

Decision No. 31207

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SHIPPERS, INC. for a License as a Motor Transportation Broker.) Application No. 21534
	,
CERTIFICATED HIGHWAY CARRIERS, INC.)
Complainant,	
vs.) ⁻ Case No. 4268
CHARLES A. STEVENOT, doing business is OPPENHEIMER TRUCK LINE, and SHIPPERS, INC.	
Dofondants,)

In the Matter of the Investigation, on the) Commission's own motion, into the operations,) rates, charges, contracts, and practices, or) any thereof, of CHARLES A. STEVENOT, doing) business as Oppenheimer Truck Line, SHIPPERS,) INC., a corporation, W. W. MILLS, RODNEY L.) ROGERS, DARWIN L. JORDAN, ERMAL REARDON,) M. E. HITCHCOCK, EARL KING, W. D. KING, L. L.) CLARK, GEORGE J. WALLING, doing business) as BEE LINE TRUCK DISPATCH, IVAN C. HODCE,) T. A. THOMPSON, T. MCGUIRE, CARL WEEE, R. B. MORRISS, PAUL BEZZARIDIES, FIRST DOE, SECOND DOE, THIRD DOE, FOURTH DOE, and FIFTH DOE.

• • • •

Case No. 4294

)

J. Lemar Butler and William W. Mills, for Shippers, Inc.

.

- H. J. Bischoff, R. M. Christensen and Wallace K. Downoy, for Cortificated Highway Carriers, Inc.
- C. F. Reynolds, for C. A. Stevenot, doing business as Oppenheimer Truck Line.
- E. T. Lucy, for Atchison, Topeka and Santa Fe Railway Company.

-1-

1





- E. W. Dill, for Truck and Warehouse Association of San Diego and Imperial Counties.
- E. Bissinger, for Southern Pacific Company and Pacific Motor Transport Company.
- Jackson W. Kendall and William C. Elliot, for Hollywood Storage Company and Bekins Van Lines, Incorporated.
- C. W. Carlstrom, for Ace Van and Storage Company.
- C. J. Camble, for Grand Rapids Furnishing Company, Whitney and Company and San Diego Forwarding Company.

WAKEFIELD, COMMISSIONER:

On October 18, 1937, W. W. Mills, of 1625 Carlton Way, Los Angoles, filed his application for a motor transportation broker's license. The application was assigned M. T. B. Application No. 21534. By complaint filed on November 9, 1937, entitled Certificated Highway Carriers, Inc., Complainant, vs. Charles A. Stevenot, doing business as Oppenheimer Truck Line, and Shippers, Inc., Defendants, complainant alleged in effect that defendant Charles A. Stevenot engaged in the transportation of proporty by auto truck between Los Angeles, on the one hand, and San Diego, La Mesa, El Cajon, San Ysidro and other points in San Diego County. on the other hand, for compensation, over the public highways as a common carrier as defined in section 2-3/4 of the Public Utilities Act without having first been authorized by the Railroad Commission to so operate. Said complainant further alleged that defendant, Shippers, Inc., as a shipper or forwarder, is aiding and abetting said Stevenot without the proper authority or certificate as required by section 50 of the Public Utilities Act (added 1933, Chapter 784). Said complainant further alleged that the rates

-2-



charged by defendant Stevenot and paid by defendant Shippers, Inc. were less than prescribed by the Railroad Commission in Case No. 4088, Part "A" and Part "M" thereof. This case was assigned Case No. 4268.

On February 21, 1938, the Commission on its own motion instituted an investigation into the operations, rates, charges, classifications, contracts, and practices of the said Charles A. Stevenot, the said Shippers, Inc., a corporation, the said W. W. Mills, Rodney L. Rogers, Darwin L. Jordan, Ermal Roardon, M. E. Hitchcock, Earl King, W. D. King, L. L. Clark, George J. Walling, doing business as Bee Line Dispatch, and Paul Bezzaridies, for the purpose of determining whether or not any of these persons, each of whom was made a respondent to said proceeding, operated or now is operating in violation of section 50-3/4 of the Fublic Utilities Act (added by Statutes of 1935, Chapter 664); the Highway Carriers' Act (Statutes of 1935, Chapter 223, as amended); the Motor Transportation Broker Act (Statutes of 1935, Chapter 705); or of any of the Commission's decisions, orders, rules, regulations, or was otherwise unlawfully operating.

