

ORIGINAL

Decision No. 7063

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

oooOooo

In the Matter of the Application of)
E. A. KUYKENDALL for certificate of)
public convenience and necessity to)
operate automobile freight service)
between Bakersfield, Calif., and Los)
Angeles, Calif.)

Application No. 4852.

In the Matter of the Application of)
GEORGE M. DUNTLEY, for certificate)
of public convenience and necessity)
to operate freight service between)
Bakersfield, California, and Los)
Angeles, California.)

Application No. 4928.

H. N. Blair, for Applicant E. A. Kuykendall.

George Clark for Applicant George M. Duntley.

Harry T. Hennessey for United States Railroad
Administration, Southern Pacific Company,
Protestant.

BY THE COMMISSION:

ORDER

E. A. KUYKENDALL 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 between Bakersfield and Los Angeles and intermediate points.

GEORGE M. DUNTLEY has petitioned the Railroad Commission for an order declaring that public convenience and necessity re-

quire the operation by him of an automobile truck line as a common carrier of freight between Bakersfield and Los Angeles and intermediate points.

A public hearing on the above entitled applications was conducted by Examiner Handford at Los Angeles at which time the applications were consolidated for hearing and decision, the matters were duly submitted and are now ready for decision.

Applicant, E. A. Kuykendall, proposes to charge rates in accordance with a schedule marked exhibit "A" and attached to the application in this proceeding and proposes to operate on a schedule of one round trip daily serving as intermediates the communities at Elizabeth Lake, Fairmont, Neenach, Sandsberg's, Baileys', Lebec, Fort Tejon, and Rose Station; using as equipment one three ton truck, the purchase of which has not as yet been consummated.

Applicant, Duntley, proposes to charge rates in accordance with a schedule marked exhibit "A" and attached to the application in this proceeding and to operate on a schedule of one round trip daily serving as intermediate points the communities at Saugus, Sandberg and Lebec, using as equipment four Pierce Arrow automobile trucks each of five to seven ton capacity, thirty-eight horse power.

Applicant, Duntley, has had four years experience in Los Angeles in general trucking business and has been engaged in heavy trucking work under contract for the State Highway Commission and is the owner of fourteen five ton trucks having \$75,000.00 invested in equipment, all of which will be available for use over the proposed route provided that the demands of the traffic justify. This applicant has made some investigation as

to the traffic possibilities and has been advised that approximately forty tons per day move from Los Angeles into Bakersfield. Applicant proposes to commence operation with the use of eight trucks, each of five tons capacity and to increase equipment as rapidly as the demands of traffic will justify and proposes to operate on a route from Los Angeles out San Fernando Road through Burbank, San Fernando, Saugus, Castiac, Sandberg, Bailey's Ranch, Lebec, thence over the Grapevine grade and Tejon Pass into Bakersfield, the first point to be served out of Los Angeles being Saugus. Applicant claims to have found in his investigation of the traffic possibilities that complaint exists on the part of shippers and receivers of freight as to delays in transportation via the lines of the existing rail carriers and proposes a schedule which will consume fourteen hours between Los Angeles and Bakersfield.

Witnesses on behalf of applicant testified as to poor service existing over the line of the Southern Pacific Railroad particularly since the railroads were taken over for operation by the United States Railroad Administration; that truck service is necessary and desirable for shippers to obviate delays in delivery and that the expedited service and store door delivery will be attractive to shippers also that the present packing and crating requirements of the railroad are more rigid than those imposed by motor carriers. It is alleged that the additional service proposed will increase the business between Los Angeles and the communities proposed to be served.

A witness, on behalf of applicant, Duntley, residing at Sandberg, testified that his community was located seventy miles from Los Angeles, thirty-seven miles from Saugus and fifty six miles from Bakersfield entirely isolated from any rail

transportation and that, if some truck line is not established, extreme difficulty will be experienced by some twenty or twenty-five ranches which would be served and which are located in the immediate vicinity of the community known as Sandberg. Witnesses residing at and near Baileys' Ranch are isolated from any railroad transportation, the nearest point being Saugus some forty miles distant, the Bailey Ranch consisting of some 4,000 acres raises stock and hogs and other ranches in the immediate vicinity raise some wheat and barley. Outgoing shipments would consist of grain and some few hogs and incoming shipments would consist of groceries and other articles of merchandise necessary in the conduct of ranches. Some fifteen to twenty ranches in the vicinity of Baileys' Ranch would be served by the establishment of the proposed truck line.

