

Decision No. 9449

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
WALTER KIELHOFFER for certificate of
public convenience and necessity to
operate auto truck milk route service
between dairy ranches in vicinity of
Lancaster and creameries in Los An-
geles.

Application No. 6787.

In the Matter of the Application of
OTTO F. MARTIN for certificate of
public convenience and necessity to
operate freight truck milk route
service between Lancaster and dairies
located adjacent thereto within a
radius of fifteen miles, and Los
Angeles.

Application No. 6861.

Harry N. Blair for Walter Kielhofer.
H. W. Elliott and W. C. Shelton for
Otto F. Martin.
Willis I. Morrison for milk shippers.
E. J. Cross for Southern Pacific Company.
M. Thompson for American Railway Express
Company.

BY THE COMMISSION.

OPINION

Walter Kielhofer, now operating a freight truck service between Los Angeles and Lancaster under authority of the Commission, by Application No. 6787 applies for authority to extend his service to dairy ranches in the Antelope Valley adjacent to Lancaster.

Otto F. Martin by Application No. 6861 applies for authority to establish a freight truck milk service between Los Angeles, Lancaster, Rosamond, and dairies adjacent thereto.

Public hearings on both applications were held by Examiner Westover at Los Angeles.

At the hearing leave was granted each applicant to amend his application as to rates and territory to be served. As thus amended subsequent to the hearing, the territory is described by each application as that within a radius of 15 miles from Lancaster (which would include Rosamond). The proposed rates are the same and the proposed schedules of movement toward Los Angeles are substantially the same, but Mr. Kielhofer proposes to return the empty cans by 1:30 P.M. following the day of shipment, while Mr. Martin proposes to return them 2½ hours later. Each proposes to gather milk from the dairies after 5:00 P.M. and deliver it at the creameries in Los Angeles at 5:00 A.M. The proposed rates on milk per 10 gallon can are based on the number of cans shipped per month, - being 45¢ for 95 or less, 43¢ for 95 to 150, and 40¢ when shipments aggregate more than 150 cans per month; return loads of dairy supplies to the ranches, 40¢ per hundred.

There was considerable testimony presented showing the need for prompt handling of milk, loss to shippers when milk is degraded because of high bacteria count, and the extreme importance of unusually efficient service.

It appears from the testimony that the Antelope Valley Milk Producers' Association, an unincorporated organization, contracted with Messrs. Kimbrough and Box to haul milk for members of the association to the Los Angeles creameries at 55¢ per can. This service proved to be unsatisfactory and Mr. Martin took over the contract, operating with used trucks which did not give entire satisfaction; he later purchased new trucks to perform this service, which several of his patrons testified has been of excellent quality. However, he has been operating without authority of the Commission, in violation of the law and in ignorance of its provisions.

There was no testimony questioning the quality of the authorized service which has been given for some time by Mr. Kiel-

hofer between Los Angeles and Lancaster, and no complaints, formal or informal, have come to the Commission concerning his service, and his record with the Commission is clear. It appears that he is equally able to give high class service in the handling of milk, and he is in a position to increase his equipment for the purpose if it should become necessary or advisable. The rail carriers offer no protest.

Under the circumstances described, it is obvious that the Commission should grant his application and deny that of an unauthorized operator.

ORDER

Public hearings having been held upon the above described applications, both matters being submitted and ready for decision,

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require Walter Kielhofer to extend his present service between Los Angeles and Lancaster to include the transportation of milk and dairy products between Los Angeles and ranches located within a radius of 15 miles from Lancaster.

The operative rights and privileges hereby established may not be transferred, leased, sold nor assigned; nor the said service abandoned unless the written consent of the Railroad Commission thereto has first been procured.

No vehicle may be operated in said service unless said vehicle is owned by the applicant herein or is leased by said applicant under a contract or agreement satisfactory to the Railroad Commission.

IT IS HEREBY ORDERED that applicant shall, within fifteen days from the date hereof, file with the Railroad Commission his schedules and tariffs covering said proposed service, which shall be in addition to proposed schedule and tariff accompanying the application, and shall set forth the date upon which the operation

of the line hereby authorized will commence, which date shall be within thirty days from date hereof, unless time to begin operation is extended by formal supplemental order.

The authority herein contained shall not become effective until and unless the above mentioned schedules and tariffs are filed within the time herein limited.

IT IS HEREBY FURTHER ORDERED that the above entitled application of Otto F. Martin be and it is hereby denied.

Dated at San Francisco, California, this 31st day of August, 1921.

H. P. Boudreau
A. S. ...
Quincy Martin
Sheila ...
J. J. ...
Commissioners.