

Decision No. 32029

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
JOHN W. ANDERSON, doing business as)
Sausalito Mill Valley & San Francisco)
Express Co., and KELLOGG EXPRESS &)
DRAYING CO., a corporation, for)
approval of the establishment of joint)
service and through rates between)
Alameda, Albany, Berkeley, Emeryville,)
Oakland and Piedmont, on the one hand,)
and Fairfax, Mill Valley, San Rafael,)
Sausalito, and intermediate points, on)
the other.)

Application No.20826

In the Matter of the Application of)
LOUIS ERICKSON, doing business as)
West Berkeley Express & Draying)
Company, and HASLETT WAREHOUSE COMPANY,)
a corporation, INTERURBAN EXPRESS)
CORPORATION, a corporation, KELLOGG)
EXPRESS & DRAYING COMPANY, a corpor-)
ation, A. PASTERIS, doing business as)
EAST BAY DRAYAGE & WAREHOUSE CO.,)
PEOPLES EXPRESS COMPANY, a corporation,)
and UNITED TRANSFER COMPANY, a cor-)
poration, for approval of the establish-)
ment of joint rates and through service)
between Alameda, Albany, Berkeley,)
Emeryville, Oakland, Piedmont and San)
Francisco, on the one hand, and El)
Cerrito, Stege, Richmond and San Pablo,)
on the other.)

Application No.20893

In the Matter of the Application of)
INTERURBAN EXPRESS CORPORATION, a cor-)
poration, and LOUIS ERICKSON, doing)
business as WEST BERKELEY EXPRESS &)
DRAYING CO., HASLETT WAREHOUSE COMPANY,)
a corporation, KELLOGG EXPRESS & DRAY-)
ING COMPANY, a corporation, A.PASTERIS,)
doing business as EAST BAY DRAYAGE &)
WAREHOUSE CO, PEOPLES EXPRESS COMPANY,)
a corporation, and UNITED TRANSFER COM-)
PANY, a corporation, for approval of the)
establishment of joint rates and through)
service between San Francisco, on the)
one hand, and San Pablo, Hercules, Oleum,)
Selby, Port Costa, Pinole, Rodeo, Tormey,)
Crockett, and Martinez, on the other.)

Application No.20892

Reginald L. Vaughan, for all applicants except
John W. Anderson;

Douglas Brookman, for Applicant John W. Anderson;

James J. Broz, for Valley Express Company and
Valley Motor Lines, interested parties;

Ansel Williams, for Southern Pacific Company,
Pacific Motor Trucking Company, and
Pacific Motor Transport Company, Protestants.

Edward Stern, for Railway Express Agency, Protestant;

F. W. Mott, for Merchants Express Corporation, Protestant.

BY THE COMMISSION -

OPINION ON OBJECTIONS
TO JURISDICTION OF COMMISSION

In these proceedings the applicants, though seeking approval for the establishment of certain joint rates and through routes, nevertheless have raised the contention that the Commission is without jurisdiction to grant this relief. Their claim rests upon provisions of Section 50-3/4, Public Utilities Act, added by Statutes 1935, Chap. 664. The protestants challenge this contention, asserting, on the contrary, that the Commission is clothed with such power. The objections were argued orally before Examiner Austin at San Francisco, and were submitted with the understanding that should the Commission ultimately hold it possessed such authority, the three proceedings would be set for hearing on the merits.

By Application No. 20826, applicant John W. Anderson, engaged in business under the name of Sausalito Mill Valley and San Francisco Express Company, as a highway common carrier between San Francisco, on the one hand, and Fairfax, Mill Valley, San Rafael, Sausalito, and intermediate points, on the other hand, seeks approval for the establishment of joint through rates with applicant Kellogg Express & Draying Company, a corporation, operating as a highway common

carrier between San Francisco, on the one hand, and Alameda, Albany, Berkeley, Emeryville, Oakland, and Piedmont, on the other. The proposed tariff tendered to the Commission, embracing such joint rates, was rejected, it is alleged.

