

Decision No. 29295

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of  
RICHARD MAURICE JOHNSON for a License } M.T.B. Application No. 20731.  
as a Motor Transportation Broker. }

Arch R. Tuthill, for Applicant.

Fred N. Bigelow, for Pacific Southwest Railroad  
Association, Protestant.

William L. Carpenter, for Argonne Van & Storage  
Co. and Argonne Van Lines, Protestants.

H. J. Bischoff, for Certificated Highway Carriers,  
Inc., Interested Party.

BY THE COMMISSION:

ORIGINAL

O P I N I O N

In this matter the applicant Richard Maurice Johnson has applied as an employee of Pacific States Savings & Loan Company, a corporation, for a license as a motor transportation broker under the provisions of the Motor Transportation Broker Act (Statutes 1935, Chapter 705). His employer has joined in the application and has provided the required surety bond. The granting of this application was protested by Pacific Southwest Railroad Association, Argonne Van & Storage Co. and Argonne Van Lines, while Certificated Highway Carriers, Inc., has appeared as an interested party.

A public hearing was had before Examiner Austin at Los Angeles on October 13, 1936, when evidence was offered, the matter

submitted, and it is now ready for decision.

From the record it appears that applicant is employed by Pacific States Savings & Loan Company, hereafter referred to, for brevity, as the company, as manager of the warehouse business which it conducts at 3634 Beverly Boulevard, Los Angeles, under the trade name of American Storage Company. Here the company is engaged in the storage of second-hand household goods and furnishings, fixtures and office equipment. In connection with this business its customers frequently have requested the transportation of goods which are about to be, or which may be, withdrawn from storage, a service the company itself is unable to perform because it owns no trucks. To accommodate these customers the services of authorized truck operators have been procured through the agency of some employee of the company upon whom this duty has devolved. Formerly, Joseph J. Gosling acted in this capacity, having been granted for this purpose a license as a motor transportation broker. Following his resignation from the company's employ and the latter's withdrawal from his bond, resulting in his inability to continue these activities, applicant has now applied for a similar license.

In the performance of this service applicant intends to act solely as an intermediary between the carrier and the customer, both of whom, through his instrumentality, will be brought together and permitted to make their own arrangements. Applicant does not intend to solicit, arrange for or provide transportation in his own name or on behalf of the company, a circumstance which sharply differentiates his proposal from the plans submitted by other motor transportation brokers whose applications have been denied because their contemplated operations appeared to be unlawful.

(Re Petersen, Decision No. 29084, 40 C.R.C. 71.)

For his services applicant will charge a commission of 15 percent, or such other amount as the Commission may approve, all of which will be paid over to his employer, the company. Only duly authorized carriers, holding certificates and permits from the Commission, will be engaged.

Approximately 95 percent of the total transportation will be confined to the city of Los Angeles and adjacent municipalities, including Beverly Hills. Of the remaining traffic, part will move to San Francisco and Bay points, and the rest to interstate destinations in Washington and Oregon. Applicant stated that wherever transportation requiring the services of a highway common carrier will be performed, certificated carriers alone will be employed.

Although proper insurance protection will be provided by the carriers holding permits, the company, as a precautionary measure, will carry additional contingent liability insurance protection covering public liability, property damage and damage to cargo. Only those carriers who have filed letters of authority will be represented, including those named in the application, and such other carriers as may subsequently be approved from time to time by the Commission.

Applicant and the protestants entered into a stipulation that any license granted would be limited to the duration of his employment by the company; that applicant would negotiate solely for the transportation of used, and not new, household furniture and furnishings, personal effects, fixtures and office equipment; and that applicant would perform no service, for which he may

receive any commission or compensation, in respect to the transportation of property belonging to the company itself, including in this connection property transported for its affiliates Allied Properties and American Storage Company. Upon the consummation of this stipulation protestants withdrew their objections to the application.

Since the applicant plans to operate merely as an intermediary between the shippers and the carriers, it is quite clear that his operations will be those of a motor transportation broker. A license will, therefore, be granted, subject to the conditions imposed by the stipulation entered into by the parties.

#### O R D E R

A public hearing having been had in the above entitled matter, evidence having been offered, the matter having been duly submitted, and the Commission being now fully advised in the premises,

IT IS HEREBY ORDERED that the application of Richard Maurice Johnson for a license as a motor transportation broker, as defined in Chapter 705, Statutes of 1935, be and the same is hereby granted, and that such a license be issued to him, subject to the following conditions:

- (1) That said license shall continue in effect only so long as said Richard Maurice Johnson shall retain his present employment by Pacific States Savings & Loan Company, a corporation, as manager of the warehouse business which it conducts at 3634 Beverly Boulevard, Los Angeles, under the trade name of American Storage Company, and immediately upon the

termination of such employment said license shall ipso facto terminate and be of no further force and effect.

