

Decision No. 44089

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 A & B GARMENT DELIVERY, a corpora-)
 tion, for the extension of a certi-)
 ficate of public convenience and)
 necessity authorizing the trans-)
 portation of garments, clothing and) Application No. 30935
 wearing apparel between Los Angeles,)
 Alhambra, Santa Ana, Culver City,)
 Compton, Burbank, San Bernardino,)
 and various other points in)
 Southern California.)

Bailey and Poe, by Arlo D. Poe, for applicant.

O P I N I O N

At the present time, applicant is authorized to operate a service as a highway common carrier for the transportation of garments, clothing and wearing apparel when transported on garment hangers, and merchandise incidental thereto and shipped in company therewith in packages weighing not to exceed eight pounds, between wholesalers and retailers between Los Angeles, Belvedere Gardens, Florence, Walnut Park, Vernon, Huntington Park, Beverly Hills, Glendale, Inglewood, Long Beach, Pasadena, San Pedro, Santa Monica, Westwood, and Wilmington, California⁽¹⁾, subject to the condition hereinafter set out in the order.

(1) Dec. No. 35452, dated June 9, 1942, on Application No. 24519;
 Dec. No. 35557, dated July 7, 1942, on Application No. 24519;
 Dec. No. 36225, dated March 16, 1943, on Application No. 25446;
 Dec. No. 38468, dated December 10, 1945, on Appl. No. 26633;
 Dec. No. 43523, dated November 15, 1949, on Appl. No. 30721.

By this application, applicant requests that its certificate of convenience and necessity be extended to authorize the transportation of garments, clothing and wearing apparel when transported on garment hangers, and merchandise incidental thereto when shipped in company therewith in packages weighing not to exceed eight pounds, between wholesalers and retailers, over irregular routes between Los Angeles, Alhambra, San Gabriel, San Marino, Arcadia, Monrovia, Temple City⁽²⁾, El Monte, Rosemead⁽²⁾, Monterey Park, Santa Ana, Orange, Anaheim, Fullerton, Whittier, Montebello, Culver City, Venice⁽²⁾, Palms⁽²⁾, Compton, Lynwood, South Gate, Bell, Maywood, South Pasadena, Burbank, San Fernando, San Bernardino, Redlands, Colton, Riverside, Ontario, and Pomona, including service between any and all of the listed points and any and all of the points presently served by applicant.

Public hearing was held in this matter before Examiner Rogers, at Los Angeles, on April 10, 11, and 12, 1950, at which times and place evidence was taken and the matter submitted for decision. There was no opposition to the granting of the application.

Applicant's predecessors, Frank J. Brown and Mascotte Ralston, doing business as A & B Garment Delivery, first received a certificate of public convenience and necessity on June 9, 1942. This certificate authorized the partners to furnish the type of service now provided by applicant, but over a limited area. Subsequently, the service area was enlarged, Mascotte Ralston sold his interest to Frank J. Brown, and thereafter Frank J. Brown

(2) As described in the order herein.

formed the applicant corporation and transferred his operative rights to that corporation. Frank J. Brown is now the president and general manager of the applicant corporation.

At the time Mascotte Ralston and Frank J. Brown received their first certificate in 1942, they had seven or eight trucks. Their successor in interest, the applicant, now operates 29 one-and-a-half, and two-ton closed-body trucks with racks for carrying hangers, and will acquire three additional trucks if the application is granted. This number of trucks, it is alleged, will be sufficient to enable applicant to continue the presently rendered service as well as to perform the service in all points to which applicant proposes to extend its service. All garments transported by applicant are, and will be, enclosed in water-repellent cloth bags. Applicant has an office and loading platform in Los Angeles. It uses its equipment to pick up the merchandise from the wholesalers in the afternoon and bring this merchandise to its loading platform. The merchandise is then routed out for delivery to the various retailers the following morning. Applicant proposes to render this same service in the extended area, except that it is contemplated that, because of the distance involved, it may not be able to make deliveries, on some occasions, in the San Bernardino, Colton, Riverside, and Redlands areas until 2:00 p.m. the day following pickup. The evidence shows that applicant is the only carrier offering the type of service described in the localities in which it now operates, and that there are no carriers performing the type of service described in any of the places applicant desires to serve.

Thirteen wholesalers in Los Angeles testified that the proposed service is superior to the delivery of garments in packages in that the proposed service will save the time and expense of wrapping. They also stated that they use the services of applicant where available and prefer applicant's service to package service, and that many of the retailers in the territories not now served by applicant have requested that the manufacturers send merchandise by applicant's trucks. These witnesses testified that applicant's services are needed and would be used by them to send merchandise to each point to which applicant requests authority to extend its service.

Twenty-eight proprietors or managers of men's and women's ready-to-wear retail stores, located at points not presently served by applicant, but to which it requests authority to extend service, testified that applicant's service is desired by them because of the saving of the time and expense incidental to preparing packaged garments for display and sale. All of these witnesses testified that they would use applicant's service if available to them and would instruct their supplying wholesalers to ship clothing in applicant's trucks.

Several of the witnesses, representing manufacturers and retailers, stated that the concerns they represent had two or more stores located in the areas sought to be served as well as in areas presently served by applicant, and that they would, if applicant is authorized to extend its service, use applicant's service to transport clothing from one store to another in any place applicant will be permitted to serve.

