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Decision No. 20546

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
REDWOOD MOTOR FREIGHT, ALFRED R. KELLY,
JR., OWNER, and EUREKA-GARBERVILLE TRUCK
LINE, FLOYD S. BRIDGES, OWNER, to inter-
change equipment at Garberville, Calif.
in connection with the transportation of
property between San Francisco and Eureka,
Calif. for Intercity Transport Lines, Inc.,
an express corporation, without transferring
ladings from the equipment of one applicant
company to the equipment of the other
applicant company.

APR 20 1966

Reginald L. Vaughan, for Applicants.
H. W. Hobbs, for Northwestern Pacific Railroad Company
and Pacific Motor Transport Company, Protestants.

BY THE COMMISSION -

O P I N I O N

Applicants herein request authority to interchange equipment containing ladings of shipments consigned to the Intercity Transport Lines, Inc., an express corporation. Redwood Motor Freight operates authorized property transportation by truck between San Francisco and Garberville. Eureka-Garberville Truck line operates between Eureka and Garberville. Each is under contract to transport through shipments via Intercity Lines between San Francisco and Eureka and points intermediate to Willits and Eureka, accomplishing same by transfer of such shipments from truck to truck at Garberville. Applicants, by interchange of equipment, wish to avoid transfer.

A public hearing herein was conducted by Examiner Williams at San Francisco.

Protestants Northwestern Pacific Railroad Company and Pacific Motor Transport Company moved to dismiss the application on the ground that Intercity Transport Lines, Inc. possesses no certificate as an express corporation. The motion is denied for the reason that Intercity is operating under a certificate which

though questioned before the Commission is not determined. Should these proceedings result adversely to Intercity, any authority issued to the applicants to interchange equipment for Intercity would become useless.

H. M. Hayes, traffic manager of Intercity, testified that this express carrier now operates over eight motor lines, including applicants', and that it transports shipments from many points south and east of San Francisco to points served by the applicants, particularly Eureka. Its service is Monday, Wednesday and Friday in each direction, except in winter when at least two trips are made. The transfer of cargo at Garberville requires approximately two hours. The damage claims for such transfer is 2.91 percent of the revenue, in contrast with a system experience of 1 percent on all other service. By the delay in transferring, also, shipments destined to points beyond Garberville and also to points north and east of Eureka do not connect with carriers in either direction. By interchange proposed all connections at Eureka will be maintained and deliveries to points, Garberville to Eureka, will be at least two hours earlier. The through truck will reach either San Francisco or Eureka at approximately 8 a.m. In addition, Mr. Hays testified, establishment of through truck service will result in reductions on some rates from 3 to 10 percent.

Exhibits filed show that 80% of the express volume is northbound and the remainder southbound. Fifty percent of the southbound volume is destined for San Francisco. Of the northbound tonnage 50 percent is destined Eureka, 25 percent Laytonville to Eureka, and 25 percent north and east of Eureka.

F. S. Bridges and A. E. Branscomb testified to savings in time and man hours by the through operation and joint use of trucks.

By stipulation the prayer of the application was amended to request through service "exclusively" for the express loadings.

Applicants stated other equipment will be used for local business.

Northwestern Pacific Railroad Company maintains 36 hour service between San Francisco and Eureka on less than carload freight. Pacific Motor Transport Company, an express carrier, operating over Northwestern Pacific, leaves San Francisco at 5:45 p.m. and reaches Eureka at 8 a.m. This overnight service includes truck delivery to those who want it. Garberville is the only point south of Eureka served by Pacific Motor Transport, this service being over the Eureka-Garberville truck line.

Protestants urge that the mere saving of a few man hours and some time in transit is not enough to justify the Commission in authorizing through equipment, as proposed. They cite the fact that two trucks instead of one will be necessary, thus increasing cost of operation, while at the same time applicants propose rate adjustments downward.

It must be remembered that the only point now receiving overnight service between Willits and Eureka is Eureka. The points otherwise served by the truck lines are not served by rail. Half of the northbound tonnage of Intercity Lines is destined to Eureka. Intercity Lines, Inc. is now operating through service at through rates. The economies to be effected by the underlying carrier are not so important as the economy of time afforded shippers who use the Intercity express service, not only to Eureka but to points south, north and east of Eureka not served by rail. Intercity Lines proposes to translate economies effected into rate reductions and expressed willingness to accept an order requiring reductions,- an order not necessary, especially as the reductions are indefinite.

After careful review of the record it appears that the through service, by interchange of carriers' equipment is of public benefit and should be granted as a matter of expedition to commerce.

O R D E R

The above application having been duly heard and submitted and the Commission being fully advised,

IT IS HEREBY ORDERED that Condition No.5 attached to Decision No.25891, dated May 1, 1933, on Application No.18247 of Alfred R. Kelly, operating under the name Redwood Motor Freight, be and it hereby is amended to read as follows:

No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission; provided, however, that applicant may, for the transportation of express matter only of Intercity Transport Lines, Inc., an express corporation, with whom it has contracts, lease its equipment to a connecting carrier of such express shipments, to wit, F. S. Bridges, operating under the name Eureka-Carberville Truck Line, and when such lease is filed with this Commission (and approved by it), may cease the physical transfer of such express shipments at the connecting point, viz: Carberville, and shall have authority to operate such leased equipment between the extreme termini of both transportation companies; and provided, further, that the authority herein granted shall apply only to the interchange of equipment at Carberville when ladings contained therein are in transit exclusively for the account of Intercity Transport Lines, Inc. between points on the lines or beyond the lines of F. S. Bridges, Eureka-Carberville Truck Line, and points on the lines or beyond the lines of Alfred R. Kelly, Redwood Motor Freight.

IT IS HEREBY FURTHER ORDERED that Condition No.5 of Decision No.12861, dated November 26, 1923, on Application No.9539 of C. W. Burris to transfer to Henry J. and F. S. Bridges, be and it is hereby amended to read as follows:

No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission; provided, however, that applicant may for the transportation of express matter only of Intercity Transportation Lines, Inc. with whom it has contracts, lease its equipment to a connecting carrier of such express, to-wit, Alfred R. Kelly, Redwood Motor Freight, and when such lease is filed with this Commission (and approved by it) may cease the physical transfer of such express shipments at the connecting point, viz: Garberville, and shall have authority to operate such leased equipment between extreme termini of both transportation companies; and provided, further that the authority herein granted shall apply only to the interchange of equipment at Garberville when loadings contained therein are exclusively in transit for the account of Intercity Transport Lines, Inc. between points on the lines or beyond the lines of F. S. Bridges, Eureka-Carberville Truck Line, and points on the lines or beyond the lines of Alfred R. Kelly, Redwood Motor Freight.

IT IS HEREBY FURTHER ORDERED that said decisions and each of them, except as herein amended, shall remain unaltered.

Dated at San Francisco, California, this 26th day of November, 1934.

Leon Aukley
W. F. Cun
M. B. Hansen
W. H. Chapman
Frank D. Lewis
COMMISSIONERS.