More specifically the proceeding was instituted, among other things, for the purpose of determining:

(1) Whother or not said respondents, or any of them, engaged in the transportation of property as a common carrier without a certificate of public convenience and necessity as required by section 50-3/4 of the Public Utilities Act between San Diego and Los Angeles and intermediate points, and also between those points, on the one hand, and Stockton, Oakland, San Francisco, Sacramento, and points intermediate thereto, on the other hand;

(2) Whether or not said respondents or any of them operated motor vehicles as a highway carrier other than a highway common carrier without having first secured a permit therefor, as required by section 3 of said Highway Carriers' Act;

-3-

(3) Whether or not said respondents, or any of them, as a highway carrier other than a highway common carrier transported or were transporting property at rates less than the minimum rates prescribed and established therefor by Decision No. 28761, Case No. 4088, Part "A," as modified in Decision No. 28831, or failed to issue freight bills as required by Decision No. 28761, Appendix "E" thereof.

Said respondents and each of them were ordered to show cause why they should not be ordered to cease and desist any or all of their, or his, unlawful operations; and why any operating permit or permits which the Commission may have granted to them, or to each or any of them, should not be cancelled, revoked, or suspended pursuant to section 5 or section 14 of the said Highway Carriers' Act for the violation of any provisions of said Highway Carriers' Act, or of any order or decision of the Commission, particularly said Decision No. 28761, in said Case No. 4088, Part "A," as modified. Such order of investigation was assigned Case No.4294.

These three matters, namely: Application No. 21534, Case No. 4268, and Case No. 4294, were consolidated for hearing, and a public hearing was held at Los Angoles on March 10, 11 and 30, 1938, (1) and at San Diego on April 19, 1938. Respondents W. W. Mills, Shippers, Inc., and Charles A. Stevenot appeared. They were repreconted by counsel during a part of the hearing. W. W. Mills did not take the stand and no ovidence was offered in his defense or in the defense of Shippers, Inc. Respondent Charles A. Stevenot testified voluntarily. Respondents Rodney L. Regers and E. W. King did not put in a formal appearance. However, they were called as

-4-

⁽¹⁾ The hearing at Los Angeles, on March 30th, was conducted by Examiner Paul.



witnesses by counsel for the Commission and tostified. These consolidated matters were submitted at San Diego on April 19, 1938, and are now ready for decision.

W. W. MILLS and SHIPPERS, INC.

We shall first direct our attention to W. W. Mills and Shippers, Inc. At the hearing held at Los Angeles on March 30, 1938, J. Lamar Butler, appearing as attorney on behalf of W. W. Mills, requested that the application on file of W. W. Mills for the license of a motor transportation broker be withdrawn and dismissed. Such request will be granted and no further discussion made relative to such application.

The records of the Commission show that noither W. W. Mills or Shippers, Inc. had at any time nor do they now have any cortificate or cortificates as required by the said Public Utilities Act, or permit or permits as required by the said Highway Carriers' Act to engage in the transportation of property for hire or compensation. The articles of incorporation of respondent Shippers, Inc. provide that one of the purposes of that corporation is to consolidate freight shipments and to receive goods for transportation. There is some evidence that respondent Mills intended to form a non-profit co-operative association for the purpose of shipping but as a matter of fact no such association was formed.