Witnesses, in behalf of applicant Kuykendall, testified that his operation would be conducted from a central terminal station in Los Angeles, such terminal being used by some fifteen other truck lines and applicant depends largely upon business which may be destined to Bakersfield and intermediate points and which may be delivered to him at such terminal.

The granting of this application is protested by the United States Railroad Administration on behalf of its lessor the Southern Pacific Railroad. The Southern Pacific Railroad operates daily service leaving Los Angeles for Saugus at 10:00 A. M., the same train carrying carload shipments for Bakersfield and points north. Another service is available leaving Los Angeles at 10:00 P. M. daily; another service is offered leaving Los Angeles at 8:20 A. M. on Wednesdays, Thursdays and Sundays serving all stations to and including Mojave.

Express service is also available between Los Angeles and Bakersfield, such service being cared for by four passenger trains in each direction. It is alleged that no complaints have been received as to delays in the delivery of shipments other than some complaints during the fruit season.

At the hearing on these applications an amended schedule of rates was presented by applicant, Duntley, and such rates were adopted by applicant, Kuykendall, insofar as same were applicable to the route proposed by him.

A comparison of these rates with those of the Southern Pacific Company to points which are competitive is as follows:

Applicant's Rates

| | <u>Classes</u> | | | |
|-----------------------------|----------------|----------|----------|----------|
| | <u>1</u> | <u>2</u> | <u>3</u> | <u>4</u> |
| Between | | | | |
| Los Angeles and Saugus | 31½ | 26½ | 22 | 19 |
| Los Angeles and Bakersfield | 99 | 84½ | 55 | 61½ |

Southern Pacific Rates

| | | | | |
|-----------------------------|----|-----|-----|----|
| Between | | | | |
| Los Angeles and Saugus | 25 | 21 | 17½ | 15 |
| Los Angeles and Bakersfield | 79 | 67½ | 55 | 49 |

American Railway Express Rates

| | <u>Class</u> | | <u>Special Commodity</u> |
|-----------------------------|--------------|----------|--------------------------|
| | <u>1</u> | <u>2</u> | |
| Between | | | |
| Los Angeles and Saugus | 77 | 58 | 56 |
| Los Angeles and Bakersfield | 137 | 103 | 85 |

All the above rates are in cents per 100 lbs.

The service proposed by applicants herein, while at rates slightly higher than the less than carload rates of the Southern Pacific Company, are materially lower than the rates of the American Railway Express with whose service that proposed by the applicant is comparable in that it includes store door

pick up and delivery at all points other than Los Angeles. Applicant, Duntley, is the possessor of ample equipment to serve all the needs of the public desiring truck service over the route proposed by him but applicant, Kuykendall, proposes to serve some intermediate communities not now provided with regular transportation service which are not contemplated by applicant, Duntley, and, after careful consideration of all the evidence in this proceeding, we are of the opinion and find as a fact that the public convenience and necessity will be served by the granting of the applications herein with certain restrictions as to competitive points served by the railroad regarding which there is no evidence before the Commission indicating unsatisfactory service or a necessity for the establishment of additional carriers.

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require the operation by E. A. Kuykendall of an automobile truck service as a common carrier of freight between Bakersfield and Los Angeles serving as intermediate points the communities at Elizabeth Lake, Fairmont, Neenach, Sandsberg's, Bailey's, Lebec, Fort Tejon, and Rose Station; provided, however, that this authorization conveys no authority for the carriage of freight locally in the territory between Los Angeles and Saugus, including also the community at Saugus; and provided further, 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 procured.

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require the establishment by George M. Duntley of an automobile truck line as a common carrier of

freight between Bakersfield and Los Angeles serving as intermediate points the communities between Saugus and Bakersfield ; provided, however, that this authorization conveys no authority for the carriage of freight locally in the territory between Los Angeles and Saugus, including also the community at Saugus; and provided, further, that the rights and privileges hereby granted 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 the authority conveyed by the declarations herein contained unless such vehicle is owned by the applicants herein or is leased by such applicants under a contract or agreement satisfactory to the Railroad Commission.

Dated at San Francisco, California, this 27th day of January, 1920.

Edwin O. Egan

A. D. Loveland

H. K. Brundage

James M. Masten

Commissioners .