Decision No. <u>9076</u>



BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of MONTEREY-SAN FRANCISCO EXPRESS COM-PANY, a copartnership, for certificate of public convenience and necessity to operate auto express and freight service between San Francisco and Pacific Grove and King City, Hollister and Boulder Creek, Santa Cruz, and other points south of San Jose.

Application No. 6636.

- J. Sherman Woolf and Fred E. Treat for Applicant.
- N. K. Lockwood and Edward Stern for American Railway Express Company.
- A. G. Metz for Monterey Chamber of Commerce.
- L. N. Bradshaw for Southern Pacific Company.

BY THE COMMISSION.

OPINION

Monterey-San Francisco Express Company applies for authand ority to operate freight/express service through between San Francisco and points south of San Jose as far as King City with a branch to Watsonville and Sante Cruz, and one between Salinas and Pacific Grove.

Public hearings on the application were held by Examiner Westover at San Francisco and Gilroy.

At the first hearing, applicant withdrew request to serve between Santa Cruz and Boulder Creek and between Gilroy and Hollister, and withdrew request to transport freight. Proposed tariff showed rates, graduated by weight and distance, generally

comewhat higher than current express rates. Before the last hearing, these were revised to substantially the rates of the American Railway Express Company. Applicant proposes to operate one trip each night in each direction, leaving San Francisco at 10:00.P.M., and arriving at Monterey at 7:30 A.M. Meanwhile, the present express service was improved by the addition of trains, and particularly by arranging to carry fresh fish from Monterey to San Francisco on the Southern Pacific train leaving Monterey at 6:15 P.M. The principal reason for originally proposing the service was to accommodate this traffic, and then developing a back haul in connection with it. At the last hearing, the only testimony relating to fresh fish movement shows that the new express service is satisfactory except that shippers are required to propel the express company's loaded trucks from the packing houses on the municipal wharf to the express depot at the land end of the wharf. Assurance was given that this would probably be corrected by the express company.

Complaint is made that ice cream movement from San Jose to Monterey arrives late and is delivered in the afternoon rather than in the morning, and that for the eastern and western suburbs there is no afternoon delivery, necessitating a drayage charge of 50 cents. At present such shipments can leave San Jose at 9:40 P.M., remain in the car several hours at Watsonville Junction, and arrvive at Monterey at 7:05 A.M., and be delivered that morning by the company's two wagons, free in town and the suburbs. The only complaint of this service is that in the hottest season the goods might need repacking and re-icing. It appears, however, that the express company provides cake ice and salt at San Jose for the purpose, and will properly handle all such shipments on the night train, now that it is advised of such desire; that no complaint

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had been made before, and shipments have not been offered for movement on the night train.

Several people testified to a desire of the several communities to have the San Francisco morning newspapers delivered in the morning rather than the afternoon. It appears that the proposed rates for this service are about five times higher than those of present carrier, and it is not clear that the papers can be ready by 10 P.M., nor that the business would move at the proposed rates.

Another question discussed in the testimony relates to handling of automobile parts when urgently needed. These are now usually ordered by telephone for shipment by express or parcel post. In some of the communities, this service is satisfactory, but in others there appears to be needless delay in local deliveries, as well as in ice cream deliveries. Pick-up service in San Francisco, of such shipments, are made by the express company up to 5:00 P.M. Applicant proposes about the same service, except that it rather vaguely plans to pick up to the close of business of the wholesale houses. The present carrier, with years of experience in the business, we believe can better improve its service than applicant can build and develop a new one with its unforeseen problems.

It also appears that the Southern Pacific Company maintains a merchandise service under which goods delivered at its freight house by 4:00 P.M. is ready for delivery next day throughout the territory at Santa Cruz and points north, early in the morning; and at King City by 1:00 P.M. These hours are average time for a 15 day check of performance.

It also maintains a special berry service for the sixmonths' season, under which berries leave Watsonville Junction at 5:30 P.M. and reach bay points at 2:30 next morning, in time for

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the early morning markets. The rates are about one-third those of applicant.

Believing that the express company can improve its service in the particulars referred to, and should have opportunity to do so before authorizing the competition, we dony the application but without prejudice to applicant's right to renew it if public necessity and convenience later seem to require the service it Offers.

ORDER

Public hearings having been held upon the above application, the matter being submitted and ready for decision,

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity do not require the proposed express service. between San Francisco and points south of San Jose, to and including King City, Pacific Grove and Santa Cruz.

IT IS HEREBY ORDERED that the application be and it is hereby denied, but without prejudice.

Dated at San Francisco, California, this <u>94</u> day of June, 1921.

Commissioner