The evidence adduced at the hearings clearly indicates the nature of the operations and practices of W. W. Mills. At the outset it is believed preferable to describe such practices and operations. The evidence further discloses that respondent Shippers, Inc. was and is but the alter ego of respondent W. W. Mills. This is evidenced, among other things, by the facts that shippers, after negotiating with Mills individually and not intending to be served by others, were rendered exactly the same service as those shippers who arranged with Mills to be served by Shippers, Inc. In each

-5-



instance the same shipping documents would be used, the same underlying carriers would be utilized, and the procedure was, in every other dotail, the same. Shippers, when asked if they considered Mills and Shippers, Inc. the same testified in the affirmative. For the most part checks were indersed, either in print or writing, "Shippers Inc." or "Shippers Incorporated" or either with the addition of the signature "W. W. Mills," but there is some evidence indicating that at times checks were indersed merely "W. W. Mills."

The record further discloses that in the spring of 1937 respondent Mills first began approaching shippors (merchants) for the purpose of rendering them a transportation service, the paramount thought being to consolidate or pool shipments of various shippers and to transport such shipments to destination at lower rates than charged by other carriers. The record unequivocally shows that Mills solicited business from a large number of shippors and that the service was always available, and there were never any refusals or rejections to haul when shipments were tendered. The service actually rendered was not confined to any particular points, several witnesses in this respect testifying that the service was available to any place in the State of California and that they had utilized the service to many points in the State. To some points the service rendered for many shippers was regular and frequent, to other points for a few shippers it was regular and frequent, and to other points the service was rendered occasionally but in all instances it was always available. There was not only a regular service rendered to many chippers, but some shippers used the service sporadically. There is testimony to the effect that neither respondent Mills nor Shippers, Inc. ewned any trucks or equipment. and the record shows that Mills entered into arrangements with various truckers to transport the goods, or ho tendered the goods to certificated carriers.without grangement. Arrangements existed

-6-

between Mills and some truckers to pick up goods at the door of the respective merchants in Los Angeles and transport them to the docks of Shippers, Inc. in Los Angeles for a definite compensation. Other arrangements existed between respondent Mills and other truckers at a fixed compensation to make mline hauls to various points regularly and frequently, and at destination to deliver the goods either to store-door or depots. Such arrangements did not reach the status of contracts because of the lack of binding provisions.

The consignors made no arrangement with the underlying truckers, their dealings being colely with Mills. Although the consignors usually paid Mills on a weekly basis and looked to him for responsibility for damage or loss to the shipment, the arrangements were loose and did not attain the dignity of binding contracts. In the few instances in which the rocord disclosed lesses or damage to goods, the shippers were paid by Mills and not the underlying truckers. The shipping documents used were those of "Allied Shippers, Inc." or "Shippers, Inc." and never those of the trucker unless shipmonts wont over the line of a cortificated carrier. In some instances documents of the shippers were also used. The general understanding relative to rates was that due to the pooling they were to be as low as possible. In some cases there was a definite arrangement as to rates, either on a basis of a charge of a certain amount per one hundred pounds or on a flat rate basis. In practice, the rates were as low as, or lower than, those prescribed by the Commission. The facts unequivocally indicate that the respondent Mills acted as a carrier to ship goods to destination and not as a more forwarder or broker.

From the foregoing facts which show a holding out and a willingness to sorve the public, solicitation, regularity of service, the utilization of the service by some shippers sporadically, the availability of the service, the absence of rejections or refusals of shipments by Mills, the responsibility of Mills for the shipments,

-7-

the fact that shippers dealt solely with Mills, and other facts disclosed in the record, it is beyond question that Mills was operating both as a highway common carrier, as defined by section 2-3/4 of the Public Utilities Act, and as a radial highway common carrier, as defined in section 1 (h) of the Highway Carriers' Act. The fact that respondent W. W. Mills owned no trucks does not affect such status. <u>Hodge Transportation System v. Ashton Truck</u> <u>Co.</u> (1923) 24 C.R.C. 116, p. 129; <u>Merchants Dispatch Transp. Co.v. <u>Bloch Broz</u>. 36 Tenn. 392, 6 S.W. 381; <u>Kattenhofen v. Clove Transfer</u> <u>& S. Co.</u> (Wash.) 127 Pac. 295, 42 L.R.A. 902, 9 Am. Juris. 434.</u>

From the evidence it should now be determined between which termini said respondent was operating in the former status and to which points he was operating radially out of Los Angelos.

