

ORIGINALDecision No. 44035

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 CALMAY VAN LINES, INC., a corporation,)
 for the extension of a certificate of)
 public convenience and necessity)
 authorizing the transportation of used) Application No. 30452
 household goods, office furniture, fix-)
 tures and related items between Los)
 Angeles, San Francisco, Sacramento, San)
 Diego and intermediate points.)

Arlo D. Poe, for applicant.Harold J. Blaine, for Lyon Van Lines, Inc., protestant.W. Ray James, for James Van Lines, protestant.Jackson W. Kendall, for Bekins Van Lines, Inc., protestant.Gordon, Knapp and Hennessy, by Wyman C. Knapp, for protestants.O P I N I O N

Calmay Van Lines, Inc., by this application, seeks authority to extend its certificated highway common carrier service for the transportation of used household goods and related articles between the intersection of U. S. Highways 101 and 101-A near Doheny Park, in Orange County, and the intersection of said highways near Oxnard, in Ventura County, and all intermediate points along said route.

The application was submitted at a public hearing held at Los Angeles on October 17, 1949, before Examiner Gregory. It was opposed by Bekins Van Lines, Inc., Lyon Van Lines, Inc., and W. Ray James, doing business as James Van Lines, all certificated highway common carriers of used household goods and related articles serving all or a portion of the territory in which applicant seeks to extend its certificated rights.

(1)

The application states that Calmay has received requests for service to and from points along the sought route, which intersects the Los Angeles harbor district and numerous coastal cities, but that under its present authority it is unable to render a complete and satisfactory service to the public in the movement of household goods between its presently authorized points and those proposed to be served herein. Applicant alleges that in order to serve such points at the present time it must conduct such service under its radial highway common carrier permit, which presents problems both of rate application and of joining regular route and irregular route operations. No fixed time schedules are proposed.

Calmay was organized as a corporation in 1947 under the laws of the State of California, by a number of warehouse and transportation companies operating as radial highway common carriers, for the purpose of establishing a van line service between Northern and Southern California. The corporation in November, 1947 acquired the certificated rights of W. L. Carpenter (Argonne Van Lines) and commenced operations early in 1948.

Applicant's Los Angeles terminal, which it owns, consists of a five story concrete warehouse with 12,500 square feet of storage space; dock facilities, storage facilities for packing materials and a truck parking area, all situated on two lots each 55' x 100'.

-
- (1) Applicant and protestants will hereafter be referred to as Calmay, Bekins, Lyon and James.
- (2) Long Beach, Redondo Beach, Hermosa Beach, Manhattan Beach and Santa Monica. Other communities along the route are Laguna Beach, Newport Beach, Huntington Beach, Malibu and Oxnard.
- (3) Carpenter's certificate, issued in 1934, authorized transportation of used household goods and related articles between San Diego, Los Angeles, San Francisco and Sacramento and all intermediate points via designated routes, said routes "to constitute through routes for the movement of commodities between any two points; ..." (Dec. 26992, 4-30-34, Appl. 18633 - 39 CRC 207) Calmay acquired the certificate from Carpenter in 1947. (47 CPUC 535)

Leased terminal facilities are maintained at Oakland on premises 50' x 100' which include set-off space and a dispatching office. Automotive equipment comprises two vans, five tractors and five semi-trailers, of which nine units are 1945 or later models. The original cost of operating equipment held on August 31, 1949, is shown as \$135,738.44. The balance sheet, as of the same date, shows assets and liabilities, including capital stock (\$84,000), amounting to \$160,081.64. The surplus account shows an operating loss of \$4,164.69 from January 1 through August 31, 1949. The loss was incurred prior to July 1, 1949 on all business, including storage, radial highway common carrier activities and commissions received from other carriers, including those obtained from business secured for Aero Mayflower Transit Company, nationwide movers with whom Calmay maintains close operating connections. In July of 1949, however, according to applicant's general manager, the carrier broke even and in August operated at a profit.

In October, 1949, applicant had 23 regular employees of whom eight worked in the office, two were outside salesman, one was a warehouseman and the rest were drivers and helpers. The carrier also has some 33 agents, 26 of whom are stockholders, located throughout the state from Redding and Eureka to San Diego and including Santa Monica, Long Beach and Santa Ana. The agents operate locally as city and radial carriers and warehousemen and also perform services for Calmay in connection with originating and delivering long distance van line movements of used household goods. During the period from January 3 to August 29, 1949, Calmay handled about 15 long distance shipments per month which originated at or were destined to points on U. S. Highway 101 A between its junctions with U. S. Highway 101 near Oxnard on the north and Doheny Park on the south.

As stated above, the present application seeks authority to serve points along portions of the coast route which are not within the city limits of the City of Los Angeles. According to applicant's general manager, the carrier's existing certificate does not clearly indicate whether or not certificated service may lawfully be rendered between intermediate points which are not on the designated routes north and south of Los Angeles. The territorial boundaries of the City of Los Angeles, within which Calmay clearly may render such service, are interspersed along the coast with segments of county territory, with the result that, while highway common carrier service may be rendered, for example, at Venice (a part of the City of Los Angeles), the offering of such service at the adjacent cities of Santa Monica or Ocean Park, or at other beach towns in county areas, possibly may be construed as beyond the authority of a radial permittee.