A similar situation is presented by Application No. 20893. Here the applicant, Louis Erickson, doing business as West Berkeley Express & Draying Company, operating as a highway common carrier (a) between San Francisco, on the one hand, and Alameda, Albany, Berkeley, Emeryville, El Cerrito, Stege, Oakland, Piedmont, Richmond, and San Pablo, on the other hand, and (b) between Alameda, Albany, Berkeley, Emeryville, El Cerrito, Stege, Oakland, Piedmont, Richmond, and San Pablo; and the remaining applicants, viz., Haslett Warehouse Company, a corporation, Interurban Express Corporation, a corporation, Kellogg Express & Draying Company, a corporation, A. Pasteris, doing business as East Bay Drayage & Warehouse Co., Peoples Express Company, a corporation, ⁽¹⁾ and United Transfer Company, a corporation, operating, respectively, as highway common carriers (c) between San Francisco and East Bay points not including El Cerrito, Stege, Richmond, and San Pablo, and (d) between all East Bay points excepting El Cerrito, Stege, Richmond, and San Pablo (excepting that applicant Interurban Express Corporation is authorized to serve San Pablo), seek the approval of the Commission for the establishment of joint rates between the points they are authorized to serve. Here, also, it was alleged that a tariff containing these joint rates, tendered by the applicants, was rejected by the Commission.

By Application No. 20892 it appears that Interurban Express Corporation, a corporation, is operating as a highway common carrier (a) between San Francisco, on the one hand, and Alameda, Albany, Berkeley, Emeryville, Oakland, Piedmont, San Pablo, Hercules, Oleum

1. Since the institution of this proceeding, this carrier transferred its operative rights to Haslett Warehouse Company and is no longer operating. (Decision No. 28694, dated April 6, 1936, on Application No. 20436.)

Selby, Port Costa, Pinole, Rodeo, Tormey, Crockett, and Martinez, on the other hand, and (b) between Alameda, Albany, Berkeley, Emeryville, Oakland, Piedmont, San Pablo, Hercules, Oleum, Selby, Port Costa, Pinole, Rodeo, Tormey, Crockett, and Martinez; that the remaining applicants, viz., Louis Erickson, doing business as West Berkeley Express & Draying Company, Haslett Warehouse Company, a corporation, Kellogg Express & Draying Company, a corporation, A. Pasteris, doing business as East Bay Drayage & Warehouse Co., Peoples Express Company, a corporation, and United Transfer Company, a corporation, are operating, respectively, as highway common carriers (c) between San Francisco and East Bay points, not including San Pablo, Hercules, Oleum, Selby, Port Costa, Pinole, Rodeo, Tormey, Crockett, and Martinez, and (d) between East Bay points, not including San Pablo, Hercules, Oleum, Selby, Port Costa, Pinole, Rodeo, Tormey, Crockett, and Martinez (excepting that applicant Louis Erickson is authorized to serve San Pablo). It is further alleged that of said applicants, Interurban Express Corporation is the only one authorized to serve San Pablo, Hercules, Oleum, Selby, Port Costa, Pinole, Rodeo, Tormey, Crockett, and Martinez (excepting that applicant Louis Erickson is authorized to serve San Pablo); that the applicants, other than Interurban Express Corporation, desire to file joint rates with that company which would permit them to render through service between the points they are authorized to serve and the points, above mentioned, served by Interurban Express Corporation; that Merchants Express & Draying Company (now Merchants Express Corporation), not appearing herein as an applicant, has filed a concurrence with applicant Interurban Express Corporation for the purpose of serving between the points mentioned; that the remaining applicants desire to file similar concurrences with Interurban Express Corporation for the purpose of serving these points.

Applicant Interurban Express Corporation, it is stated, is willing to permit the filing of such concurrences. Accompanying the application is the proposed tariff.

An allegation appears in each application to the effect that the public interest will not be adversely affected by the granting of such approval; on the contrary, it is stated, public interest will be benefited thereby.

Two questions have been presented for our consideration, viz., (a) may highway common carriers establish over their lines joint rates and through routes without first securing the approval of the Commission; and (b) if such approval is required, should it be granted unless it is shown that public interest would be adversely affected?

The determination of these questions requires a consideration of certain statutory provisions, including the legislation enacted at the 1935 legislative session, by which highway common carriers were for the first time subjected to regulation under the terms of the Public Utilities Act.