Respondent E. W. King, an underlying carrier for Mills, testified that he operated two trucks hauling merchandise picked up at the depot of Shippers, Inc. at the request of W. W. Mills, usually once per week, but sometimes twice and generally about five trips per month between Los Angeles, on the one hand, and Bakersfield, Tulare, Modesto, Stockton, Oakland and San Francisco, on the other hand, and also between Los Angeles and Santa Barbara, and other points north of Los Angeles on the coast.

Respondent Charles A. Stevenot, another underlying carrier, operating generally between Los Angeles and San Diego and territory proximate thereto, as will hereafter be more fully disclosed, operated daily between such points.

A careful examination of the record of these consolidated matters which includes testimony from approximately thirty shipper witnesses, the testimony from operators of the underlying trucks; exhibits consisting of shipping documents, summaries of documents showing the points served by Mills, an oxhibit (Exhibit No. 6) showing the operations from Los Angeles to points north of Los

-8-

Angeles for the month of September, 1937, clearly disclose the aforementioned highway common carrier operations and the radial highway common carrier operations.

From such examination it is apparent that respondent W. W. Mills engaged in the transportation of property for compensation as a highway common carrier as defined in section 2-3/4 of the Public Utilities Act between fixed termini as follows: between Los Angelos, on the one hand, and San Francisco, Oakland, Vallojo, Sacramento and intormediate points, on the other hand, including Bakersfield, Maricopa, Oildale, Delano, Wasco, Tularo, Porterville, Exeter, Visalia, Dinuba, Reedley, Shafter, Hanford, Stratford, Lemoore, Oroma, Kingsburg, Selma, Fresno, Sanger, Madera, Chowchilla, Gustine, Merced, Tipton, Turlock, Modesto, Ripon, Tracy, Hayward, Berkeley, Stockton, and Lodi; and between the fixed tormini of Los Angeles, on the one hand, and San Francisco and Oakland and Vallejo, and intermediate points, on the other hand, including Oxmard, Ventura, Carpontería, Santa Barbara, Goleta, Solvang, Santa María. Arroyo Grande, Pismo Beach, San Luis Obispo, Paso Robles, Gonzales, Salinas, Carmel, Monterey, Pacific Grove, Santa Cruz, San Jose, Palo Alto, Mountain View and Redwood City; and between the fixed termini of Los Angeles, on the one hand, and San Diego, and intermediate points and points proximate thereto, on the other hand, including Lynwood, Oceanside, La Jolla, Ocean Beach, Alhambra, Bell. Fullerton, Santa Ana, Riverside, Pomona, Escondido, and Vista.

From the testimony of the several witnesses reforred to above that the service of Shippors, Inc. was open to any place in the state, and the fact that to some points not mentioned above as falling within the scope of the highway carrier operations between fixed termini, it is apparent that generally from Los Angeles, and particularly to the following points from Los Angeles, said respondent W. W. Mills was engaged in the transportation of property for compensation as a radial common carrier. Such points are: Crockett,

-9-

Pittsburg, Woodland, Willows, Suisun, Antioch, Chico, Eureka, Santa Rosa, Oroville, Marysville, Petaluma, Martinez, Yreka, San Ysidro, and Calexico.

A comparison of the rates charged witness shippers by respondent Mills with the rates prescribed and established by Docision No. 28761, in Case No. 4088, Part "A," as modified, which was introduced into the record by reference shows a constant practice of transporting property below the minimum rates so established by the Railroad Commission for contract carriers and radial highway common carriers.