The application was supported by two of Calmay's agents who operate storage and transportation facilities for the handling of shipments of used household goods in Santa Monica and Long Beach and generally throughout the Los Angeles Metropolitan area. These local carriers, as agents of Calmay, have developed considerable long haul business for their principal. The evidence indicates that the proposed service, if authorized, would enable applicant to handle traffic more directly and efficiently between the beach towns and points such as Oxnard and San Diego than if restricted to the use of U. S. Highway 101 through the San Fernando Valley and through Whittier and Santa Ana.

Applicant's highway common carrier tariff names either mileage rates or point-to-point rates applicable at all points along the route to be served. Those rates are generally at the level of the rates maintained by protestants.

9

Protestants Bekins Van Lines, Inc. and Lyon Van Lines, Inc. are highway common carriers of used household goods and related articles whose certificated operations, together with their affiliated storage and moving business, blanket most of the inhabited areas of the state. In addition Bekins and Lyon are closely associated with carriers engaged in extensive interstate movements. James Van Lines, the other protestant, is one of a group of affiliated firms centered in San Jose, with terminals in that city and in Los Angeles. Its certificated operations extend generally from the Sacramento-Stockton and Petaluma-Napa areas, on the north, through the San Francisco Bay area, the Monterey Peninsula and points south via U. S. Highway 101 to the Los Angeles Metropolitan area. North of San Jose service is available in territory within 25 miles of authorized routes, while south of San Jose, and at points intermediate between that city and the Los Angeles Metropolitan area, lateral service is confined to five miles on both sides of authorized highways. Pursuant to this lateral authority James' certificated service extends as far south as Seal Beach, which adjoins the southerly limits of Long Beach.

The certificated services of protestants, except James, are available at all points covered by Calmay's present and proposed operations. All four carriers are in vigorous competition with one another and with other carriers of household goods. All protestants have available substantial terminal and transportation facilities in the areas they serve, and, except for James, maintain local agents at many points who pick up, store and deliver goods and render other services in connection with long haul movements by the van lines. James does not have agents but instead solicits business directly through local carriers.

Bekins offers frequent van line service, from overnight express runs between major cities to local service once or twice a week at intermediate points on the Coast and Valley routes. Lyon operates vans between Los Angeles and San Diego three times per week, and between Los Angeles and San Francisco overnight on request but normally on a second morning arrival basis. Sacramento shipments from Los Angeles are accorded second day delivery. Shipments to San Joaquin Valley points, sometimes handled in interstate vans, usually receive second morning delivery unless arrangements are made by the shipper for expedited service. James runs an average of 2.5 trips per week between metropolitan Los Angeles, including points on U. S. Highway 101-A, and Northern California. Shipments originating north of Santa Monica normally receive second day delivery, while those from points south of Santa Monica are delivered on the third day. Similar service is accorded southbound shipments.

The issue here is whether public convenience and necessity require the service proposed by applicant. The solution of that issue, in a particular case, rests largely upon administrative judgment based upon an appraisal of whatever evidence the record affords.

The statutory test of "public convenience and necessity" does not lend itself to precise definition, although it is construed primarily in the interest of the shipping public. Due to the non-recurring nature of household goods movements generally, as contrasted with traffic in general commodities, public witnesses who can testify to present or future transportation needs between specific points are difficult to find. As a result, where it is practically impossible to present such testimony, reliance must be placed on other evidence tending to show a need for the proposed service.

The present record, while devoid of individual shipper testimony, furnishes persuasive and substantial proof that public convenience and necessity would be subserved by the issuance of the requested authority. Among the factors pointing to that conclusion are: a more direct service would be afforded between coastal points along U. S. Highway 101-A between Oxnard and Doheny Park, and between those points, on the one hand, and points north and south, on the other hand; rate quotations incident to such movements, resulting from handling of shipments under multiple operative authority, would be simplified - an important factor in shipper-carrier relations in this type of transportation; finally, and to our mind a compelling reason, the granting of this application would remove the more or less artificial geographical barriers to applicant's van line service in portions of the area within which it already possesses certificated authority.

We find that public convenience and necessity require the service proposed herein by applicant. The application will therefore be granted.

O R D E R

Public hearing having been held in the above entitled and numbered proceeding, evidence having been received and considered, the matter having been orally argued and submitted for decision, the Commission now being fully advised and finding that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be and it is hereby granted to Calmay Van Lines, Inc., authorizing the establishment and operation of service as a highway

common carrier, as defined in Section 2-3/4 of the Public Utilities Act, as amended, for the transportation of second-hand (used) household goods and office furniture, fixtures and equipment, packed or unpacked, trunks, boxes, barrels, crates or bundles containing household goods or personal effects, musical instruments, radios and other household equipment, between the intersection of U. S. Highway 101 and U. S. Highway 101-A near Doheny Park and the intersection of said U. S. Highway 101 and said U. S. Highway 101-A near Oxnard, along said U. S. Highway 101-A and serving all intermediate points along said route, as an extension and enlargement of applicant's presently certificated operative rights in said territory.

(2) That in providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations:

- a. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed 30 days from the effective date hereof.
- b. Within 60 days from the effective date hereof and on not less than 5 days' notice to the Commission and the public, applicant shall establish the service herein authorized and comply with the provisions of General Order No. 80 and Part IV of General Order No. 93-A, by filing in triplicate and concurrently making effective appropriate tariffs and schedules.

The effective date of this order shall be 20 days after the date hereof.

Dated at San Francisco, California, this 11th day of April, 1950.

R. E. Zimmerman
Justice F. Coe
W. H. Powell
James P. Kutz
Frederick H. Lott
 COMMISSIONERS