A representative of the Alhambra Chamber of Commerce stated that 27 retail merchants in Alhambra had requested the extension of applicant's service to that area, and a representative of the El Monte Chamber of Commerce stated that 11 of the 17 retail clothing stores in El Monte had requested that the Chamber appear and request the extension of applicant's service to El Monte.

Applicant's present rights, together with the rights sought herein, would enable it to render service between wholesalers and retailers between any of the points named in prior decisions and in this application. In view of the restricted character of the service and general demand therefor, it is our opinion that it is desirable and in the public interest that the service be made available to all present and future manufacturers and retailers in the localities named.

Applicant proposes a daily service the same as now performed where authorized; that is, pickup of garments on hangers from wholesalers in the afternoon, with delivery to retailers the following morning. Service will also be provided between retail stores. Three additional trucks will be required to provide the extended service. The record shows that applicant will have sufficient equipment and is financially responsible⁽³⁾. The charges will remain the same as at present and are set forth in applicant's filed tariff⁽⁴⁾.

Upon careful consideration of the full record in this proceeding, we find that public convenience and necessity require

(3) Exhibits J and K

(4) Exhibit H

the establishment and operation of a highway common carrier service for the transportation of property as proposed in the application herein; and, therefore, the application will be granted.

The order will issue subject to the same conditions imposed by the First Supplemental Order, Decision No. 35557, dated July 7, 1942.

A & B Garment Delivery, a corporation, is hereby placed upon notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the state as the consideration for the grant of such rights. 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

Public hearing having been held in the above-entitled proceeding, the matter having been duly submitted, and the Commission being fully advised,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to A & B Garment Delivery, a corporation, for the establishment and operation of a highway common carrier service for the transportation of garments, clothing and wearing apparel when transported on garment hangers, and merchandise

incidental thereto and shipped in company therewith in packages weighing not to exceed eight pounds, between wholesalers and retailers, between Los Angeles, Alhambra, San Gabriel, San Marino, Arcadia, Monrovia, Temple City, El Monte, Rosemead, Monterey Park, Santa Ana, Orange, Anaheim, Fullerton, Whittier, Montebello, Culver City, Venice, Palms, Compton, Lynwood, South Gate, Bell, Maywood, South Pasadena, Burbank, San Fernando, San Bernardino, Redlands, Colton, Riverside, Ontario, and Pomona, including service between any and all of said points and all of the points presently served by applicant. For the purposes of this decision and the certificate herein granted, Temple City, Rosemead, Venice, and Palms are defined, respectively, as follows:

Temple City

Commencing at the intersection of the eastern boundary of the city of San Gabriel and Garibaldi Avenue, thence east on Garibaldi Avenue to Golden West Avenue, thence south on Golden West Avenue to Broadway, thence west on Broadway to the eastern boundary of the city of San Gabriel, thence north along the eastern boundary of the city of San Gabriel to the point of commencement.

Rosemead

Commencing at the intersection of South Muscatel Road and South Mission Road, thence east on South Mission Road to Sunset Avenue, thence south on Sunset Avenue and Ellis Road to Nevada Avenue, thence west on Nevada Avenue to South Muscatel Road, thence north on South Muscatel Road to the point of commencement.

Venice

Commencing at the intersection of Ocean Front Walk and the southern boundary of the city of Santa Monica, thence northeast along the southern boundary of the city of Santa Monica to Centinela Avenue, thence southeast on Centinela Avenue to

Washington Boulevard, thence southwest on Washington Boulevard and Washington Street to Ocean Front Walk, thence northwest on Ocean Front Walk to the point of commencement.

Palms

Commencing at the intersection of the southern boundary of the city of Beverly Hills and Robertson Boulevard, thence south on Robertson Boulevard to Venice Boulevard, thence southwest on Venice Boulevard to Sawtelle Boulevard, thence northwest on Sawtelle Boulevard to Pico Boulevard, thence northeast on Pico Boulevard to Heath Avenue, thence north on Heath Avenue to the southern boundary of the city of Beverly Hills, thence east along the southern boundary of the city of Beverly Hills to the point of commencement.

This certificate is granted as an extension and enlargement of the certificate granted by Decision No. 35452, dated June 9, 1942, as amended by Decision No. 35557, dated July 7, 1942, and is subject to the following condition:

No property of any kind or type, or in a shipping form not provided for in the foregoing certificate shall be transported from, to, or between points not included within the scope of the certificate in equipment contemporaneously used to provide the service herein authorized. This condition shall not apply to intracity transportation within Los Angeles.

(2) That in the operation of said highway common carrier service, pursuant to the foregoing certificate, A & B Garment Delivery, a corporation, shall comply with and observe the following service regulations:

- (a) Within thirty (30) days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted.
- (b) Within sixty (60) days after the effective date hereof, and upon not less than five (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, tariffs and time schedules satisfactory to the Commission.

(c) Subject to the authority of this Commission to change or modify such at any time by further order, A & B Garment Delivery shall conduct said highway common carrier service over and along the most appropriate route or routes.

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

Dated at San Francisco, California, this 25th day of April, 1950.

R. Z. Dunderman
James F. Cullen
James H. Russell
Harold P. Kule
Kenneth Pottel
COMMISSIONERS