CHARLES A. STEVENOT

We shall now direct attention to the operations and practices of respondent Charles A. Stevenot, doing business as Oppenheimer Truck Line. This operator holds the following rights to operate as a common carrier, as defined in section 2-3/4 of the Public Utilities Act; a prescriptive right to operate between San Diego and Grossmont, El Cajon, and Bostonia; a cortificate of public convenience and necessity to operate between San Diogo and Lake View, Flinn Springs, Johnson Valley, Alpine, Vega Valley, and Descano; and an extension of his rights to operate to Guatay, Pine Valley, and intermodiate points. It is therefore apparent that no such common carrier rights were held by said respondent between Los Angeles and San Diego. Said respondent also holds the following: radial highway common carrier permit, 37-39, the application for same describing the territory in which he proposed to operate as within a radius of 150 miles of San Diego; contract carrier permit No. 37-38, which gives the respondent the right to operate as such carrier between Los Angeles and San Diego; and city carrier permit No. 37-556, giving him the right to operate as such city carrier in the city of San Diogo.

Respondent Charles A. Stevenot, taking the stand voluntarily, testified and was examined by counsel. The following facts

-10-

were developed: that he maintained an office in San Diego and a terminal in Los "ngeles, which was the same dock as that of Shippers, Inc., rendering a daily service between these cities; that he operated one and sometimes two trucks between these points and has just added a third; that he had contracts, either oral or written, with some shippers to transport their merchandice to San Diego. He testified that he had an arrangement with respondent, Shippers, Inc. to transport to San Diego the merchandise belonging to any number of merchants and tendered by it in quantities of not less than 10,000 pounds at the rates prescribed by the Railroad Commission for such weight; that he did transport property pursuant to such arrangements until about May 10, 1938, at which time, so he stated, Shippers, Inc. went out of existence; that he considered all such operations as contract movements with an occasional radial highway common carrier movement; that the documents used in reference to shipments through Shippers, Inc. did not disclose the consignor's names but the latter were designated by numbers; that he had no contract with any of the shippers served through Shippers, Inc. in which he made the line-haul; that in the majority of instances he made the local delivery in San Diogo and vicinity of such movements; that from time to time various customers coased to use the service assigning as the reason therefor the increase of rates which respondent testified he had raised, pursuant to the Commission's decisions, or assigning no reason at all; that he had no recourse against the shipper if the latter refused to ship by him; that he never refused any shipments tendered by Shippers, Inc. except during a short period when he and Mills had a misunderstanding as to payment, but that he has refused many times to transport goods between Los Angeles and San Diego, and that the basis of the refusal was that no contract existed or there was not sufficient tonnage to render it a radial movement (Respondent Stevenot based his radial operation on minimum tonnage of five tons per shipment); that if

1

-11-

comeone offered him such minimum tennage (five tens.) between Sam Diego and Los Angeles, he would probably accept it and consider it a radial shipment; that all the written contracts and oral contracts had the same provisions, and it appeared that he had approximately twelve or fifteen contracts for transportation between Los Angeles and San Diego. It was also brought out that some hauling had been done for persons with whom he had no contracts, and that for several he had ceased hauling.

X_

From the foregoing facts, copecially the operations pursuant to the arrangement between respondent Stevenot and Shippers, Inc., in which the former transported all goods to San Diego handled by the latter, it is apparent that respondent Stevenot was operating as a common carrier, as defined in section 2-3/4 of the Public Utilities Act, between Los Angeles, on the one hand, and San Diego and El Cajon, on the other hand.

The status of one as a common carrier is not changed by the fact that he does not deal with the shippers directly. It is settled that one who transports property in common carriage for a common carrier is himself a common carrier. In <u>McConnell</u> v. <u>L. A.</u> <u>etc. Express Co.</u>, 32 C.R.C. 65, at p. 71, it was said:

"It is urged that the situation is one over which this Commission has no jurisdiction for the reason that the operation is being conducted under private contract, and it is claimed that the situation is similar to that which existed in <u>Frost</u> v. <u>Railroad Commission</u>, 271 U.S.583. We do not so view the matter. In the Frost case private property was being transported for a private person by a private carrier, while here property in common carriage is being transported for a common carrier by one claiming to be a private carrier. The situations are entirely dissimilar. It is our opinion that Morehart in acting as the transporting agency of property in common carriage for the Southern Pacific Company, a common carrier, has become a common carrier and since he has not obtained a cortificate of public convenience and necessity as is required by and under the laws of this state, he should be ordered to cease and desist forthwith from the operations in question."