Previously, carriers of this type, then known as transportation companies, were regulated under the provisions of the Auto Truck Transportation Act (Stats. 1917, Chap. 213, as amended). Section 5 of that act directed that no transportation company could inaugurate any service until it had first secured from this Commission a certificate of public convenience and necessity.²

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That section then provided:

"Sec. 5. No transportation company shall hereafter begin to operate any automobile, jitney bus, auto truck, stage or auto stage for the transportation of persons or property, for compensation, on any public highway in this state without first having obtained from the railroad commission a certificate declaring that public convenience and necessity require such operation, but no such certificate shall be required of any transportation company as to the fixed termini between which or the route over which it is actually operating in good faith at the time this act becomes effective, or for operations

By Chapter 664, supra, this act was repealed and its essential provisions were embodied in Section 50-3/4, Public Utilities Act, added by the same enactment. Subdivision (a) of that section provides that no highway common carrier (the designation thereby adopted for carriers of this type), should engage in operations except in accordance with the provisions of the Public Utilities Act; subdivision (b) clothed this Commission with broad regulatory powers in respect to rates, charges, accounts, service, and safety of operations; subdivision (c) required of such carriers a certificate of public convenience and necessity before engaging in operation; and subdivision (d) authorized the Commission to entertain complaints respecting violations of the Public Utilities Act on the part of such carriers. Subdivision (c), with which we are primarily concerned, is set forth in the margin.² This relates, among other things, to the issuance of certificates, to the approval of the consolidation of operative rights, and to the approval of joint rates.

Footnote 2, continued:

"exclusively within the limits of an incorporated city, town, or city and county. Any right, privilege, franchise or permit held, owned or obtained by any transportation company may be sold, assigned, leased, transferred or inherited as other property, only upon authorization by the railroad commission. The railroad commission shall have power, with or without hearing to issue said certificate as prayed for, or to refuse to issue the same, or to issue it for the partial exercise only of said privilege sought, and may attach to the exercise of the rights granted by said certificate such terms and conditions as, in its judgment, the public convenience and necessity may require; provided, that no such certificate may be granted to a foreign corporation.

The railroad commission may at any time for a good cause suspend and upon notice to the grantee of any certificate and opportunity to be heard, revoke, alter or amend any certificate issued under the provisions of this section.

Every application for a certificate of public convenience and necessity must be accompanied by a fee of fifty dollars."

2

Section 50-3/4, subdivision (c), reads as follows:
"(c) No highway common carrier shall hereafter begin to operate any auto truck, or other self-propelled vehicle, for the transportation of property for compensation on any public highway in this State without first having obtained from the Railroad

Applicants lean heavily upon Section 22(a), Public Utilities Act, relating to the interchange and transfer of freight and equipment, and declaring the duty of common carriers to establish joint rates.⁴ They also point to Section 33, Public Utilities Act, which authorizes the Commission after a hearing, upon complaint or on its own motion, to establish joint rates between two or more common carriers where it appears that the existing joint rates are unjust, unreasonable, or excessive, or where it is shown that no satisfactory through route or joint rate exists.

Footnote 3, continued:

"Commission a certificate declaring that public convenience and necessity require such operation, but no such certificate shall be required of any highway common carrier as to the fixed termini between which or the route over which it was actually operating as a highway common carrier on July 26, 1917, and in good faith continuously thereafter, or for operations exclusively within the limits of an incorporated city, town or city and county. Any right, privilege, franchise, or permit held, owned or obtained by any highway common carrier may be sold, assigned, leased, transferred or inherited as other property, only upon authorization by the Railroad Commission. The Railroad Commission shall have power, with or without hearing, to issue said certificate as prayed for, or to refuse the same or to issue it for the partial exercise only of said privilege sought, and may attach to the exercise of the rights granted by said certificate such terms and conditions as, in its judgment, the public convenience and necessity require. Without the express approval of the commission, no certificate of public convenience and necessity issued to any highway common carrier under the provisions of this section, or heretofore issued by the commission for the transportation of property by auto truck or self-propelled vehicle, nor any operative right founded upon operations actually conducted in good faith on July 26, 1917, shall be combined, united or consolidated with another such certificate or operative right so as to permit through service between any point or points served under any such separate certificate or operative right, on the one hand, and any point or points served under another such certificate or operative right, on the other hand; nor, without the express approval of the commission, shall any through route or joint, through, combination, or proportional rate be established by any highway common carrier between any points or points which it serves under any such certificate or operative right and any point or points which it serves under any other such certificate or operative right."** (Emphasis supplied).

