

Decision No. 28915

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation  
by the Commission on its own motion  
into the rates, rules, regulations,  
charges, classifications, practices,  
contracts, operations and schedules,  
or any of them of SOUTH COAST STEAM-  
SHIP COMPANY.

Case No. 4125

Richard F. Goldman for Respondent, South  
Coast Steamship Company

Jos. J. Geary for Pacific Coastwise Conference

William Gissler for Los Angeles-Long Beach  
Despatch Line

BY THE COMMISSION:

O P I N I O N

ORIGINAL

By order dated May 11, 1936, the Commission instituted this investigation to determine whether or not respondent had abandoned any or all of its operations, and directed it to appear and show cause, if any it had, why any or all operating rights possessed by it should not be revoked and annulled and its tariffs on file with the Commission cancelled.

The matter was duly heard and submitted before Examiner Johnson on June 9, 1936.

Respondent's tariffs name rates for the transportation of property by vessel between San Francisco Bay points on the one hand and Monterey, San Simeon, Los Angeles Harbor and Los Angeles on the other hand; also between certain points served by Bay Shore Freight Lines, Inc. and Larkin Transportation Company on the one hand and points in California south of San Francisco Bay on the other hand. Tariffs have been filed with the Commission since February 26, 1927.

The record shows that respondent corporation was organized by Robert H. Walsh, president, C.E. Eldridge, vice-president, and R.S. Goldman, secretary, for the purpose of operating a common carrier vessel service between San Francisco Bay points on the one hand and Monterey and Santa Cruz on the other hand, primarily for the transportation of canned sardines shipped by the Carmel Canning Company from Monterey to San Francisco. At the time the service was inaugurated, Walsh was also president of Carmel Canning Company. In April, 1929, San Simeon was added as a port of call.

Respondent's annual reports filed with the Commission show substantial profits from operations for the years 1928, 1929 and 1930, but commencing in 1931 and continuing thereafter revenues steadily declined. Goldman testified that in 1932 operations were extended to include service between San Francisco Bay points and Los Angeles Harbor in the hope of securing added revenue. Nevertheless losses continued, and on February 11, 1935, an involuntary petition in bankruptcy was filed in the United States District Court for the Northern District of California, Southern Division, and on April 2, 1935, a trustee was appointed. Thereafter all of the physical assets of the corporation, including vessels and equipment, were sold.

As the matter now stands, it appears that respondent has rendered no service as a common carrier or otherwise since the early part of 1935, nor has it secured this Commission's authority to discontinue or suspend operations. It was said an endeavor is being made to re-finance the corporation with a view to reestablishing service between

<sup>1</sup> The annual reports filed by respondent for the years 1931 to 1933 inclusive show the following revenues and expenses:

Year	Operating Expenses	Transportation Revenue	Loss
1931	\$84,168.61	\$83,905.00	\$ 263.61
1932	93,001.16	92,411.86	589.30
1933	91,393.79	83,638.20	7,755.59

Annual reports have not been filed with the Commission since 1933.

San Francisco Bay points and Monterey only. However, respondent made no attempt to show cause why the operative rights now possessed by it should not be revoked and annulled.

Upon consideration of all the facts of record, it must be concluded that respondent has abandoned such operative rights as it may have possessed as a common carrier of property by vessel between points in this State, and that no good cause has been shown why an order should not issue revoking and annulling such rights and cancelling its tariffs on file with the Commission.

### O R D E R

This matter having been duly heard and submitted,

IT IS HEREBY ORDERED that the operative rights possessed by South Coast Steamship Company, a corporation, to operate vessels as a common carrier between points in the State, be and they are hereby revoked and annulled.

IT IS HEREBY FURTHER ORDERED that all tariffs and schedules filed by respondent South Coast Steamship Company, a corporation, be and they are hereby cancelled.

The effective date of this order shall be thirty (30) days from the date hereof.

Dated at San Francisco, California, this 29<sup>th</sup> day of June, 1936.

M. B. Quinn  
Leon Whitely  
W. H. Linn  
W. H. Linn  
Grant P. Linn  
Commissioners.