See also:

<u>United States</u> v. <u>Cal.</u> (1936), 297 U.S. 175; <u>C. & E. I. Railroad</u> v. <u>Transfer R.R. Co.</u> (1925), 317 Lll. 65, 147 N.E. 666; United States v. Brooklyn (1918), 249 U.S. 296; United States v. Union Stock Yards, 226 U.S. 286.

X_

Since this respondent is under the impression that a carrier may operate as a radial highway common carrier transporting the same commodities as such that he transports as a contract carrier between the same points, this Commission horeby informs said respondent that this cannot legally be done, and directs attention to section 4 of said Highway Carriers' Act which provides as follows:

> "SEC. 4. No person or corporation shall be permitted by the Railroad Commission to engage, nor shall any person or corporation engage in the transportation of property on the public highway, both as a common carrier and as a highway contract carrier of the same commodities between the same points. $\approx \approx \approx$ "

and to the following passage in the case of <u>Rampone</u> v. <u>Leonardini</u> (1936), 39 C.R.C. 562, at p. 569, having reference to the "highway common carrier," "radial highway common carrier," and "highway contract carrier."

> "It is not unusual for a truck operator to engage in more than one of the above three types of trucking, nor is it unlawful so long as such operator does not transport the same commodities between the same points in more than one of said three types of truck operations."

EARL W. KING

From the testimony of this respondent, called as a witness by counsel for the Railroad Commission, in addition to or in amplification of the facts already stated as testified to by him or as heretofore described as existing between the underlying carriers and Mills, it appeared that he operated between Los Angeles and San Francisco and intermediate points without permits or certificate; that in his arrangement with Mills he was paid a flat sum per ton of \$7.50 to \$8.00, but later it was not over \$7.00 for said transportation; that he has no contracts with consignees or consignors; that

-13-

occasionally he makes collections of freight charges and romits same to Mills; that he sometimes makes return hauls from San Francisco to Los Angeles for transportation firms, the following having been named by this respondent: Snowden Transportation Company, Goldon Gate Transportation, Pacific Coast Dispatch, and others, totaling about eight companies; that he would deliver these goods either to docks or store-door; that in such transportation he had no connection with the shippers; that he was paid a \$4.00 per ten minimum and a \$7.00 per ten maximum for such hauling. To show the common carrier status of respondent King, it is only necessary to state that he was an underlying carrier of common carriers. The reasons for such status have heretofore been adverted to in conjunction with the status of respondent Stevenet, and such reasons are controlling.

1

RODNEY L. ROGERS

This respondent, in his arrangements with respondent Mills, rendered a local pickup and delivery service in Los Angeles for the customers of the latter from the place of business of said customers to the terminal of Shippers, Inc. or vice versa. In this service, he was an underlying carrier of a common carrier and, for the same reasons as those set forth in the discussion relative to the status of respondent Stevenet, he was operating as a common carrier. The definition of the term "carrier," as provided in section 1 (f) of the City Carriers' Act (Stats. 1935, Ch. 312, as amended), is broad enough to include both private and common carriers, and since he had a proper city carrier's permit to operate as a city carrier in the city of Los Angeles, it follows that his operations, so far as his status is concerned, were lawful. Section 1 (f) of said City Carriers' Act is as follows:

> "Sec. 1 (f). The term 'carrier' when used in this act means every corporation or person, their lessees, trustees, receivers or trustees appointed by any court whatsoever engaged in the transportation

> > -14-



of property for compensation or hiro as a business over any public highway in any city or city and county in this State by means of a motor vehicle or vehicles."

