

Decision No. 7220

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of
B. H. STEELE and H. E. STEELE for
certificate of public convenience
and necessity to operate automobile
freight service between Oceanside,
California, and Santa Ana, California.

Application 5195.

H. N. Blair for applicants.
M. W. Read, C. K. Adams and Paul Burks for United
States Railroad Administration; Atchison,
Topeka & Santa Fe Railway, Protestant.
M. Thompson for American Railway Express, Protestant.
Harry T. Hennessy for United States Railroad Adminis-
tration; Southern Pacific Railroad, Protestant.
E. E. Rodebaugh for Charles D. Boynton, Proprietor
Boulevard Express, Protestant.

BY THE COMMISSION.

O R D E R

B. H. STEELE and H. E. STEELE, partners in business operating under the fictitious name of Oceanside Truck 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 Oceanside and Santa Ana.

Public hearings on this application were conducted by Examiner Handford at Los Angeles on December 23, 1919 and February 25, 1920, the matter was duly submitted and is now ready for

decision.

Applicants proposed to charge rates in accordance with a schedule marked Exhibit "A" and filed with the application in this proceeding, to operate on a schedule of 1-round trip daily using as equipment one Moore truck, 2-1/2 ton capacity, licensed by the State Motor Department under License No. 402046, and 2 Autocar trucks each of 2 ton capacity.

Applicants rely as justification for the granting of the desired certificate upon the alleged fact that a considerable territory south of Oceanside is producing peas and beans which require movement to the Los Angeles markets. Other perishable garden truck and products are also produced in such territory and it is alleged that the service now rendered by the Atchison, Topeka & Santa Fe Railway does not satisfactorily meet the requirements of the producers in the territory south of Oceanside.

Applicants are now operating, under the authority of the Railroad Commission, a truck line between San Diego and Oceanside and desire to extend service from Oceanside to Santa Ana at which point connection will be made with authorized truck lines operating between Santa Ana and Los Angeles.

Witnesses for applicants testified as to the acreage now planted to beans, peas and other perishable garden products in the Del Mar-Cardiff and the Carlsbad Districts; as to the difficulty experienced in securing satisfactory transportation via the local freight service of the Atchison, Topeka & Santa Fe Railway and the facilities afforded by the American Railway Express; and as to the desire of producers to patronize truck service for the reason that early delivery in the Los Angeles markets was necessary if maximum prices for products were to be secured and to eliminate

the additional drayage charge which would be occasioned if rail shipments were made.

Witnesses favoring this application and engaged in the operation of truck lines between Santa Ana and Los Angeles testified as to the volume of business handled between such points and that the preponderance of business originated at Los Angeles destined to Santa Ana and intermediate points, but that the return loads were of little consequence and that ample capacity was available for all business which might offer from Santa Ana destined Los Angeles.

It appears that there exists an association of vegetable growers in the Carlsbad District and that such association is at present operating its own trucks or trucks leased by the association for the transportation of products originating with the members of the Carlsbad Vegetable Growers Association which are destined to the Los Angeles markets.

This application, if granted, will result in the establishment of a through route San Diego to Los Angeles and as regards the shipment of green peas and beans from the Del Mar-Cardiff and Carlsbad Districts in a through rate according to rates proposed by the applicants and rates on file with the Railroad Commission as regards the territory between Santa Ana and Los Angeles of 55 cents per cwt., the existing rate over the line of authorized carrier, Boulevard Express, being 78 cents per cwt., such rate including Federal War Tax.

Some complaint was made by witnesses for applicants regarding late delivery of shipments to the markets at Los Angeles, such late deliveries resulting in a lower price being secured for shipments of peas than were anticipated by shippers or which would have been received if earlier delivery had been made.

The Vegetable Growers' Association, with headquarters at Carlsbad, has, however, undertaken the delivery of its products to the Los Angeles markets by leased trucks and there is no evidence which indicates that such trucks will be withdrawn and that the business now handled would go to the applicants and their proposed connecting lines.

This application is protested by the United States Railroad Administration on behalf of its lessors, the Southern Pacific Railroad and the Atchison, Topeka & Santa Fe Railway; by the American Railway Express and by Charles D. Boynton, Proprietor of the truck line operated under the fictitious name of Boulevard Express.