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Section 22(a) reads as follows:

"Sec. 22 (a) Every common carrier shall afford all reasonable, proper and equal facilities for the prompt and efficient interchange and transfer of passengers, baggage and cars, loaded or empty, between the lines owned, operated, controlled or leased by it and the lines of every other common carrier, and shall make

In the absence of an existing joint rate, it must be shown that public convenience and necessity demand its establishment.⁵

Applicants contend that, under the terms of Section 22(a), they are at liberty to establish joint rates and through routes without first securing the consent of the Commission, a claim which is opposed by the protestants. In short, applicants assert that the provisions of Section 50-3/4 are subordinate to and controlled by those of Section 22(a).

Footnote 4, continued:

"such interchange and transfer promptly without discrimination between shippers, passengers or carriers either as to compensation charged, service rendered or facilities afforded. Every railroad corporation shall receive from every other railroad corporation, at any point of connection, freight cars of proper standard and in proper condition, and shall haul the same either to destination, if the destination be upon a line owned, operated or controlled by such railroad corporation, or to point of transfer according to route billed, if the destination be upon the line of some other railroad corporation.

Nothing in this section contained shall be construed as in anywise limiting or modifying the duty of a common carrier to establish joint rates, fares and charges for the transportation of passengers and property over the lines owned, operated, controlled or leased by it and the lines of other common carriers, nor as in any manner limiting or modifying the power of the commission to require the establishment of such joint rates, fares and charges."

⁵

Section 33 provides:

"Sec. 33. Whenever the commission, after a hearing had upon its own motion or upon complaint, shall find that the rates, fares or charges in force over two or more common carriers, between any two points in this state, are unjust, unreasonable or excessive, or that no satisfactory through route or joint rate, fare or charge exists between such points, and that the public convenience and necessity demand the establishment of a through route and joint rate, fare or charge between such points, the commission may order such common carriers to establish such through route and may establish and fix a joint rate, fare or charge which will be fair, just, reasonable and sufficient, to be followed, charged, enforced, demanded and collected in the future, and the terms and conditions under which such through route shall be operated. The commission may order that freight moving between such points shall be carried by the different common carriers, parties to such through route and joint rate, without being transferred from the originating cars. In case the common carriers do not agree upon the division between them of the joint rates, fares or charges established by the commission over such through routes, the commission shall, after hearing, by supplemental order, establish such division; provided

Section 22(a) long antedated Section 50-5/4 as a part of the Public Utilities Act. The first paragraph imposes upon every common carrier the duty of providing proper and equal facilities for the prompt and efficient interchange and transfer of tonnage and cars between its lines and those of every other common carrier, requiring it to make such interchange and transfer promptly, without discrimination between shippers or carriers. The duty of a common carrier to establish joint rates and the power of the Commission to require their establishment is recognized and declared in the second paragraph. The broad and comprehensive provisions of this section apparently are sufficient to embrace all types of common carriers; in the absence of any limitation appearing elsewhere in the act, it would seem that they are applicable to a highway common carrier, as defined by Section 2-3/4. Whether such a limitation exists must be the object of our inquiry.

Section 33 provides the mechanism by which the duty of a common carrier to establish joint rates may be enforced. By its terms the Commission may modify existing joint rates if they appear to be unjust, unreasonable, or excessive; and where it is shown that no satisfactory through route or joint rate exists, and that public convenience and necessity require their establishment, the Commission may establish, and it may direct the carriers to publish such joint rates and through routes. The Commission

Footnote 5, continued:

"that where any railroad, or passenger stage corporation which is made a party to a through route has itself over its own line an equally satisfactory through route between the termini of the through route established, such railroad, or passenger stage corporation shall have the right to require as its division of the joint rate, fare or charge its local rate, fare or charge over the portion of its line comprised in such through route, and the commission may, in its discretion, allow to such railroad or passenger stage corporation, more than its local rate, fare, or charge whenever it will be equitable so to do. The commission shall have the power to establish and fix through routes and joint rates, fares or charges over common carriers and stage or auto stage lines which may not be otherwise subject to the provisions of this act, and to fix the division of such joint rates, fares or charges."

may also require the physical interchange of cars between carriers, and it is authorized to fix the divisions where the carriers themselves are unable to agree. No "railroad" or "passenger stage corporation" can be required, however, to short-haul itself because of the establishment of any such through route. This proviso, it will be observed, is limited to certain types of carriers; it has not been extended to common carriers of all descriptions. And, as we have pointed out, this section neither creates any duty or obligation; it is procedural only.