DARWIN L. JORDAN, ERMAL REARDON, M. E. HITCHCOCK, W. D. KING, L. L. CLARK, GEORGE J. WALLING, IVAN C. HODGE, T. A. THOMPSON, T. MCCUIRE, CARL WEBE, R. E. MORRISS, PAUL BEZZARIDIES:

There was no evidence in the record relative to the operations of these respondents, or their connection with the operations of Shippers, Inc.; therefore, the proceeding, with reference to them and each of them, should be dismissed.

An order of the Commission finding an operation to be unlawful and directing that it be discontinued is in its effect not unlike an injunction issued by a court. A violation of such order constitutes a contempt of the Commission. The California Constitution and the Public Utilities Act vest the Commission with power and authority to punish for contempt in the same manner and to the same extent as courts of record. In the event a party is adjudged guilty of contempt, a fine may be imposed in the amount of \$500, or he may be imprised for five (5) days, or both (<u>C.C.P.</u> Sec. 1218; <u>Motor Freight Terminal Co.</u> v. <u>Bray</u>, 37 C.R.C. 224; re <u>Ball and Hayes</u>, 37 C.R.C. 407; <u>Wormuth</u> v. <u>Stamper</u>, 36 C.R.C. 458; <u>Pioneer Express Co.</u> v. <u>Keller</u>, 33 C.R.C. 371.)

It should also be noted that under section 12 of the Highway Carriers' Act (Chapter 223, Statutes of 1935, as amended), one who violates an order of the Commission is guilty of a misdemeaner and is punishable by a fine not exceeding \$500, or by imprisonment in the county jail not exceeding three months, or by both such fine and imprisonment.

ORDER

Public hearing having been held in the above-ontitled matter, evidence having been received, the matter duly submitted, and the Commission now being fully advised.

-15-

IT IS HEREBY FOUND that respondent Shippers, Inc. is but the alter ego of respondent W. W. Mills, and that said respondent W. W. Mills, individually and acting through Shippers, Inc., has transported property for compensation over the public highways as a highway common carrier, as defined in section 2-3/4 of the Public Utilities Act of the state of California, usually and ordinarily between the fixed termini of Los Angeles, on the one hand, and San Francisco, Oakland, Vallejo, and Sacramento, and intermediate points, on the other hand, including Bakersfield, Maricopa, Oildale, Delano, Wasco, Tulare, Porterville, Exeter, Visalia, Dinuba, Reedley, Shafter, Hanford, Stratford, Lemoore, Oroma, Kingsburg, Selma, Fresno, Sanger, Madera, Chowchilla, Custine, Merced, Tipton, Turlock, Modesto, Ripon, Tracy, Hayward, Berkeley, Stockton, and Lodi; and between the fixed termini of Los Angeles, on the one hand, and San Francisco and Oakland and Vallojo, and intermediate points, on the other hand, including Oxnard, Ventura, Carpenteria, Santa Barbara, Coleta, Solvang, Santa Maria, Arroyo Grande, Pismo Beach, San Luis Obispo, Paso Robles, Gonzales, Salinas, Carmel, Monterey, Pacific Grove, Santa Cruz, San Jose, Palo Alto, Mountain View and Rodwood City; and between the fixed termini of Los Angeles, on the one hand, and San Diego and El Cajon, and intormediate points and points proximate thereto, on the other hand, including Lynwood, Oceanside, La Jolla, Ocean Beach, Alhambra, Bell, Fullerton, Santa Ana, Riverside, Pomona, Escondido; and Vista, without first having secured from this Commission a certificate of public convenience and necessity authorizing such operations, and without other operative right, in violation of section 50-3/4 of the Public Utilities Act.

IT IS HEREBY FURTHER FOUND that said respondent W. W. Mills was engaged in the transportation of property for compensation over the public highways of the state of California from the contral

-16-

point of Los Angeles, on the one hand, to points in this state generally, on the other hand, including Crockett, Pittsburg, Woodland, Willows, Suisun, Antioch, Chico, Euroka, Santa Rosa, Oroville, Marysville, Petaluma, Martinez, Yroka, San Ysidro, and Caloxico, as a radial highway common carrier, as defined in section 1 of said Highway Carriers' Act, without having secured from this Commission a permit authorizing such operations, in violation of section 3 of said Highway Carriers' Act.

