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Decision No. 7/09.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA .

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In the Matter of the Application of LEONARD G. BROTZMAN for a certificate of public convenience and necessity to operate a motor truck line in freight and express service, between Sacramento and Vallejo and intermediate points, under the name of Arrow Express Line.

Application Number 5223.

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Sanborn and Rochl by H. H. Sanborn, for Applicant.

- G. J. Bradley for Merchants and Manufacturers Association of Sacramento and Consolidated Chamber of Commerce of Sacramento.
- H. W. Hobbs and H. W. Kline for United States Railroad Administration; Southern Pacific Railroad and American Railway Express, Protestants.

BY THE COMMISSION:

## ORDER

Leonard G. Brotzman has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operationby him of an automobile truck line as a common carrier of freight and express between Sacramento and Vallejo and intermediate points.

A public hearing on this application was conducted by Examiner Handford at Vallejo, 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; to operate both freight and express service on

a schedule of two round trips daily, except Sunday, as regards express and one round trip, daily except Sunday, as regards freight serving as intermediates the communities at Dixon, Vacaville, Suisun, Fairfield and Cordelia; using as equipment in the express service two Reo speed trucks equipped with pneumatic tires, each of one ton capacity, and in freight service one Kleiber truck, two and one-half ton capacity with one trailer of two ton capacity.

Applicant relies as justification for the granting of the application in this proceeding upon the alleged fact that the present transportation service is inadequate to promptly handle freight and express shipments between the points proposed to be served.

Applicant testified as to the results of his investigation into the traffic possibilities as regards the handling of
freight and express over the route for which certificate is
sought and as to the attitude of merchants in the various towns
regarding transportation facilities, such merchants claiming
they were in need of the character of service that was offered.
Applicant has arranged for storage space in the wholesale
district at Sacramento and proposes to make store door delivery
and pick-up in Vallejo and the intermediate communities proposed to be served. The investigation into traffic possibilities
has been conducted over a period of forty-five days. Applicant
has had nearly two years experience in the business of operating trucks in and around the oil field district of Maricopa.

Mr. George J. Bradley, manager of the Merchants and Manufacturers Traffic Association and director of the Consolidated Chamber of Commerce of Sacramento, testified that he had made a

study of the transportation service out of Sacramento; that the present freight service was unsatisfactory and always had been; is of the opinion that Sacramento as a jobbing point is logically entitled to the business of Davis, Dimon, Cordelia, and Vacaville and that motor truck transportation is satisfactory for short haul business in that store door pick up and delivery are possible and a convenience to merchants receiving such service. The business community at Sacramento has never enjoyed any considerable volume of Vallejo business and committees representing Vallejo merchants have asked for opportunity to place more business with Sacramento wholesalers and jobbers. Mr. Bradley believes that a public mecessity exists for the establishment of the proposed service and that the freight and express rates, as proposed by applicant, are reasonable and will enable the jobbers and wholesalers of Sacramento to develop business with the merchants of Vallejo.

Witnesses, representing the merchants and business community of Vallejo, testified as to their desire to transfer a considerable portion of their purchases to Sacramento and in the endeavor so to do they found unsatisfactory transportation conditions to exist and that in many instances shipments which normally would move by freight were sent by express at higher rates due to delay in freight deliveries. Witnesses, engaged in business in Suisun and Vacaville, testified as to unsatisfactory service both by freight and express and gave instances of delays particularly as regards perishable shipments.

This application is protested by the United States
Railroad Administration on behalf of its lessors the Southern

Pacific Railroad and the American Railway Express, and witnesses for protestants outlined the train service as now existing to the communities herein sought to be served by applicant and stated that no complaint had been received as regards the character of service, either freight or express, now being furnished.

