

ORIGINAL

Decision No. 6758

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)
 OAKLAND-SAN JOSE TRANSPORTATION CO.,)
 for certificate of public convenience)
 and necessity to operate freight and) Application No. 4941.
 express service between Oakland and)
 San Jose.)

In the Matter of the Application of .)
 O. L. SWETT and JOSE FIGEROA for)
 certificate of public convenience)
 and necessity to operate an auto-) Application No. 4968.
 truck line for freight service)
 between Oakland and San Jose.)

A. Turner for Applicant, Oakland-San Jose
 Transportation Company.

E. M. Otis for Applicants, O. L. Swett and
 Jose Figeroa.

Harry T. Hennessy for United States Railroad
 Administration, Southern Pacific Railroad.

BY THE COMMISSION.

ORDER

G. F. Nissen and A. C. Woodward, co-partners, doing
 business under the fictitious name of Oakland-San Jose Trans-
 portation Company, have petitioned the Railroad Commission for
 an order declaring that public convenience and necessity re-
 quire the operation by them of an automobile truck line as a
 common carrier of freight and express between Oakland, San
 Jose and intermediate points.

O. I. Swett and Jose Figeroa, partners in business under the fictitious name of "S. & P. Auto-Truck Freight Line" have petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by them of an automobile truck line as a common carrier of freight between Oakland, San Jose and intermediate points.

A public hearing on these applications was conducted by Examiner Handford at Oakland on September 30, 1919 and, as the routes sought by applicants are identical, the matters were consolidated for hearing, were duly submitted and are now ready for decision.

Applicants, Nissen and Woodward, propose to charge rates in accordance with a schedule marked exhibit "A" and attached to their application in this proceeding and to operate on a schedule of one round trip, daily except Sunday, serving as intermediates the communities at San Leandro, Hayward, Niles, Centerville, Irvington, Warm Springs, Milpitas, and Wayne; using as equipment one Moreland truck, two and one half tons capacity, licensed by State Motor Vehicle Department under License No. 155473, and one Moreland truck, four ton capacity, licensed by State Motor Vehicle Department under License No. 460295; other equipment is to be added if requirements of the traffic justify.

Applicants, Swett and Figeroa, propose to charge rates in accordance with a schedule filed with the Railroad Commission and supplemental exhibit "A" filed with their application in this proceeding and propose to operate four round trips or more daily between Oakland and San Jose serving as intermediates the communities at San Leandro, Hayward, Niles, Centerville, Irvington, Warm Springs, Milpitas, and Wayne; using as equipment

two 2½ tons and two 4½ tons automobile trucks, equipment not yet having been procured pending authorization for the route herein applied for. More equipment is to be added by applicants if the conditions of traffic justify. Applicants rely, as justification for the granting of the desired certificates, upon the alleged fact that motor truck service is necessary to speed up deliveries of through freight and make delivery to intermediate points not covered by railroad or other carriers; that there is a growing demand for auto truck freight service for the betterment of commercial interests and to facilitate freight transportation over the route herein sought.

Witnesses for applicants testified as to the investigations that had been made regarding the traffic possibilities indicating the necessity for the establishment of the routes herein sought; as to the station and train service on the line of the Southern Pacific Railroad which is claimed to be inadequate and unsatisfactory to the shipping public; and as to the facility that could be offered shippers and consignees, if the desired service were to be established. A witness engaged in the wholesale produce business in Oakland for some twenty-eight years testified as to the inadequacy of the present service offered by the Southern Pacific Company, particularly as to the delay in securing early morning delivery of fruits, vegetables and similar perishable products. It appeared that market conditions require fruit, vegetables and produce be in the hands of the commission merchants in the early morning otherwise the produce has to be carried over until the following day's market

resulting in deterioration of the products thereby materially lessening their sale value. Delivery by truck results in the produce being in the hands of commission merchants in the early hours of the morning and in better condition than when delivered by the railroad or the express company using the railroad facilities for transportation. The service rendered by the express company is stated to result in bruised and broken packages, the cause for which is alleged to be the frequent handlings which are required by this method of transportation, and deliveries by truck have resulted in the produce being delivered to the consignee in better condition and at an hour more seasonable for market conditions.

The granting of this application is protested by the United States Railroad Administration on behalf of the Southern Pacific Railroad and the American Railway Express, it being alleged that the service offered by such utilities is adequate and at reasonable rates and that the facilities offered by the United States Railroad Administration are ample to satisfactorily care for the needs of the shipping public over the route for which certificates are herein sought.

The rates proposed by applicants are materially lower than those of the American Railway Express although the character of service to be rendered is almost directly comparable with that of the express company in that it includes pick-up and delivery and prompt handling from point of origin to destination.

After careful consideration of all the evidence in this proceeding, we are of the opinion that the public is entitled to the benefit of the lower rates offered by applicants herein for approximately the same character of service as rendered by the express company; there being the added facility of direct and expeditious transportation at hours suiting the demands of consignees; a service, which, according to witnesses in this proceeding, has not heretofore been available over the route herein sought and the public is entitled to the most expeditious service possible and especially if such service can be obtained at a lower rate than is offered by other methods of transportation, and we are of the opinion that these applications should be granted.

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require the operation by C. F. Nissen and A. C. Woodward, co-partners, operating under the fictitious name of Oakland-San Jose Transportation Company, of an automobile truck line as a common carrier of freight and express between Oakland and San Jose and intermediate points; provided, however, that the rights and privileges herein granted may not be transferred nor assigned unless the written consent of the Railroad Commission to such transfer or assignment has first been secured.

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require the operation by O. L. Swett and Jose Figeroa, partners in business under the fictitious name of "S. & F. Auto-Truck Freight Line," as a common carrier of freight between Oakland and San Jose and intermediate points; provided, however, that the rights and privileges hereby authorized may not be transferred nor assigned unless the written consent of the Railroad Commission to such transfer or assignment has first been secured.

IT IS HEREBY ORDERED that no vehicle may be operated under this certificate unless such vehicle is owned by the applicants herein or is leased by such applicants under a contract or agreement on a basis satisfactory to the Railroad Commission.

Dated at San Francisco, California, this 18th day of October, 1919.

Edwin O. Egerton
H. D. Hayward
Frank R. Martin

Commissioners.