

Decision No. 25588.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
(a) SOUTHERN PACIFIC COMPANY for an
Order authorizing it to close the
agency at Farmington Station in San
Joaquin County, State of California,
and (b) RAILWAY EXPRESS AGENCY, INC.
for an Order authorizing it to abandon
its agency at said station.

ORIGINAL

Application No. 18386.

Roy G. Hillebrand for Applicant,
Southern Pacific Company.
Wm. Lord for Applicant, Railway
Express Agency, Inc.
J. J. Deuel for Protestants.

BY THE COMMISSION:

O P I N I O N

This is a joint application by Southern Pacific Company and Railway Express Agency, Inc., seeking authority to close their respective agencies at Farmington, San Joaquin County, California.

A public hearing was held in this proceeding at Stockton by Examiner Johnson on November 4, 1932, and at this hearing the matter was duly submitted and is now ready for decision.

Farmington is a station on Southern Pacific Company's Oakdale Branch. The nearest agency to the west is at Stockton, located a distance of 17.3 miles and to the east the nearest agency is Oakdale, a distance of 14.2 miles. Farmington is served daily except Sunday by one passenger train and one local freight train in each direction and is a shipping point for a large agricultural and stock raising area.

Southern Pacific Company's Exhibit No. 1 shows the

railroad business handled at this point for the two-year period ending August 31, 1932, to be as follows:

I t e m ' s	Business conducted for			
	Year Ending August 31st.			
	1931		1932	
	Number	Revenue	Number	Revenue
<u>Freight Forwarded and Received:</u>				
Carloads (cars)	396		60	
*Carload Revenue - Local		\$4,494.		\$1,624.
Carload Revenue - Interline		3,907.		1,156.
Less-than-carload - Tons	196		67	
*Less-than-carload Revenue - Local		404.		149.
Less-than-carload Revenue - Interline		46.		21.
<u>Passengers and Revenue:</u>				
Agency Reports - Passengers	120		92	
Agency Reports - Revenue		85.		71.
Milk and Cream (Cans)	391		357	
Milk and Cream Revenue		134.		112.
<u>Station Data:</u>				
Pieces of baggage handled	67		57	
Number way bills made	472		115	
Number freight bills made	901		468	
Western Union messages	239		129	
Total		\$9,070.		\$3,133.

*For the items of Local Freight Revenue the amounts shown are one-half of the actual revenue in order to allocate or credit to this station its proportion of the revenues derived therefrom.

The principal commodities shipped from this point are rice, wheat, barley, grapes, straw and live stock.

It is contended by the railroad that the volume of passenger, milk and cream and less-than-carload business at this station no longer warrants the expense of maintaining an agent for this class of business and that the carload business can be adequately handled at the adjacent agency stations. It was shown that the station expense at Farmington for the year ending August 31, 1932, amounted to \$1,621., whereas the revenue derived from carrying passengers, milk and cream and less-than-carload

business amounted to \$353., and the total revenue \$3,133. If the application is granted, Southern Pacific Company proposes to store less-than-carload shipments in the warehouse under lock and install a company telephone connecting with the adjacent agencies for the use of its patrons.

Referring now to that portion of the application wherein the Railway Express Agency, Inc., seeks authority to abandon its agency at Farmington:

The record shows that the revenues derived from express shipments for the annual period ending July 31, 1932, amounted to \$566. The Express Company's witness testified that an attempt had been made to secure the services of an agent to represent it in the event Southern Pacific Company's agent was withdrawn at this point but was unsuccessful in securing the services of a representative.

The granting of this application was protested by the California Farm Bureau Federation and a number of property owners in the locality. It was their contention that the abandonment of this agency would work a hardship on applicant's patrons in that they would not receive notice of the arrival of less-than-carload shipments and be deprived of agency service in ordering cars; that the Farmington Agency handles the business for a number of adjacent non-agency points, the revenue from which should be credited to the Farmington Station; that in studying the economic justification for an agency at this point the question of revenue should not be confined to that received from passenger, milk and cream and less-than-carload business but should include the revenue derived from carload shipments; that the savings in operating expenses that would accrue as a result of abandoning this agency would be lost in whole or part as a result of diversion of freight to other

means of transportation, and that this district experienced an unprecedented crop failure during the years 1931 and 1932 due to drouth, which materially reduced the railroad business.

After carefully considering the record in this proceeding, together with that in Application No. 18418 wherein the same applicants seek authority to close their joint agency at Milton, it has been concluded that the Farmington Agency should be continued as a part-time agency. This conclusion is reached upon the basis that there has been some showing of public convenience and necessity for agency service at this point and the contention that the business is at a low level at this time due to general business conditions and drouth in this district. The opportunity presents itself here to make a saving in operating expenses by having one agent take care of the stations of both Farmington and Milton by dividing his time between these two stations which are separated by highway, a distance of 15 miles. In view of the fact that there is but one train operated on the Milton Branch per week, it is suggested that the agent spend one day a week at the Milton Station, preferably the day the train runs, and the remainder of his time at Farmington. This plan of continuing the agency station at this point might be considered as an experimental plan and after a reasonable period of time, if it can be shown that business does not increase, as has been estimated by protestants, the Commission will give consideration to another application for complete abandonment of this agency station.

O R D E R

A public hearing having been held in the above entitled proceeding, the matter having been duly submitted and being

now ready for decision,

IT IS HEREBY ORDERED that Southern Pacific Company and Railway Express Agency, Inc., respectively, are hereby authorized to establish part-time agencies at Farmington, located on Southern Pacific Company's Oakdale Branch, in San Joaquin County, California, subject to the following conditions:

- (1) Agency shall be maintained at this station not less than three days per week.
- (2) The establishment of a part-time agency at this station shall not result in an increase in fares to Southern Pacific Company's passengers boarding trains at this point.
- (3) Southern Pacific Company shall, when the agent is not on duty, store less-than-car-load shipments under lock in the company's warehouse and railroad telephone located at this station shall be made available to its patrons, the keys to both warehouse and telephone to be obtainable from a custodian located at or near said station, and notice advising shippers where keys may be secured shall be maintained at both warehouse and telephone.
- (4) Railway Express Agency, Inc., shall, when the agent is not on duty, continue to handle express shipments moving into or out of said point, provided they are tendered to or received from an express messenger at the car door of trains stopping at said point.
- (5) Applicants shall give the public at least ten (10) days' notice prior to putting into effect the reduction of agency service by posting notice in a conspicuous place at said station.
- (6) Applicants shall, within thirty (30) days thereafter, notify this Commission of the reduction in service herein authorized and of their compliance with the conditions hereof.
- (7) The authorization herein granted shall lapse and become void if not exercised within one (1) year from the date hereof.

The authorization herein granted shall become effective

on the date hereof.

Dated at San Francisco, California, this 23^d day
of January, 1933.

C. J. [Signature]

L. [Signature]

W. A. [Signature]

M. B. [Signature]

M. [Signature]

Commissioners.