The protest of the Southern Pacific Railroad was eliminated by the stipulation of applicants that no business was desired locally between Los Angeles and Santa Ana, such business being at present cared for by two authorized truck lines.

The Atchison, Topeka & Santa Fe Railway protests the granting of the application and offered in evidence time schedules and rates as existing over the territory for which applicants desire a certificate. The Atchison, Topeka & Santa Fe Railway are at present operating but three times per week as regards less than car load freight shipments between Los Angeles and Oceanside and such service does not meet the requirements of the shippers of garden truck and produce in that such produce moved daily and at hours other than are satisfactory for shipment. It is also necessary to haul shipments to the railroad station and from the railroad station in Los Angeles to the markets and such additional haul results in additional expense to shippers, - the commodity being consigned to commission merchants in Los Angeles and all expense of delivery to the warehouses of the commission merchants

being charged against the shippers and producers.

The service of the American Railway Express, cared for by the passenger trains of the Atchison, Topeka & Santa Fe Railway, is not satisfactory to shippers in that shipments are required to be delivered to the stations of the Santa Fe at an hour which is too early for the growers and producers and an expense is occasioned producers by reason of their being required to deliver shipments from the point of production to the various stations of the Santa Fe Railway.

Charles D. Boynton, Proprietor of the Boulevard Express, opposes the granting of this application on the basis that he is serving the territory under authority from the Railroad Commission as contained in its Decision Number 6588 on Application Number 4754. This protestant claims to have had but two complaints regarding late delivery of garden truck and produce and assigns as a reason for such late delivery the fact that his regular route was impassable due to road conditions and that a 12 mile detour from his regular route was necessary and that the fact of being required to make such detour resulted in late arrival.

This protestant has leased space from the South Coast Land Company upon which he has erected a loading platform and provided same with scales for the convenience of shippers. Protestant claims to have been able at all times to furnish all trucks necessary to carry all shipments offered at any point on his authorized route between San Diego and Los Angeles; that he has furnished special trucks to handle the vegetable and produce business from the Del Mar-Cardiff and the Carlsbad Districts; that at the present time, due to the operation by the Carlsbad Vegetable Growers' Association of its own trucks, but ~~that~~ approximately an average of ^{daily} 35 sacks of peas/are being offered for transportation via his line.

Protestant has at present 4 trucks in service owned by himself, and 8 other trucks operated under lease. Two additional trucks have been contracted for and will shortly be available for the service offered over his route.

The Commission has carefully considered all the evidence in this proceeding and we find no showing as to any public convenience and necessity to be served other than the desire of the growers of vegetables and garden produce in the districts above mentioned for an additional route over which their commodities may be transported to the Los Angeles markets. It is true that applicants in connection with their proposed connection with other lines at Santa Ana offer a rate which is lower than that now existing over the line of the present authorized motor truck carrier. At the present time, however, the growers in the Carlsbad District, who are members of the Carlsbad Vegetable Growers' Association, have established their own service and are handling their own products to the Los Angeles markets; and while applicants, in connection with their proposed connections, have offered a lower rate than exists over the present authorized truck line as regards the transportation of vegetables and garden products, if complaint exists as to the unreasonableness of the rates charged by existing authorized carriers, such complaint should be brought to the attention of the Commission for an investigation as to rates, and an adjustment of same should they be found to be unreasonable.

We are of the opinion and find as a fact that the existing facilities of the automobile truck line operated by Charles D. Boynton, under the fictitious name of Boulevard Express, are adequate for the transportation of the garden truck produce

originating in the Del Mar-Cardiff and Carlsbad Districts and there is no other evidence before the Commission in this proceeding which would justify the granting of this application.

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity do not require the establishment by B. H. Steele and H. E. Steele of an automobile truck service as a common carrier of freight between Oceanside and Santa Ana; and

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

Dated at San Francisco, California, this 8th day
March
of ~~February~~, 1920.

Edwin O. Edgerton
H. J. Loveland
Frank D. Wain
H. W. Brundage
Dwight Martin

Commissioners.