As has been stated, prior to 1935, highway common carriers, then known as transportation companies, were subject to regulation under the terms of the Auto Truck Transportation Act. By that statute they were required, before commencing operations, to secure a certificate of public convenience and necessity, which could not be transferred without the Commission's consent. Throughout the course of a long line of decisions, the Commission has recognized that the essential and fundamental characteristic of regulation of this type is the element of restrictiveness. This is so because of the facility with which motor carriers may enlarge and expand the scope of their activities. It has long been held, therefore, that the operations of a highway common carrier must be confined within the limits defined by his operative rights, whether created by prior operation in good faith or by a certificate emanating from the Commission. Thus, in Western Motor Transport Co., 20 C.R.C. 1058, the merger of separate operative rights without securing a new certificate was forbidden; in Oakland-San Jose Transportation Co., 24 C.R.C. 660, the establishment of through routes and joint rates, without consent, between separately owned operative rights, was condemned; in Highway Transport Co. 26 C.R.C. 942, the Commission pointed out that its approval must first be secured before through rates may be established between points served under distinct operative rights resting upon separate certificates; in

Motor Service Express v. Baker, 31 C.R.C. 231,234, the establishment of proportional rates was forbidden; and in Motor Service Express v. Cowan, 32 C.R.C. 544, the unification of operative rights through operations conducted by an express company, clearly shown to be a device, was held to be unauthorized.

All of these cases rest upon the principle that a carrier may not, by consolidation, establishment of joint rates, or by other means, expand his operative rights beyond the boundaries fixed by the terms of the original grant. This principle is aptly illustrated by the following expression, found in Motor Service v. Baker, supra, at page 235:

"As we have seen, the jurisdiction of this Commission to regulate such matters rests in its general power to regulate rates and to determine generally the route and limit of the operative right granted to each motor truck carrier. And, as we have seen also, the prohibition of joint rates must be upon the ground that they result in an enlargement of the motor carrier's operations. So in this case, we have to decide only whether the defendants have, by the filing of such proportional tariffs and other acts, sought indirectly to enlarge their operations beyond the limit fixed in their certificates."

This, then, was the recognized rule announced by numerous decisions of the Commission when the Auto Truck Transportation Act was repealed and its essential provisions were incorporated in Section 50-3/4, Public Utilities Act. The language of subdivision (c) was designed to give recognition to the established restrictive principle. Its provisions dealt with two subjects, viz., the consolidation of certificates, and the establishment of joint or other rates between points situated upon separate certificates or operative rights owned by a single operator. It is with the first of these alone that we are concerned. Here it is provided that without the Commission's express approval, no certificate or prior right "shall be combined, united or consolidated" with another such certificate or operative right, so as to permit through service between points on the several operative rights.

Applicants contend that the term "consolidate," as used in Section 50-3/4, is similar in meaning to the words "merge or consolidate" appearing in Section 51(a), dealing with the transfer or encumbrance of the property of a public utility, or the consolidation of its properties, and should therefore receive a similar construction. Since Section 51(a) has already covered the field, applicants assert, the language of Section 50-3/4 must then be regarded as surplusage.

But the words found in this provision of Section 50-3/4 must be read in the light of the construction accorded in the past to Section 5, Auto Truck Transportation Act. From this it appears that the term "consolidation" has acquired a distinctive meaning in so far as it pertains to the operations of highway common carriers, being sufficiently comprehensive in this respect to include the establishment of joint rates. This answers the contention of applicants that there exists a substantial difference between a "merger and consolidation," on the one hand, and the establishment of joint rates, on the other, in that though the former may be authorized, it cannot be compelled, while the latter may be exacted of a carrier against his will. In short, so it is contended, orders dealing with mergers and consolidations should be regarded as permissive only, while those affecting joint rates may be compulsory. But this loses sight of the meaning of the term "consolidation," as used in Section 50-3/4. There it must be given distinctive significance which comprehends, as we have seen, regulations of the establishment of joint rates.