It appears that the Southern Pacific Railroad has recently STANISHED & SOUTH Valle 10 leaving Sacramento at 8:00 P. M., and scheduled to arrive at South Vallejo at 2:00 P. M. the following day. a car being carried on train No. 221, Sacramento to Suisun; train No. 293, Suisun to Napa Junction, and being handled on an extra train, Napa Junction to South Vallejo. The Southern Pacific Railroad claim to have established this service for the benefit of Vallejo merchants and that such service will be continued irrespective of the amount of less than carload business offering from Sacramento to Vallejo.

The service was established on January 1, 1920, and a record of arrivals at Vallejo between January 1st and 19th inclusive, omitting Sundays and holidays, indicates that the Sacramento-Vallejo merchandise car arrived at Vallejo on time or in advance of scheduled arriving time on eleven days. On four days the car arrived at South Vallejo later than the scheduled arriving time. The time of arrival on the days that car was later than schedule varying from fifteen to one hour and twenty-five minutes.

A comparison of freight rates, as proposed by the applicant with those of the protestant, Southern Pacific Railroad, indicates that the freight rates to all points proposed to be served are in each instance higher than those of the Southern Pacific Railroad but, in view of the fact that the rates of

applicant include a store door delivery and pick up at all points except Sacramento, the rates as proposed are not unreasonable in v.ew of the character of service proposed to be rendered. A comparison of the express rates proposed by applicant with those of the American Railway Express indicates that practically the same rates are proposed by applicant as those now charged by the American Railway Express between Sacramento and the several points proposed to be served.

After careful consideration of all the evidence and the exhibits filed in this proceeding, we are of the opinion that the service proposed by applicant in the establishment of freight . between Sacramento and Vallejo and intermediate points is one that is desirable for the public in the communities proposed to be served. Freight service has recently been established by the Southern Pacific Railroad operating a merchandise car between Sacramento and South Vallejo but the arrival of this merchandise car at South Vellejo at 2:00 P. M. containing goods leaving Sacramento at 8:00 P. M. on the previous day is not a service comparable with that proposed by applicant which leaves Sacramento at 7:00 A. M. and arrives and is ready for store door delivery at Vallejo at 2:30 P. M. the same day. Such freight service is comparable with the express service rendered by the American Railway Express but at materially lower rates and a freight truck departure from Sacramento at 7:00 A. M. renders possible the handling by motor in that wholesale fruit and vegetable truck freight of perishables such as fruits and vegetable markets commence their business day at an early hour sufficiently so to permit of deliveries being made to the truck line of applicant prior to the 7:00 A. M. scheduled hour of departure.

As regards express service; applicant proposed a service of two round trips daily. The time proposed to be consumed between

terminals being four hours and forty-five minutes as against a service offered by the American Railway Express using the passenger trains of the Southern Pacific Railroad and consuming considerably less time between terminals, the express rates of applicant and American Railway Express being practically the same. There is no evidence in this proceeding which indicates any specific complaint against the service or rates of the American Railway Express and the portion of the application requesting the establishment of an express service by motor truck over the route herein proposed will be denied. The public, however, is entitled to the expedited freight service offered by applicant herein, same being practically an express service at a rate slightly higher than that charged by the Southern Pacific Railroad for less than carload freight and for a station to station delivery. Applicant's proposed service contemplates a store door pick up and delivery in all communities served excepting Sacramento and this service will meet the demands of the public for an expedited service at reasonable rates between Sacramento and Vallejo and intermediate points.

THE RAILROAD COMISSION HEREBY DECLARES that public convenience and necessity require the operation by Leonard G. Brotzman of an automobile truck line as a common carrier of freight between Vallejo and intermediate points; that the public convenience and necessity does not require the establishment of an automobile truck line as a common carrier of express between Sacramento and Vallege and intermediate points; 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 the portion of this application insofar as it refers to freight service over the route hereinabove stated be and the same hereby is granted.

IT IS FURTHER ORDERED that the portion of the application requesting the establishment of an express service between Sacramento and Vallejo and intermediate points be and the same hereby is denied.

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

Dated at San Francisco, California, this // day of February, 1920.

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Commissioners.