IT IS HEREBY FURTHER FOUND that said respondent W. W. Kills has requested that his application for a Motor Transportation Broker's license be dismissed.

IT IS HEREEY FURTHER FOUND that respondent Charles A. Stevenot, doing business as Oppenheimer Truck Line, has transported property for compensation over the public highways as a highway common carrier as dofined in section 2-3/4 of the Public Utilities Act of the state of California, usually and ordinarily between the fixed termini of Los Angeles, on the one hand, and San Diego and El Cajon, on the other hand, and intermediate points, without first having secured from this Commission a certificate of public convenience and necessity authorizing such operations, and without other operative right, in violation of section 50-3/4 of the Public Utilities Act.

IT IS HEREBY FURTHER FOUND that respondent Earl W. King has transported property for compensation over the public highways as a highway common carrier, as defined in section 2-3/4 of the Public Utilities Act of the state of California, usually and ordinarily between the fixed termini of Los Angeles and San Francisco, and intermediate points, without first having secured from this Commission a certificate of public convenience and necessity authorizing such operations, and without other operative right, in violation of section 50-3/4 of the Public Utilities Act.

-17-

IT IS HEREEY ORDERED that respondent W. W. Mills and Shippers, Inc., a corporation, immediately cease and desist from conducting or continuing, directly or indirectly, or by any subteriuge or device, any and all such operations as a highway common carrier hereinabove set forth, unless and until he or it shall have secured from the Railroad Commission a proper cortificate of public convenience and necessity therefor, and from conducting any and all operations as a highway carrier other than a highway common carrier unless and until he or it shall have secured from the Railroad Commission a proper permit or permits therefor.

IT IS MEREEN FURTHER ORDERED that the application of said respondent W. W. Mills for a Motor Transportation Broker's license be and it is hereby dismissed.

IT IS HEREEY FURTHER ORDERED that respondent Charles A. Stevenot, doing business as Opponheimer Truck Line, immediately coase and desist from conducting or continuing, directly or indirectly, or by any subterfuge or device, any and all such operations as a highway common carrier hereinabove set forth, unless and until he shall have secured from the Railroad Commission a proper certificate of public convenience and necessity therefor.

IT IS HEREEY FURTHER ORDERED that by reason of said offenses highway contract permit No. 37-38 and radial highway common carrier permit No. 37-39 issued to respondent Charles A. Stevenot, be and the same are, and each of them is, hereby suspended for a period of seven (7); days from the effective date of this order.

IT IS HEREBY FURTHER ORDERED that respondent Earl W. King immediately cease and desist from conducting or continuing, directly or indirectly, or by any subterfuge or device, any and all such operations as a highway common carrier hereinabove set forth, unless and until he shall have secured from the Railroad Commission a proper certificate of public convenience and necessity therefor.

-18-

IT IS HEREEY FURTHER ORDERED that this proceeding be and it is hereby dismissed as to respondents Rodney L. Rogers, Darwin L. Jordan, Ermal Reardon, M. E. Hitchcock, W. D. King, L. L. Clark, George J. Walling, doing business as Bee Line Truck Dispatch, Ivan C. Hodge, T. A. Thompson, T. McGuire, Carl Webb, R. B. Morriss and Paul Bezzaridies, and as to each of said respondents.

IT IS HEREBY FURTHER ORDERED that the Secretary of this Commission shall immediately cause a certified copy of this decision to be personally served upon each of said respondents.

IT IS HEREBY FURTHER ORDERED that for all other purposes this order shall become effective as to each respondent twenty (20) days from and after service thereof upon such respondent.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at Son Francisco, California, this 1/2 day of <u>Cursust</u>, 1938.