

Decision No. 97065

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
H. B. JOENSTON, JR., doing business  
as FIRST STREET WAREHOUSE COMPANY,  
for certificate of public convenience  
and necessity to operate a public  
warehouse service at 1001 East First  
Street, Los Angeles, California. )  
Application  
No. 19136

ORIGINAL

Wilson & Neuman, for Applicant.  
L. A. Bailey and C. G. Munson for The California  
Warehousemen's Association and Los Angeles  
Warehousemen's Association, Protestants.  
Malcolm Davis, for Overland Terminal Warehouse  
Company, Protestant.  
C. W. Cornell, for Union Terminal Warehouse  
Corporation, Protestant.

BY THE COMMISSION -

OPINION

This application is for permission to establish service as a warehouseman for the storage of merchandise for the public generally in the building located at 1001 East First street, Los Angeles, to the extent of 40,000 square feet of floor space. The applicant's claim to the issuance of a certificate was based on his allegations that the service to be provided is unique and that there is a public demand for warehouse service at his location, and that the denial of the application would result in discrimination.

A public hearing was had before Examiner Johnson, in Los Angeles, and the matter was submitted on concurrent briefs.

The only proof of this "public" demand was offered through four customers of the applicant and the landlord of the applicant. The customers were satisfied with the efficient service rendered them at this time by the applicant in his private capacity.

The brief of applicant contends for a restriction of an alleged monopoly and a change in the uniform tariff schedule on the theory of newer and more efficient service offered by applicant and that the uniform schedule was the highest warehouse tariff in the United States outside of New York City.

While it is true that the protestants did not produce a single customer witness at the hearing, yet it was not incumbent upon them to do so. Especially is this true in view of the absence of convincing proof of public demand and necessity for this new warehouse service. The protestants might needlessly have offered their customers as witnesses to the effect of their present satisfaction with their present facilities.

One only has to look at the losses of the warehousemen during 1932 and 1933, shown by the exhibits herein, and the admitted deficit of this applicant to convince one of the lack of need for further warehouse facilities.

Those losses, coupled with the undisputed fact of large vacant warehouse space, constitute strong evidence in favor of the protestants' position. While not conceding that vacant warehouse space is as large the whole year round as represented in the period shown by exhibits in this case, still the vacant warehouse space is enough to warrant the conclusion no further certificate for warehouses in Los Angeles should be granted at this time.

We do not agree with the various contentions of applicant:- that the service is unique remains unproven; public demand was not proved; certificates are not issued pro forma by this Commission; and there is no discrimination shown by refusing an applicant license in a field already amply covered by a large number of certificate holders.

ORDER

Public hearing having been held in the above entitled application, the matter having been duly submitted, 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 a public warehouse service by the applicant, and

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

Dated at San Francisco, California, this 14th day of  
May, 1934.

W. H. ...  
Leon ...  
M. J. ...  
M. B. ...  
W. H. ...  
COMMISSIONERS.