

Decision No. 29770

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Paul Ludolph Company for certificate of)
Public Convenience and Necessity)
authorizing the transportation by motor)
truck of milk and cream, milk and cream)
products and farm and dairy supplies)
between points in Marin, Mendocino, Napa)
Sonoma, and Solano Counties and the)
transportation by motor truck of milk and)
cream, and milk and cream products -)
liquid or semi-liquid - between the)
above-described points on the one hand)
and the municipalities of San Francisco,)
California, and/or Oakland, California,)
on the other.)

Application No. 21168

ORIGINAL

BY THE COMMISSION:

O P I N I O N

Paul Ludolph Company, a corporation, in this applica-
tion as amended seeks a certificate of public convenience and
necessity authorizing it to establish and operate an automotive
service as a highway common carrier of milk and cream, and milk
and cream products and empty containers therefor and farm and
dairy supplies, said farm and dairy supplies to be transported
only to creameries, milk and cream receiving stations, farms and
dairies from which applicant transports milk and cream and/or
milk and cream products, to, from and between points in general
between Greenwood, Mendocino County, and Sausalito via Gualala,
Fort Ross, Jenner, Valley Ford, Tomales, Point Reyes, Inverness
and San Rafael and between Healdsburg, Monte Rio, Sebastopol,
Santa Rosa, Occidental, Petaluma, Ignacio, Shellville, Sonoma and
Beltane over various routes connecting such points together with
the right to operate ten (10) miles laterally from such routes.

Applicant also proposes to operate between Sausalito, San Francisco and Oakland for the transportation of milk, cream and dairy products only, between San Francisco and Oakland on the one hand, and, on the other hand, those points hereinabove referred to.

The operation in general contemplates the transportation of milk and cream and milk and cream products from the producing territory to the consuming areas of San Francisco and Oakland with a return movement of empty containers therefor and, in addition thereto, the transportation of Milk and cream and milk and cream products and farm and dairy supplies between all points in the producing area.

Applicant alleges as justification for the granting of the authority requested that at this time the major portion of the transportation of milk, cream and milk and cream products and farm and dairy supplies by common carriers between the points within the territory covered by the applicant herein is performed by Pacific Motor Trucking Company and Northwestern Pacific Railroad Company. That because of the more expeditious service that can be afforded the handling of these commodities by a carrier which would specialize therein and devote its entire attention thereto; and, to give a complete and more satisfactory service between the points of production and the consuming centers, the service as proposed by applicant will be more to the public interest than the service as now conducted. Applicant proposes to render a complete and continuous service between termini thereby avoiding rehandling and transferring of shipments.

Applicant further alleges that the granting of this application will add no new competition in the field, but instead will merely authorize a new carrier under rights analogous to

those now held by Pacific Motor Trucking Company to handle certain commodities that are now being handled by Pacific Motor Trucking Company and Northwestern Pacific Railroad Company. In this connection applicant makes reference to Application No. 21170 in which Pacific Motor Trucking Company is seeking authority to be relieved from giving a service approximately identical to that proposed herein.

Waivers of protest having been received by the Commission from competing carriers in the territory herein affected, it appears that there is no need for a public hearing and the application will be granted.

Paul Ludolph Company is hereby placed upon notice that "operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state which is not in any respect limited to the number of rights which may be given.

O R D E R

Paul Ludolph Company, a corporation, having made application as above entitled and the Commission being fully advised therein;

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA
HEREBY DECLARES that public convenience and necessity require the establishment and operation by Paul Ludolph Company of an automotive service as a highway common carrier for the transportation of milk, cream and dairy products and empty containers therefor,

and farm and dairy supplies, between the following named termini and all intermediate points and over and along the routes and ten (10) miles laterally therefrom, described as follows:

- (a) Between Greenwood Creek Bridge and Jenner via Fort Ross and/or Sea View and Plantation, Stewarts Point, Gualala and Point Arena;
- (b) Between Jenner and Sausalito via Duncan Mills, Monte Rio, Forestville, Graton, Summer Home Park, Healdsburg, East Windsor, Trenton, Fulton, Santa Rosa, Cotati, Penngrove, Petaluma, Ignacio and San Rafael;
- (c) Between Jenner and Valley Ford via Bay and Bodega;
- (d) Between Monte Rio and Petaluma via Camp Meeker, Occidental, Graton and Sebastopol;
- (e) Between Graton and Santa Rosa;
- (f) Between Camp Meeker and Petaluma via Freestone, Valley Ford, Bloomfield and Two Rock;
- (g) Between Valley Ford and Petaluma via Tomales;
- (h) Between Tomales and San Rafael via Marshall and Point Reyes with a branch line route to Inverness;
- (i) Between Santa Rosa and Petaluma via Beltane and Sonoma;
- (j) Between Sonoma and Ignacio via Shellville, Sears Point and Black Point;
- (k) Between Petaluma and Reclamation via Lakeville;
- (l) Between Sausalito, San Francisco and Oakland via Golden Gate Bridge, San Francisco-Oakland Bay Bridge and/or common carrier ferry routes, provided that no lateral service may be given from this route.

Providing that the lateral limits of the above described routes may be calculated from any relocation of the public highways covered by such routes.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor is hereby granted to Paul Ludolph Company subject to the following conditions:

1. No farm and dairy supplies may be transported between Sausalito, San Francisco and Oakland, nor between San Francisco and Oakland, on the one hand, and other points herein authorized to be served.

2. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.

3. Applicant shall commence the service herein authorized within a period of not to exceed thirty (30) days from the effective date hereof, and shall file in triplicate and concurrently make effective on not less than ten days' notice to the Railroad Commission and the public a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application in so far as they conform to the certificate herein granted, or rates and rules satisfactory to the Railroad Commission, giving especial consideration to Rule 6 (b) of General Order No. 30.

4. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days after the effective date of this order, on not less than five days' notice to the Railroad Commission and the public, time schedules covering the service herein authorized in a form satisfactory to the Railroad Commission.

5. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been obtained.

6. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by applicant under a contract or agreement on a basis satisfactory to the Railroad Commission.

7. Applicant shall, prior to the commencement of service authorized herein and continuously thereafter, comply with all of the provisions of this Commission's General Order No. 91.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 17th day of
May, 1937.

Frank R. Deane

Raymond W. ...

Raymond W. ...

COMMISSIONERS.