

Decision No. 23631

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of SIGNAL HARBOR SERVICE INCOR-
PORATED for certificate of public
convenience and necessity to
operate a motor truck service, as
a common carrier for compensation,
between Long Beach Harbor on the
one hand and the city of Los
Angeles on the other hand, for the
transportation of freight to and
from boats of the Los Angeles-
San Francisco Navigation Company
only.

Application No. 20715

ORIGINAL

Rex W. Boston, for Applicant.

Wallace K. Downey, for Pacific Freight Lines
and Keystone Express System, Protestants.

Ansell Williams, E. Bissinger and Randolph A.
Karr, for Southern Pacific Company,
Pacific Motor Transport Company, Pacific
Motor Trucking Company and Pacific
Electric Railway Company, Protestants.

Charles A. Bland, for Board of Harbor Commissioners,
Port of Long Beach, Interested Party.

BY THE COMMISSION:

O P I N I O N

Applicant, Signal Harbor Service Incorporated, herein
seeks a certificate of public convenience and necessity authorizing
it to operate as a highway common carrier between Long Beach Harbor
and Los Angeles. The offer of service is limited exclusively to
the common carrier property transported via steamships of the Los
Angeles-San Francisco Navigation Company only and deposited at
the docks at the Harbor in the City of Long Beach.

Public hearings were conducted by Examiner McCaffrey at San Francisco and Los Angeles. The matter was duly submitted and is now ready for decision.

Applicant now operates under certificate for the transportation of property between Los Angeles Harbor points (Wilmington and San Pedro) and Los Angeles. Because of the movements of steamships operated by the Navigation Company, much of the property transported from San Francisco and destined to Los Angeles business district is discharged at the port of Long Beach as well as in Los Angeles Harbor. Applicant desires to perform the same service for the steamship company at Long Beach Harbor that it is now authorized to perform with concurrent rates for the steamship company at Los Angeles Harbor.

Mr. Carroll and Mr. R. W. Anderson, President and General Manager respectively, of the steamship company, advised that the applicant, if granted the right to serve Long Beach Harbor, could make deliveries in the afternoon of the day of arrival and thus eliminate complaint from shippers in San Francisco who have long used the boat service for large quantities of L.C.L. cargo. It is believed by both of these witnesses that if the certificate were granted, the volume of traffic, amounting to approximately twenty tons of cargo intended for distribution in Los Angeles, could be transported and delivered on the day of arrival of the steamships at Long Beach Harbor.

This service is now performed for the steamship company, under concurrence of rates, by Pacific Freight Lines. Pacific Freight Lines was granted a certificate of public convenience and necessity to operate as a highway common carrier for the transportation of freight consigned to or from the Los Angeles-San Francisco

Navigation Company between Long Beach and Los Angeles by this Commission Decision No. 27992, dated May 27, 1935 on Application No. 19894. It is contended by the steamship line witnesses that this company is unable to make deliveries on the day of arrival, but does make them the day following. As all the discharge at the docks is on the second day after leaving San Francisco, this makes a third-day delivery, which is not desired by San Francisco shippers who may obtain more rapid delivery by other transportation means. Applicant produced, at the San Francisco hearing, five shipper witnesses representing large shippers, requesting increased speed of operation and joining the steamship company in the request for better delivery to Los Angeles.

The application is opposed by Pacific Freight Lines and Pacific Motor Trucking Company and other carriers, on the theory that the service they maintain at Long Beach Harbor now is adequate and that second day delivery could be made by any or all of them, provided the vessels of the steamship company discharged cargo at Long Beach Harbor early enough to make afternoon delivery in Los Angeles business district. The test, of course, is based on the arrival of the steamships at Long Beach Harbor and the time at which the cargo is made available, after discharge, for transportation to Los Angeles business area.

The only testimony in the record on this matter was furnished at the Los Angeles hearing by A. A. Hudson, Chief Wharfinger of the Harbor Department of Long Beach. Mr Hudson's testimony disclosed the time of arrival, between February 1 and October 31, 1936, of sixty-six vessels of the steamship company. Of these arrivals, twenty-four were at noon or later; some as late as 5:20 P.M. Of the arrivals before noon, fifteen ships arrived at approximately 11:00 A.M. During the whole period, only twenty-seven vessels arrived before 11:00 A.M.

According to the testimony of witnesses for protestants (which is not controverted by applicant), it requires from three and a half to four hours to make the cargo available for the truck carrier between Long Beach Harbor and Los Angeles business area. It would, therefore, appear that in at least forty-one instances, the arrival of the boat would not make the cargo available for loading by the truck carrier before three o'clock in the afternoon. This would make delivery in the business district at four o'clock or later. Several shipper witnesses in Los Angeles, produced by protestants, testified that the large shippers do not want delivery in the afternoons, especially late in the afternoon, because at that hour, attention is concentrated on moving shipments outward rather than inward. Delivery in the Los Angeles business area, according to these witnesses, is desired in the morning.

It is obvious from comparison of the times of arrival and the business customs of the receivers of this freight, that even were a certificate granted to applicant, the expected second-day delivery would be accomplished only in part, and then only when the boats arrived so as to permit discharge of cargo before one o'clock which would necessitate a 9:00 A.M. arrival of the boats at Long Beach.

The inability to make second-day deliveries in Los Angeles by the steamship company is evidently not the fault of any truck carrier now available at Long Beach Harbor, but is due to the fact that the boats of the steamship company are irregular and do not provide cargo sufficiently early for any carrier to make better delivery than is now made. While the nominal time of arrival of the steamship company at Long Beach Harbor is given as 9:00 A.M., the records of the Long Beach Harbor Department show only twenty-seven arrivals out of sixty-six earlier than 11:00 A.M.

As previously pointed out, the Pacific Freight Lines now possess a certificate of public convenience and necessity for the transportation of property of the Los Angeles-San Francisco Navigation Company between Long Beach and Los Angeles and it would appear from the record herein that the lack of second day delivery at Los Angeles is not due to the fault of the motor carrier but is primarily due to the late arrival of applicant's boats at Long Beach.

In view of the above facts, it appears that public necessity does not require the extension of the service of applicant as proposed, and an order denying the application will be entered.

ORDER

Signal Harbor Service, Incorporated, having made application herein for a certificate of public convenience and necessity authorizing it to transport property exclusively in the custody of Los Angeles-San Francisco Navigation Company, between Long Beach Harbor and the business area of the City of Los Angeles, public hearings having been held, and the matter having been duly submitted,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA
HEREBY DECLARES that public convenience and necessity do not require the service as proposed by applicant, and

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

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

Dated at San Francisco, California, this 5th day of April, 1937.

Matthew ...
Leon ...
James ...
Carl ...
Ray & ...
COMMISSIONERS