(2) That said licensee shall be authorized thereunder to sell, offer for sale, negotiate for, furnish or provide, and hold himself out to sell furnish or provide transportation over the public highways of this State by motor carrier, as defined in said Chapter 705, Statutes of 1935, of the following described property only, viz: Used, and not new, household furniture and furnishings, personal effects, fixtures and office equipment.

(3) That said licensee will perform no service thereunder for which he may receive any commission or compensation in respect to the transportation of any property belonging to said Pacific States Savings & Loan Company or to its affiliates Allied Properties or American Storage Company.

(4) That said licensee shall keep the license certificate as motor transportation broker open at all times to public inspection.

(5) That said licensee shall do business as a motor transportation broker only at the location set forth in his application for a license, and only for the motor carriers hereinafter named, or for whom said licensee may hereafter from time to time be permitted to do business by any subsequent order or orders of the Commission.

IT IS HEREBY FURTHER ORDERED that the said license shall authorize said Richard Maurice Johnson to sell, offer for sale, negotiate for, furnish or provide, and hold himself out to sell,

furnish or provide transportation of such property over the public highways of this State to be furnished only by the carriers whose names, addresses and permit numbers follow, to-wit:

| <u>Name</u>                                     | <u>Address</u>                                  | <u>Permit No.</u>  |
|---|---|--------------------|
| Hudson Van & Storage                            | 1038 So. Kenmore Ave.,<br>Los Angeles, Calif.   | 19-1660<br>19-1661 |
| Akron Van & Storage Co.                         | 1051 North Vine,<br>Los Angeles, Calif.         | 19-2336<br>19-2337 |
| Harvey Phillips Truck<br>& Transfer,            | 5847 Santa Monica Blvd.<br>Los Angeles, Calif.  | 19-3958<br>19-3959 |
| Beverly Hills Royal Trans-<br>fer & Storage Co. | 467 No. Roxbury Drive,<br>Beverly Hills, Calif. | 19-4060<br>19-4061 |
| The Dove Transfer Co.                           | 456 So. La Brea Ave.<br>Los Angeles, Calif.     | 19-1696<br>19-1697 |
| Lambert's Van & Storage Co.                     | 1143 So. La Brea Ave.<br>Los Angeles, Calif.    | 19-2140<br>19-2141 |
| Rossmoyne Van & Storage Co.                     | 119 No. Everett,<br>Glendale, Calif.            | 19-3668<br>19-3669 |
| Art's Van & Storage                             | 1332 No. La Brea Ave.,<br>Los Angeles, Calif.   | 19-1594<br>19-1595 |
| Harold W. Squier,                               | 1051 No. Vine,<br>Los Angeles, Calif.           | 19-2401<br>19-2402 |
| Turner Van & Storage                            | 4762 Sunset Blvd.,<br>Los Angeles, Calif.       | 19-991<br>19-992   |
| Hollywood Van & Storage                         | 5609 Sunset Blvd.,<br>Los Angeles, Calif.       | 19-375<br>19-2594  |
| Dollar Van & Storage Co.                        | 694 No. Robertson Blvd.<br>Los Angeles, Calif.  | 19-691<br>19-692   |
| Thomas J. Winkler                               | 3201 Portola Ave.,<br>Los Angeles, Calif.       | 19-2943<br>19-2944 |
| Rainbow Transfer Co.                            | 3610 W. First St.,<br>Los Angeles, Calif.       | 19-194<br>19-195   |
| Westlake Transfer Co.                           | 1609 W. 7th St.,<br>Los Angeles, Calif.         | 19-1053<br>19-1054 |
| Hollywood Vine Transfer Co.                     | 5653 Santa Monica Blvd.,<br>Los Angeles, Calif. | 19-820<br>19-2730  |
| Olympic Van & Storage Co.                       | 5810 West Pico,                                 | 19-1793<br>19-1794 |

IT IS HEREBY FURTHER ORDERED that the surety bond heretofore filed with the Commission, in M. T. B. Application No. 26 of Joseph J. Gosling, on February 24th, 1936, executed by said Pacific States Savings & Loan Company, as principal, and by Pacific Indemnity Company, a corporation, as surety, in the sum of One Thousand Dollars (\$1,000.00), payable to the State of California, and/or any person, or persons, for, or to whom, any officer, member, commission agent or employee of said principal, licensed under the provisions of said Chapter 705, Statutes of 1935, may or shall furnish or provide transportation, and conditioned as provided in Section 8, of said Chapter 705, Statutes of 1935, be and it is hereby approved, as and for the bond required to be provided by or on behalf of said licensee, Richard Maurice Johnson.

IT IS HEREBY FURTHER ORDERED that the Secretary be and he is hereby authorized and directed to issue and deliver to said Richard Maurice Johnson a license certificate as such motor transportation broker, in the form heretofore adopted by the Commission for such license certificate, and subject to the conditions hereinabove specified.

For all other purposes the effective date of this order shall be twenty (20) days from date hereof.

Dated at San Francisco, California, this 23rd day of November, 1936.

M. B. Davis  
Leon O. Wherry  
M. D. Cunn  
Francis R. Smith  
Commissioners