

Decision No. 10211

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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ORIGINAL

In the Matter of the Application of
JOE BESONE for a certificate of public
convenience and necessity to operate
express and freight extension, McKittrick
to San Francisco via Lost Hills, Paso
Robles, Salinas and San Jose.

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Application No. 7474
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- Boyd Oliver for Applicant.
- I. N. Bradshaw for Southern Pacific Co. Protestant.
- F. Stearne for American Railway Express Co. Protestant
- F. W. Lucey for Atchison Topeka & Santa Fe Railway
Company and Sunset Railway Company, Protestants.

BY THE COMMISSION.

O P I N I O N

In this application Joe Besone, doing business under the fictitious name and style of Besone Motor Express, has made application to the Railroad Commission for a certificate of public convenience and necessity authorizing the operation of an automobile truck line as a common carrier of express and freight between Bakersfield and San Francisco via Taft, McKittrick, Lost Hills, Shandon, Paso Robles, Salinas and San Jose.

At the hearing herein applicant asked for and was granted permission to amend this application so that his operation would consist of picking up express and freight at various points between Bakersfield and Paso Robles for delivery to points between Paso Robles and San Francisco and to pick up express and freight between San Francisco and Paso Robles and intermediate points for delivery to points situated between Paso Robles and Bakersfield.

A public hearing upon this proceeding was held before Examiner Satterwhite on March 3rd, 1922, at Bakersfield, at which

time the matter was submitted and it is now ready for decision.

The granting of this application was protested by the Southern Pacific Company, the American Railway Express Company, the Atchison Topeka & Santa Fe Railway Company and the Sunset Railway Company, all of which are engaged in the operation of freight or express service between points herein proposed to be served by applicant through the operation of motor trucks, excepting points, Lost Hills and points intermediate to Paso Robles.

Applicant is at the present time engaged in the operation of an automobile freight service between Bakersfield, Taft, Fellows, Maricopa, and McKittrick, and testifying in support of his present petition stated that he had received a number of requests that he extend this service through Lost Hills and Shandon to Paso Robles and over the Coast Highway to San Jose and San Francisco. He further testified that there was a demand for this service due to the fact that the railroad service between San Francisco and Bakersfield took from four to ten days for deliveries and furthermore, there was no freight service whatsoever from Paso Robles east to Shandon and Lost Hills; that there was a further demand for the establishment of a service between Bakersfield and the West Side Oil Fields to Paso Robles so that a more direct outlet could be established between Kern County points and the Coast points in San Luis Obispo County. That under the service which he proposes, freight can leave San Francisco, arriving in McKittrick in thirty hours and in Bakersfield within thirty-six hours. Applicant, however, could not testify as to the probable volume of this traffic, which he would receive, but was of the opinion that as considerable freight moved from San Francisco to Bakersfield, he would be able to secure sufficient of such tonnage to make his line profitable due to the more expeditious service which he would be able to render.

In addition to the evidence submitted by applicant, he produced several other witnesses, one of such witnesses, testifying to the fact that a carload of pipe which his firm ordered from San Francisco was not delivered for a period of twelve days. That shipment, however, protestants showed was not shipped from San Francisco where ordered, but was ordered through the San Francisco firm from Peoria, Ill. which occasioned the delay in receipt. The Secretary of a commercial association who had resided in Bakersfield for only a period of one year also stated that, while he believed the service as proposed would develop new territory, he was not personally acquainted with the territory outside of Bakersfield, nor of its necessities for any additional freight service. Applicant also submitted several resolutions from development clubs endorsing the proposed service.

In protest to the granting of the certificate authorizing service as herein proposed by applicant, protestant Southern Pacific Company called three witnesses, all of whom are officials connected with commercial houses in the City of Bakersfield and each of such witnesses stated that they had occasion to continuously use the freight service both of the Southern Pacific Company and the Atchison Topeka & Santa Fe Railway Company between San Francisco and Bakersfield, that they found such service entirely satisfactory, and that insofar as they were concerned they would not use the service of a truck line should it be established. Local officials of the Railroad Company also testified to the fact that their freight service between San Francisco and Bakersfield was uniformly on a two day basis, that freight received at the San Francisco freight sheds prior to its closing hour at 4 o'clock, arrived in Bakersfield at approximately 9:30 the following night and was available for delivery to the consignee at 8 o'clock the following morning. Local agents of both railroads testified that only on very infrequent occasions were freight shipments between San Francisco and Bakersfield delayed longer than their regular established schedule for such service and

that freight destined through Bakersfield to points in the West Side Oil Fields were available for delivery at 2 o'clock in the afternoon of the same day deliveries were made of freight consigned to Bakersfield.

Applicant's Exhibit "A" showing schedule of rates, San Francisco and San Jose to Paso Robles, Bakersfield and intermediate points, proposes class rates ranging from 170 to 100 cents per one hundred pounds, first to fourth class, as comparable with the freight rates as shown in Exhibit introduced by the Southern Pacific Company of 94 to 70½ cents per one hundred pounds, San Francisco to Paso Robles; 112½ to 72 cents per one hundred pounds, San Francisco to Bakersfield; 133 to 90½ cents per one hundred pounds, San Francisco to Taft and 122 to 90½ cents per one hundred pounds, San Francisco to McKittrick, first to fourth classes.

From the evidence herein introduced, it would appear that the majority of business which applicant would receive, should his application be granted, would move between San Francisco and Bakersfield and the West Side Oil Fields. From the exhibits introduced in evidence, it would appear that the rates of the Southern Pacific Company and Atchison Topeka & Santa Fe are materially less than the proposed rates of applicant with the sole exception that should a shipment move from Paso Robles to Bakersfield or the West Side Oil Fields, the direct service as proposed by applicant would enable them to render service at materially lower rates than those in effect on rail lines, where shipments are obliged to be routed either via Los Angeles or Bay points. Evidence, however, failed to show that there was sufficient traffic moving between Bakersfield, Taft, McKittrick and Paso Robles to warrant the establishment of a truck service solely between such points.

In addition to the rail freight service, the American Railway Express Company maintains express service between both San Francisco and Paso Robles and between San Francisco, Bakersfield and

rail points in the West Side Oil Fields. This service is not only far more expeditious than that proposed by the motor line, but is also much more frequent. A comparison of rates as between the railway express and the proposed motor line shows a wide diversion. The express rates range from a point materially lower than those proposed by the motor line to a point considerably higher in certain instances.

A review of the evidence submitted in this proceeding fails to show that applicant has established a public necessity for the service which he proposes, or that such service would be of any particular convenience to shippers either at Bakersfield or rail points in the West Side Oil Fields. As regards points situated between Paso Robles and Lost Hills, it would appear that this territory is very sparsely settled and the evidence does not show that there is any demand whatsoever for the establishment of a common carrier of freight between such points. We are of the opinion, therefore, that the application should be denied.

O R D E R

A public hearing having been held, evidence submitted and the Commission being fully advised,

IT IS HEREBY ORDERED that the above entitled application be, and the same hereby is denied.

Dated at San Francisco, California, this 21st day of March, 1922.

H. D. Loveless
Charles H. Hume
Commissioners