

Decision No. 6902.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of)
E. R. REZ for certificate of public)
convenience and necessity to operate)
an Auto Truck Express and Freight)
service between Yucaipa, Redlands,)
San Bernardino and Colton and the)
City of Los Angeles, Cal.)

Application No. 4803.

Frank A. Bates for Applicant.

H. W. Reed for The Atchison, Topeka and Santa Fe Railway
Co., Protestant.

Frank Karr by G. F. Squires, for Pacific Electric Railway
Company, Protestant.

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

BY THE COMMISSION:

O R D E R

E. R. Rez has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by him of an automobile truck line as a common carrier of freight and express between Yucaipa, Redlands, San Bernardino, Colton and Los Angeles.

A public hearing was conducted at Los Angeles by Examiner Handford on November 19, 1919, the matter was duly submitted and is now ready for decision.

Applicant proposes to charge rates in accordance with a schedule marked exhibit "A" and filed with the application in this proceeding and to operate on a schedule of one round trip

daily, using as equipment three trucks and two trailers; the trucks being two of two-ton capacity and one of three and one-half ton capacity, the trailers being one of one and one-half ton and one of two and one-half ton capacity.

Applicant relies as justification for the granting of the desired certificate upon the alleged fact that there is no line of motor trucks operating between the points proposed to be served and that his experience of one and one half years in the motor truck business as a contract carrier leads him to believe that there is a demand for a line over the route as proposed. Applicant does not propose to handle any freight or express locally between Los Angeles and Ontario. Applicant testified that he had received requests for his service from the merchants of Redlands. That in San Bernardino freight shipped from Los Angeles by railroad was not ready for delivery until 9:00 A. M., or later and that such delivery time was not satisfactory. Applicant proposes to establish depots at which freight will be picked up and delivered, and a pick-up and delivery service would be established at terminals. Applicant's investigation into the matter of service indicates that the service proposed is desired by the shippers and receivers of freight as an additional facility rather than to eliminate complaints against existing transportation companies.

Witnesses in behalf of applicant testified as to conditions in the orchard country surrounding Redlands and Yucaipa and as to the necessity of motor truck transportation for the movement of crops from the orchards to distributing points. Apples originating in the Yucaipa territory are largely placed in cold storage in Pasadena, Riverside and Los Angeles, in fact at any point where storage facilities are available. Applicant has performed a considerable amount of service on a contract basis during

the past two years for the Yucaipa Apple Grower's Association and has rendered satisfactory service. Merchants doing business in Redlands testified as to unsatisfactory conditions existing regarding freight deliveries claiming that from two to three days were required to get shipments from Los Angeles and that when freight did arrive it could not be secured at the freight station before 9:00 A. M. The Secretary of the Redlands Chamber of Commerce and the Merchant's Association of Redlands testified as to the general complaints to his office regarding unsatisfactory freight service, merchants in all lines of business voicing complaint. As a result of motor service given during the period when the railroads were inoperative due to labor troubles the merchants are of the opinion that a more satisfactory service can be rendered by the motor trucks than they have heretofore enjoyed by the facilities offered by the rail line.

The granting of the desired certificate is opposed by the United States Railroad Administration on behalf of its lessors, the Southern Pacific Railroad and The Atchison, Topeka and Santa Fe Railway; and by the Pacific Electric Railway Company.

Protestant, The Atchison, Topeka and Santa Fe Railway, claim no car shortage exists as regards local business to points on such line sought to be served by applicant and that no complaint has been received as to service, facilities or rates.

Protestant, Pacific Electric Railway Company, serves the communities at San Bernardino and Colton, but does not serve the Yucaipa territory nor the community at Redlands. This company claims it is able to properly and satisfactorily serve the territory reached by its lines and that no complaints have been received from the public. Also that rates are reasonable.

and in some instances are lower than those proposed by applicant.

Protestant, Southern Pacific Railroad, offered in evidence the time schedules of freight trains serving stations located in the communities proposed to be served by applicant, claiming that no car shortage now exists as regards the movement of local shipments from Los Angeles to Redlands or Colton and that satisfactory and adequate service is offered by the use of its facilities.

Applicant proposes to furnish a service which will approximate express transportation at practically freight rates. There can be no question as to the ability of the protestant companies to meet the demand for transportation and as to their possession of facilities to properly and expeditiously handle shipments at point of origin and destination. Terminal delays must occur, else the complaints of receivers of freight would not be before the Commission as testimony in this proceeding. The claims of employees and officials of the railroad lines here appearing as protestants that facilities and service are adequate and satisfactory are not borne out when considered in connection with the testimony of witnesses as to unsatisfactory conditions as regards time of delivery and length of time necessary to transport shipments from point of origin to destination. We are of the opinion that terminal delays are responsible in the majority of instances for the general complaint on the part of shippers and receivers of freight as to difficulty in securing freight after it is delivered to the transportation company. Delay at receiving sheds, in the loading and switching of cars at point of origin and destination, and in delivering merchandise from cars to platform of warehouse for delivery to consignee all contribute to the general delay and while the facilities may be present they are not exercised to the degree of efficiency demanded by the public

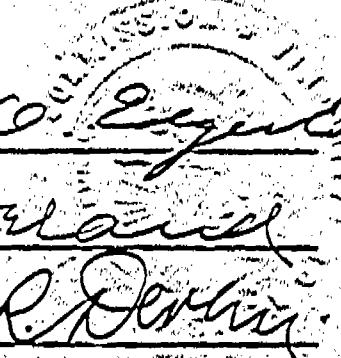
or complaints could not be justly made. There was no evidence in this proceeding indicating satisfaction on the part of the public as to the existing service rendered by the rail carriers. On the contrary witnesses testified as to delays and inconvenience which carriers have ample facilities to correct.

We have carefully considered the evidence in this proceeding and are of the opinion and find as a fact that the public convenience and necessity will be served by the granting of this application.

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require the operation by T. R. Rex of an automobile truck line as a common carrier of freight and express between Los Angeles, Colton, San Bernardino, Redlands, and Yucaipa; provided, however, that the authority hereby granted does not authorize the carriage of local freight in the territory intermediate between Los Angeles and Ontario. It is further provided 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 procured.

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

Dated at San Francisco, California, this 11th day of December, 1919.


Edwin C. Engle
H. L. ...
Frank R. ...

Commissioners.