

Decision No. 10835.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of  
HUGH O'NEILL and GEORGE TITUS for a  
certificate of public necessity to  
operate truck line between Ferndale  
and Petrolia in the County of Hum-  
boldt, State of California.

Application No. 7974.

A. G. Bradford for Applicants.

H. C. Nelson for Elmer Gardner  
and M. F. Gardner, Protestants.

BY THE COMMISSION.

O P I N I O N

The applicants herein seek a certificate for the operation of a truck line between Ferndale and Petrolia in Humboldt County. The application was heard by Examiner Eddy at Eureka on July 24th.

Ferndale is a small community some three miles west of Fernbridge, a station on the Northwestern Pacific Railway; Petrolia is about five miles back from the coast at Punta Gorda. At the present time, Elmer Gardner and M. F. Gardner are operating an automobile stage service and carrying the mail between Ferndale and Upper Mattole, serving Petrolia as an intermediate point. This line was recently purchased from George M. Brice, with the approval of this Commission. A. W. Way, who operates a line between Eureka and Ferndale, also operates a freight service between Ferndale and Upper Mattole. His tariff covering the Petrolia route, filed here

effective June 1, 1917, and subsequent issues, are limited as follows: Summer freight Rate Schedule applying when roads and loads will permit of auto trucking. For reasons later explained, his trips have been infrequent, except during the fall season. Protests against the granting of a certificate to O'Neill and Titus were made by both the Gardners and Way.

It appears that the petitioners, who were until recently in the employ of A. W. Way, operated over the route from May 5 to July 18 without having secured a certificate of public convenience and necessity, as required by the statutory law. Their operations ceased only when they were notified so to do by this Commission and after court proceedings.

There was some complaint by those living along the line that the service as performed in the past by Mr. Brice was not satisfactory, and that the additional service offered during the fall months by Mr. Way did not fully meet their requirements. Considerable grain and fruit is shipped from the Petrolia and Upper Mattole sections to Ferndale, the principal movement being in the months of August, September and October. Much of this traffic is handled by trucks operating under contract with individual ranchers. The rainy season begins in November and, due to the condition of the roads, for several months in winter the auto vehicle must be replaced by horses and wagons. Because of these conditions, and in order not to be at any time without supplies, the residents of this territory bring in during the fall months most of the articles needed for winter use. The result is that during the fall months both the inbound and outbound tonnage is quite heavy. Mr. Way in the past has operated his trucks only during the busy season.

The Gardners took over the Brice equipment, consisting of two 3/4 ton White trucks, 10 horses, and 3 stage wagons; in

addition to this equipment, they own 6 horses, 2 passenger cars, and 2 trucks, the latter of  $3\frac{1}{2}$  and  $1\frac{1}{2}$  tons, respectively. If necessity requires, they are in a position to lease an additional  $2\frac{1}{2}$  ton truck. There appears to be little doubt but that this equipment is ample to serve the needs of the route for the greater part of the year; should this not be the case, the Gardners are in a position to put on such additional equipment as may be necessary to handle the traffic offered. Because of the mail contract, the Gardners are required to make six trips a week between Ferndale and Upper Mattole. Mr. Way is willing to make a trip whenever he can secure a four or five ton load, a condition which prevails only during the fall months.

The Gardners' published charge between Ferndale and Petrolia is  $62\frac{1}{2}$  cents per 100 pounds; O'Neill and Titus, when hauling as individual operators, quoted a rate of 50 cents per 100 pounds. As a result of the lower rate basis, the O'Neill line handled most of the freight, while the Gardner trucks, both inbound and outbound, were practically empty. During the month of May, the average daily tonnage in each direction was 200 pounds, and in June 385 pounds; the largest single day's business was less than 2300 pounds and was handled by one truck. The Gardners failed to meet operating expenses in May by \$194.96, and in June by \$154.54; these figures do not include earnings from the mail route, but only from passenger and freight traffic. Since taking over the route, they have operated thereon two  $3\frac{3}{4}$  ton White trucks and upon the discontinuance of the O'Neill operations they put on a Locomobile  $1\frac{1}{2}$  ton truck to handle cream, a considerable quantity of which moves during a portion of the year to Ferndale. The applicants propose, if granted the certificate, to charge the same rates as the Gardner line so that neither will have an advantage in that regard. O'Neill's equipment consists of 2 ton trucks and 8 horses.

There was testimony to the effect that at times the Brice service had not been adequate, and the belief was expressed that the territory would be better served if there were competition. It was stated also that, although the service furnished by the Gardners since taking over the line had been generally satisfactory, the period of heavy traffic had not yet been reached. The Gardners are financially able to put on the additional equipment necessary, and state that this will be done. The record demonstrates beyond question that the amount of traffic involved is not sufficient to maintain two lines operating daily throughout the year, and that public convenience and necessity do not warrant the additional service proposed.

The application will, therefore, be denied.

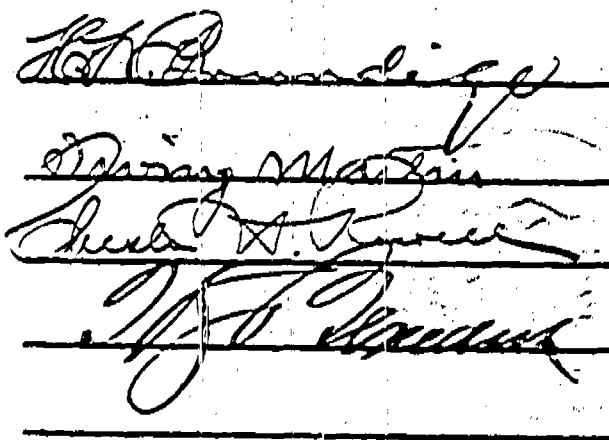
ORDER

A public hearing having been held upon the above entitled application, the matter being submitted, and now ready for decision,

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity do not require the operation by Hugh O'Neill and George Titus of an automotive truck line between Ferndale and Petrolia, Humboldt County.

IT IS HEREBY ORDERED that the application be and it is hereby denied.

Dated at San Francisco, California, this 10<sup>th</sup> day of August, 1922.

  
The block contains four handwritten signatures, each written over a horizontal line. The signatures are cursive and appear to be those of the Railroad Commission members.

Commissioners.