

Decision No. 27019

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of JACK REID for a certificate of public convenience and necessity to operate Auto Truck Line for the transportation of property for compensation, as a common carrier, over the public highways between the City of Petaluma, in the County of Sonoma, the Town of Point Arena, in the County of Mendocino, and the Town of Fort Bragg in the County of Mendocino, and the intermediate points by way of Santa Rosa, Yorkville, Booneville, Philo, Wendling, Navarro, Point Arena, Manchester, Albion, Little River, Mendocino and Fort Bragg.

ORIGINAL

Application No. 18703.

Toland C. McGettigan for applicant.
Edward Stern for Railway Express Agency, Inc., protestant.
Sanborn & Roehl, by H.E. Sanborn and W.E. Kessler,
for California Railway & Navigation Co., protestant.
H. W. Hobbs for Northwestern Pacific R.R. Co. and
Pacific Motor Transport Co., protestants.

O P I N I O N

BY THE COMMISSION:

Jack Reid has herein applied for a certificate of public convenience and necessity to operate a truck line between Petaluma and Fort Bragg, serving intermediate communities en route in Mendocino County.

Public hearings on this application were conducted by Examiner Handford at Petaluma, Fort Bragg and San Francisco, the matter was duly submitted and is now ready for decision.

Applicant proposes a service which will leave Petaluma on Mondays and Thursdays of each week, stopping over-night at Nonellas Ranch and delivering at Fort Bragg and Mendocino Coast points on the following day. In the reverse direction leaving Fort Bragg on Tuesday and Friday of each week and arriving at Petaluma in the late evening of the day of departure. The rates proposed are set forth in Exhibit attached to the application.

Applicant proposes to operate two trucks of three ton capacity and one trail/^{er}of two ton capacity and also such additional equipment as the demands of the traffic may require.

Applicant relies as justification for the granting of the certificate upon the following alleged facts: That farmers, ranchers and dairymen located in Point Arena, Fort Bragg and other Mendocino County coast towns require a transportation service to move their products to the Petaluma market, and also require such service to move grain, feed supplies and food stuffs to the business men and residents of Point Arena, Fort Bragg and the other Mendocino coast towns. Applicant alleges that a direct, regular and economical service is required to handle the chief products required to be transported in order to meet the transportation needs of the communities proposed to be served, and that he has been requested to establish the proposed service, as the present service now available is inadequate to meet the needs of the public and their convenience; that the available traffic is sufficient to warrant the proposed service and render remunerative the proposed operation.

The Cooperative Merchants Association at Fort Bragg acts as a branch agency of the Poultry Producers Association and receives eggs for shipment to the Association at Petaluma. Forty-nine ranchers ~~are~~ members of the Poultry Association use the Merchants Association at Fort Bragg as an assembling point for their shipments of eggs to Petaluma. The Merchants Association also receives feed in quantity and sells same to the members from the Fort Bragg location. The territory between Petaluma and Fort Bragg via the Mendocino Coast is sparsely settled but is being developed to some extent by the location of small/^{chicken}ranches and some dairying .

The development of small farming at the intermediate points render some traffic available and the establishment of a truck service affords some convenience to the public in this area. As to the proposed terminal at Fort Bragg, however, the record is not convincing as transportation facilities appear to be regular, ample and sufficient for the public necessity. Poultry producers located at points intermediate and adjacent to the proposed truck route all favor the granting of the truck application and those who ship from Fort Bragg and also secure their feed from the branch of the Poultry Producer at that point prefer the truck line as without the haul on eggs from Fort Bragg to Petaluma, the service on feeds Petaluma to Fort Bragg would not be possible. The volume of transportation for merchandise other than feed and eggs is negligible, there being some small amount of merchandise and cream transported to intermediate points in the territory and where the destination is some distance from regular rail transportation.

The granting of this application is protested by the Northwestern Pacific Railroad Company, the California Western Railway and Navigation Company, Railway Express Agency, Inc., and the Mendocino Coast Transit Company.

