

Decision No. 25345.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of L.R. KAGARISE, doing business  
under the fictitious name of  
KEYSTONE EXPRESS SYSTEM, for  
permission to consolidate  
operative rights now exercised  
under Decisions 19012 and 19013  
and 19014 and 19055 and 19095 and  
19410, and to extend service into  
the Harbor and Bay district west of  
Los Angeles, no new operative  
rights being sought to or from Los  
Angeles proper.

Application  
No. 17383

ORIGINAL

F.G. Athearn and Douglas Brookman for applicant.

Phil Jacobson for Rex Transfer Company, protestant.

C.W. Cornell for Pacific Motor Transport Company,  
Pacific Electric Railway Company and Southern  
Pacific Company, protestants.

Wallace K. Downey for Motor Freight Terminal Company,  
protestant.

H.J. Bischoff for Motor Service Express, Rice  
Transportation Company, Glendale-Verdugo Hills  
Express and Donovan Transportation Company,  
protestants.

BY THE COMMISSION:

OPINION AND ORDER ON REHEARING

By Decision No. 25101, dated August 29, 1932, the above  
entitled application was granted, in part, the effect being the  
consolidation of applicant's previous rights,<sup>1</sup> together with  
certain extensions of existing rights,<sup>2</sup> into one united transportation  
system. Protestants asked for and were granted a rehearing on the

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<sup>1</sup> The rights consolidated were granted by Decisions No. 19012 on  
Application No. 13970, No. 19013 on Application 14041, No. 19014  
on Application No. 14047, No. 19055 on Application 14166, No. 19095  
on Application No. 14221 and No. 19410 on Application No. 13087.

<sup>2</sup> The extensions authorized were between Los Angeles and Vernon,  
Maywood, Huntington Park and Southgate; between Los Angeles and  
Long Beach; between Los Angeles and Los Angeles Harbor points,  
and between Los Angeles and Long Beach and Long Beach Harbor.

general allegations that the consolidation as authorized and the extensions granted were not supported by the evidence.

A rehearing was held before Commissioner Stevenot at Los Angeles, and the matter submitted on briefs.

Protestants contend that the consolidation, as permitted by Decision No. 25101, will establish a new through service between Los Angeles and points east of Cucamonga, including Colton, San Bernardino, Highlands, Redlands and Riverside, and to Orange County points, including Santa Ana; that there are already existing certificated carriers serving this territory; that the record does not contain proof of the need of such additional service nor does it show that the existing services are inadequate, and that the evidence does not support the extensions granted between Los Angeles and Los Angeles Harbor points and Long Beach and Long Beach Harbor and intermediate points.

An analysis of the record shows that by the consolidation heretofore granted the service between Los Angeles and Pasadena will be consolidated with the service between Pasadena and San Bernardino, Riverside, Santa Ana and intermediate points, and thus would create a new through service from and to Los Angeles competitive with the established services of protestants. The record does not contain sufficient evidence to justify such additional service nor does the record show that the existing service of protestants is inadequate. Indeed it appears the points are provided with abundant service by both rail and motor truck.

However, there is sufficient evidence in the record to justify the extensions between Los Angeles and Los Angeles Harbor points and between Los Angeles and Long Beach and Long Beach Harbor. Applicant is limited to the transportation of shipments originating in or destined to his present area (excepting Los Angeles) and is

forbidden to perform a local transportation service between the Harbor and Los Angeles and intermediate points. As to that portion of the extension authorizing service between Los Angeles and Long Beach there is little to support the grant except as a route for the convenience of operations between the two ports.

Applicant has made an attempt to obtain a certificate of public convenience and necessity to cover practically all of Los Angeles, San Bernardino, Riverside and Orange Counties south and west of the mountain ranges. The record does not support all that is sought by applicant, and in this period of depressed volume of traffic, transportation companies should not be required to meet new competition unless the service they render has been conclusively shown to be inadequate. However, applicant should be permitted to establish a workable consolidation which will permit a through service to be rendered from and to the areas that he has long served, particularly between Los Angeles and Pomona, Ontario, Uplands and Claremont and intermediate points, and to Glendale, Pasadena, San Fernando Valley and intermediate points. But any greater latitude will be an unwarranted intrusion into fields now adequately served by other carriers. The order will be amended to give effect to these conclusions.

#### O R D E R

A rehearing having been held on the above entitled proceeding, the matter having been duly submitted and the Commission being fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY  
DECLARES that public convenience and necessity require:

- (a) The consolidation of operative rights now owned by applicant L.R. Kagarise, and operated under the

fictitious name of Keystone Express System, said operative rights having been heretofore granted by this Commission's Decisions No. 19012 on Application No. 13970; No. 19013 on Application No. 14041; No. 19014 on Application No. 14047; No. 19055 on Application No. 14166; No. 19095 on Application No. 14221, and the following operative rights granted by Decision No. 19410 on Application No. 13087: 1, Pasadena, Lamanda Park, Santa Anita; 2, Sierra Madre; 3, Santa Anita Ranch; 4, Arcadia; 5, Monrovia, Duarte and Azusa; 6, San Gabriel Boulevard crossing following the Valley Boulevard to junction with El Monte, serving San Gabriel Boulevard crossing, Amarillo, Rosemead, Savannah, Ardenale, El Monte; 7, from Junction at Ontario to Upland, serving Ontario, Euclid Avenue, Upland; 8, from Junction at Cuasti (South Cucamonga) to junction at Cucamonga, serving Cuasti, Archibald Avenue, Cucamonga; 9, from Junction at Cucamonga to Alta Loma, serving Cucamonga, Alta Loma; 10, Los Angeles, Alhambra, San Gabriel, East San Gabriel and intermediate points; 11, Los Angeles, Glendale; 12, Los Angeles, Monrovia; 13, Los Angeles, Burbank, Van Nuys, Lankershim; 14, Van Nuys, Zelzah, Marian, Owensmouth; 15, Marian, Universal City, Lankershim; 16, Universal City, Los Angeles; 17, Los Angeles, San Fernando; 18, Burbank, Roscoe, Pacoima; 19, Los Angeles, South Pasadena and Pasadena;

(b) Extensions from said operative rights as follows:

1, between Los Angeles and Vernon, Maywood, Huntington Park

and South Gate, provided, however, that no local service shall be rendered between Los Angeles and Vernon, Maywood, Huntington Park and South Gate or points intermediate thereto; 2, between Los Angeles and Long Beach and between Los Angeles and Los Angeles Harbor points (Wilmington, San Pedro, East San Pedro and Terminal Island), provided, however, that no local service shall be rendered between Los Angeles and Long Beach, between Los Angeles and Long Beach Harbor, between Los Angeles and Los Angeles Harbor points, nor between points intermediate thereto; 3, between Los Angeles Harbor points and Long Beach and Long Beach Harbor, provided, however, that no local service shall be rendered between Long Beach and Los Angeles Harbor or points intermediate thereto;

(c) The consolidation of the operative rights set forth in paragraph (a) above with the extensions of said operative rights set forth in paragraph (b) above.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted as set forth above, subject to the following conditions:

1. Applicant shall file his written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.
2. Applicant shall file, in triplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than ten (10) days' notice to the Commission and the public 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 date hereof, on not less than five (5) days' notice to the Commission and the public, 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.

IT IS HEREBY FURTHER ORDERED that the order entered in Decision No. 25101 herein be and the same is hereby revoked and annulled.

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 <sup>17<sup>th</sup></sup> 16 day of

January, 1933.

C. L. Harvey

W. A. Cunn

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W. H. ...  
COMMISSIONERS.