That such a construction is sound is borne out by the decision of the Supreme Court in Motor Transit Co. v. Railroad Commission, 189 Cal. 573, 585, where, rejecting the contention of petitioners therein that the operation of a through service between certain defined points prior to May 1, 1917, i.e., under the "grandfather" clause, necessarily clothed them with the vested

right to maintain a local service between the termini so served, and that the Commission had therefore exceeded its jurisdiction in directing that the service be confined to the actual operations conducted prior to that date, the Court said:

"*** This contention cannot be maintained. The primary purpose of the legislature in enacting this statute was not to confer a franchise upon the operating companies but to give into the power of the commission for regulation and control in the interest of the public the operation of auto stages for transportation. It did this by requiring every auto transportation company to secure from the commission a certificate of public convenience and necessity. It relieved from the necessity of obtaining such certificate the companies actually operating in good faith at that time. The purpose in so exempting such companies was to refrain from interfering with the operations as then carried on - in other words, to confirm in these operators the rights they were at that time exercising. But such exemption was, obviously, only to the extent of the operations then conducted. To hold that by the operation of a through line on that date petitioners were given a franchise to operate to any extent that they, in their judgment, might see fit, limited solely by the restriction that the operations must be between the same termini and over the same route, would be to materially decrease the power of the commission over these lines and thus overlook the primary purpose of the enactment which was to give to the commission, in the interest of the public, the fullest power possible to regulate the operation of auto stage companies."

Here the Court upheld the Commission's decision in Watson v. White Bus Line, 20 C.R.C. 18, 21.

See also:

Re Highway Transport Co., 26 C.R.C. 942, 949;

Coast Truck Line v. Railroad Commission,
191 Cal. 257 (affirming Bleir v. Coast Truck Line, 21 C.R.C. 530);

Motor Service Express v. Baker, 31 C.R.C. 231.

Re Harm and Frasher, 34 C.R.C. 821, 823.

The provisions of Section 50 3/4; the construction accorded earlier statutory provisions regarding the certification of highway common carriers; the necessity, in the interest of sound and adequate regulation, of preventing undue and unauthorized extension of the operations of these carriers; - all of these considerations alike lead inescapably to the conclusion that, under the terms of Section 50 3/4, no highway common carrier may

establish any joint rate or through route without first having secured the approval of the Commission. This brings us, then, to a consideration of complainants' second point, viz., that such approval should be granted unless it is shown that public interest will be adversely affected. To this we shall now address ourselves.

By section 50-3/4, a carrier may not combine, unite or consolidate its operative rights--and this includes, as we have held, the establishment of joint rates - without having first secured "the express approval" of the Commission. Does this exact of carriers desiring to publish joint rates a showing that public convenience and necessity require their establishment? This language is found in Subdivision (c), which deals with the subject of certificates of public convenience and necessity. By the terms of this subdivision, no highway common carrier may initiate its service without first securing such a certificate. It closes with a paragraph authorizing the Commission to suspend, revoke, alter, or amend an operative right or certificate in proper cases.

No certificate may be granted except after a showing of public convenience and necessity. In the past we have held that consolidation may not be accomplished except upon a similar showing of public convenience and necessity. The establishment of joint rates is one of the clearest manifestations of a consolidation of certificates or operative rights, within the meaning attributed by our decisions to that term. It would seem, therefore, that the obligation resting upon an applicant to establish public convenience and necessity conditions and permeates the entire subdivision. If this is not true, it would follow that in determining whether or not its approval should be extended to the establishment of joint rates, the Commission would be left without a guide. No standard having been prescribed, the matter would be relegated to the arbitrary discretion of the Commission. To avoid

any possible claim of unconstitutionality resulting from such an interpretation, this provision should be construed so as to adopt, as the standard to be observed by the Commission in giving effect to its directions, that of public convenience and necessity. Such, accordingly, is the construction we shall give it. No hearing has yet been had upon the facts in any of these proceedings. In view of our conclusions upon the jurisdictional questions, our order will direct that the cases be set down for hearing on the merits.

O R D E R

Argument having been had upon the motion of applicants to dismiss the within entitled proceedings for want of jurisdiction, the matter having been submitted for consideration and determination, and the Commission being now fully advised,

IT IS HEREBY ORDERED:

- (a) That the motion of applicants in the within entitled proceedings, and in each of said proceedings, to dismiss said proceedings and each of them for want of jurisdiction be and it is hereby denied;
- (b) That said proceedings, and each of them, be set for hearing upon the merits at a time and place hereafter to be designated.

Dated at San Francisco, California, this 23rd day of May, 1939.

Ray Broadhead
Frank D. Smith
Ray A. Rice
H. H. Hall
Justice J. Coe
COMMISSIONERS