Witnesses for the protestants testified as to service of the regularly authorized carrier serving Fort Bragg and as to their long use of such service and that it was rendered satisfactorily and without cause for complaint either as to service or rates. Fort Bragg is also served by steamer from San Francisco and the combined steamer and rail service has amply met the needs of this particular community. Fort Bragg, one of the proposed termini is also the terminus of the railroad of the California Railway and Navigation Company which connects with the line of the Northwestern Pacific Railroad at Willits. This railroad was built primarily to handle the lumber traffic originating at Fort Bragg. Two regular trains are operated daily between Fort Bragg and Willits, same

making direct connections with the Northwestern Pacific at the latter point. In the evening a through car is operated from Fort Bragg, same being delivered to the Northwestern Pacific Railroad at Willits and which carries shipments to points south of Willits. Express service is rendered on this connecting train and also by a mid-day train connection over the line of the respective railroads. Similar service is also rendered in the direction of Fort Bragg. At Fort Bragg connection is made with stage lines and trucks serving up and down the Mendocino coast line. Pick-up and delivery service is furnished by the Railway Express Agency at both Fort Bragg and Petaluma. The rail lines of the California Western Railway and Navigation Company and the Northwestern Pacific Railroad Company have both experienced a material loss of revenue and their transportation of property has been materially reduced, particularly that of lumber and forest products. The Northwestern Pacific Railroad has operated with a deficit continuously since the year 1930 and the revenues of the California Railway and Navigation Company have decreased from \$209,962.00 in 1928 to \$120,165.00 in the year 1932.

Notwithstanding the material falling off in revenue, the frequency of available service has been maintained although the California Western has been obliged to substitute mixed train operation for some of the service formerly given. Fort Bragg and Point Arena both receive regular steamer service and a considerable amount of traffic is so handled.

A City Councilman of Point Arena testified that the present service to that community was satisfactory and the town did not favor the granting of instant application if it would interfere with the present service received.

We have carefully considered the record in this proceeding. It appears therefrom that there is no service proposed which is superior to that now and which has for sometime been available by

the use of the rail lines via Willits. Daily service, twice in each direction, is available as against applicant's proposal of two days per week. The contention of some of applicant's witnesses that truck shipment is superior to rail shipment in that it results in less handling and resultant higher grading of shipments at destination is not borne out by the record as evidence shows that no complaint has ever been made by a witness who has shipped by rail facilities for the past two years and who receives satisfactory grading of his eggs from consignees. There appears no just complaint as to service or time in which shipments are in transit. As to the rates, an effort was made to show that the rates in the past have been considered too high as charged by the Railway Express Agency, Inc.

The record shows that the rate was reduced but without increasing the business or diverting the shipments back to the rail lines. The record shows that applicant, in the event the application is granted, proposes to increase the rate on eggs by 5¢ per case over and above the present rate that is now being charged. The record also shows that applicant is now and for the past three or four years has operated between Petaluma and Fort Bragg, hauling practically the same kind of property and commodities that are now applied for. A limited volume of selected commodities has been built up, principally of feed from Petaluma and mainly eggs returning together with farm products and supplies to and from intermediate points in the territory between Petaluma and Fort Bragg. While the requested service will serve a convenience to some isolated shippers located some distance from rail points, it does not appear that there is any necessity for additional service at Fort Bragg and the present facilities as furnished by rail and steamer adequately meet the existing transportation requirements of that community. The rail service now existant covers all classes of property and unauthorized truck service and the present economic conditions of the lumber industry will shortly result in a further curtailment of the present rail service which has been continuously available

for patrons desiring same.

The record shows no need for additional service, nor any inadequacy on the part of present rail carriers. Point Arena also appears to be satisfactorily served by existing steamer and stage transportation. The testimony is vague as to the requirements of other communities but there is some intermediate business at roadside ranches which are not near to railroad transportation but the applicant definitely declines to consider any authorization other than one including Fort Bragg as a terminal. The entire record which we have carefully reviewed does not justify public convenience and necessity or the authorization of an added service and the eventual further elimination of present rail facilities.

O R D E R

Public hearings having been held on the above entitled application, the matter having been duly submitted after oral argument and the Commission being now fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity do not require the establishment of an automobile truck line as a common carrier of freight and property between Petaluma and Fort Bragg and intermediate points on the route including Point Arena and communities on the Mendocino Coast and

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

Dated at San Francisco, California, this 7th day of May, 1934.

C. Kearney
Leon Whitehall
M. A. Lane
M. B. Harwin
W. H. ...
Commissioners.