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Decision No. 9193.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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ORIGINAL

In the Matter of the Application of)	
GEORGE B. CHILDS for certificate of)	
public convenience and necessity)	: Application No. 6722
to operate express service between)	
SAN FRANCISCO and SAN JOSE.)	

Harry B. Lister for Applicant
 Walter H. Robinson for S. B. Mc Lenegan
 & Sons (Pioneer Express)
 L. N. Bradshaw for Southern Pacific Company
 and American Railway Express

BRUNDIGE, Commissioner.

O P I N I O N

In this application George B. Childs petitions the Railroad Commission for a certificate of public convenience and necessity authorizing the operation of automobile truck service for the transportation of express matter between San Francisco and San Jose and intermediate points. Due to operation in good faith prior to May 1st, 1917, the applicant in the present proceeding already has an operative right permitting the operation of an automobile truck service for the transportation of express matter between San Francisco and Palo Alto and the present application is in effect a petition for permission to extend such service from Palo Alto south to San Jose including the intermediate points of Mayfield, Los Altos, Mountain View and Santa Clara.

A public hearing upon such application was held at San Francisco on June 23rd, 1921, at which time the matter was submitted and is now ready for decision.

At the hearing applicant agreed and permission was granted to amend his application so that a certificate of public convenience and necessity, if granted covering the proposed extension, would permit only of the handling of express matter for merchants in San Francisco destined to their customers in the territory proposed to be served south of Palo Alto and would not include the pick up of express matter in such territory destined to San Francisco except parcels or express matter forwarded to consignees in such territory which was for any reason rejected by them to be returned to the consignors at San Francisco.

Applicant proposes to establish the same schedule of rates for the extended territory as is now charged for the transportation of express matter to territory north of Palo Alto, such rates provide a charge of three-quarters cent per pound on wearing apparel, cooking utensils, hardware, machines, trunks, etc. and similar bulky articles with a minimum charge of 20 cents per package, a rate of one-half cent per pound on shoes, with a minimum charge of 10 cents, and a rate of one-half cent on merchandise not otherwise specified with a minimum charge of 17½ cents. Merchandise will be picked up in San Francisco in the afternoon, carried to Burlingame, the distributing point for applicant's lines, and delivered the next day. Deliveries will be made in Mayfield, Los Altos and Mountain View prior to twelve noon of the day following, and in Santa Clara and San Jose prior to four o'clock P. M. on the day following the pickup.

The granting of this petition was protested by the Pioneer Express, the Southern Pacific Company and the American Railway Express. The Southern Pacific Company's schedule shows eleven trains daily from San Francisco to San Jose and ten trains daily San Jose to San Francisco, carrying express matter, but this company does not furnish either a pick up or delivery service, which is more or less essential to this class of traffic. The American

Railway Express carrying express matter on trains over the Southern Pacific Lines furnishes a pick up and delivery service in San Francisco and also within the incorporated limits of the towns of Mayfield, Mountain View, Sunnyvale, Santa Clara, San Jose and Los Altos. All packages addressed to consignees residing outside the corporate limits of cities or towns mentioned must be called for at the nearest office of the Express Company and packages addressed to stations listed as flag stops must be receipted for by consignor, all charges prepaid, and are put off at such flag stops at owners risk. The rates of the American Railway Express Company for express matter, such as is proposed to be handled by applicant herein, as compared with applicant's rates, ranges approximately from 150 percent higher for packages of 25 pounds or under, to 25 percent higher for packages of 100 pounds or more. The rates of the Pioneer Express, operating a motor truck service between San Francisco, San Jose and intermediate points, while higher as regards minimum charges than those proposed by applicant herein, provide for a free delivery service within the incorporated limits of the cities and towns served and for one quarter mile on each side of the State Highway between points served.

Applicant herein proposes to deliver all express matter free of charge within the incorporated limits of the cities and towns served and in all unincorporated territory along the road contiguous to such cities and towns.

Applicant Childs testified that the San Francisco merchants which he served had repeatedly requested that he extend his service south of Palo Alto and including the City of San Jose and that due to the fact that he was unable to extend such service without a permit from the Railroad Commission, several merchants have installed their own delivery systems for the purpose of taking care of their business in such territory thereby not only losing to applicant, and other carriers, the business south of Palo Alto,

but also the business of such merchants between San Francisco, Palo Alto and points intermediate thereto.

Applicant Childs testified that approximately 90 percent of his total business consisted of the delivery of express parcels consigned from department stores in San Francisco to their customers located in Peninsular cities, and it would appear that the extension of this service south of Palo Alto to and including San Jose, is desirable particularly in view of the low minimum rates and the free delivery service proposed to be established by applicant.

I submit the following form of order.

ORDER

George B. Childs having made application to the Railroad Commission for a certificate of public convenience and necessity authorizing the operation of automobile truck service for the transportation of express matter between Palo Alto and San Jose and intermediate points, a public hearing having been held, evidence submitted and it appearing to the Commission that the application should be granted,

IT IS HEREBY DECLARED that public convenience and necessity require the operation by GEORGE B. CHILDS of an automobile truckline for the transportation of express matter between Palo Alto and San Jose, serving as intermediate points Mayfield, Mountain View, Los Altos and Santa Clara and that a certificate of public convenience and necessity be, and the same hereby is granted subject to the following conditions.

1. That as regards the territory south of Palo Alto to and including San Jose, applicant George B. Childs shall not accept for transportation any express matter other than express consigned from merchants in San Francisco and destined to consignees in the territory named, nor shall he accept or transport any express matter from points San Jose north to and including Palo Alto, except express matter which was consigned by merchants in San Francisco for delivery in the territory in question, but not accepted by consignees.

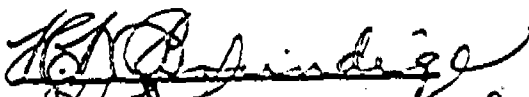
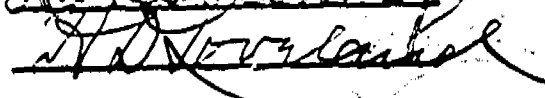
2. That applicant Geo. B. Childs shall file within ten (10) days from the date of this order, his written acceptance of the certificate herein granted and shall file within twenty (20) days from the date of this order, tariffs of rates and time schedules in accordance with General Order No. 51 of the Railroad Commission, service to begin within a period of not less than twenty (20) days from the date hereof, otherwise this certificate shall stand annulled without further order. For all other purposes, the effective date of this order shall be twenty (20) days from date hereof.


3. That the operative rights and privileges hereby authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.

4. That no vehicle may be operated by the applicants, unless such vehicle is owned by said applicants or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission.

Dated at San Francisco, California, this 30th
day of June, 1921.


Commissioners