public ten (10) days in advance of the closing of said agency by posting a notice in a conspicuous location at said station, and also so advise the Commission.

IT IS HEREBY FURTHER ORDERED that this application, in so far as it relates to the service of the Railway Express Agency, Inc., is hereby dismissed without prejudice.

The Commission reserves the right to make such further orders in this matter as to it may seem right and proper

and to revoke its permission if, in its judgment, public convenience and necessity demand such action.

The effective date of this Order shall be the date hereof.

Dated at San Francisco, California, this 20th day of June, 1932.

W. J. ...
Leon ...
W. B. ...
Frederic G. ...
Commissioners.