

ORIGINAL

Decision No. 45100

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
HIGHWAY TRANSPORT, INC. for authority)
to extend an operation as a highway)
common carrier for the transportation) Application No. 32253
of express traffic of HIGHWAY TRANSPORT)
EXPRESS, between San Jose, Oakland and)
East Bay Points.)

Edward M. Berol, for applicant.
Douglas Brookman and N. R. Moon, for Merchants
Express Corporation, protestant.

O P I N I O N

Highway Transport, Inc. (hereinafter referred to as Highway) requests the issuance of a certificate of public convenience and necessity authorizing it to extend its highway common carrier operating rights so as to enable it to transport the express traffic of Highway Transport Express (hereinafter called Express) except uncrated used household goods and petroleum products in bulk, between (a) Richmond and San Jose and intermediate points, (b) Oakland and Livermore and intermediate points, (c) Livermore and San Jose and intermediate points, and (d) all points and places in (a), (b) and (c) and Alameda, Mulford Gardens, Russell, Arden, Newark, Santa Rita Prison Farm, Santa Rita, Pleasanton, Asco and Hearst Ranch, excluding any service locally between Richmond and San Leandro and intermediate points.

A public hearing was held at San Francisco before Examiner Silverhart.

Joseph Robertson, an officer of Highway and of Express, testified that the latter is presently actively operating as an

express corporation and that applicant possesses highway common carrier operating authority generally between San Francisco and Carmel and intermediate points, and under a joint rate and through route arrangement with Canton Transbay Express, Inc. between Oakland and San Jose. According to his testimony, applicant proposes to make available one daily schedule departing from Oakland at 7 a.m. and another from San Jose at 7 a.m., except Saturdays, Sundays and holidays, together with such other schedules throughout the day as may be required.

The witness stated that Express, in the conduct of its operations as an express corporation, utilized the services of Merchants Express Corporation, a highway common carrier, to the area encompassing the points here involved. He asserted that shipments originating on the lines of Express on the west side of San Francisco Bay and destined to points in the East Bay, were delivered to Merchants Express Corporation to complete the transportation; that Merchants without exception charged Express the full local rate for moving such shipments; that such rate was (1) approximately equal to Express's through published rate, thus

- (1) a. Exhibit 2 compares several presently effective through rates of Express (extracted from Highway Transport Express Tariff Cal. P.U.C. No. 2) and local rates of Merchants (taken from Merchants Express Corporation Tariff Cal. P.U.C. No. 12) applying to some of the points covered by the application. The following will suffice as an illustration of the contents of such exhibit:

	Through Rate Express	Local Rate Merchants
<u>San Francisco to:</u>		
Alvarado	\$ 1.21	\$ 1.16
Livermore	1.25	1.21
<u>Santa Clara to:</u>		
Alvarado	1.16	1.16
Livermore	1.18	1.18

- b. Express's freight bill #5281002 covers a shipment from San Francisco to Mission San Jose and is charged to the shipper at a through rate of \$0.93 plus 3 cents tax. Merchants's bill #571304 indicates Merchants charged Express \$0.96 for transporting such shipment.

affording Express nothing for the pickup and other service it rendered in connection with such shipments; that if the authority here sought were granted, it would permit a single line operation under through rates, reduce the probability of losing freight, expedite deliveries and make for a better service to shippers. The record indicates that applicant possesses sufficient equipment and adequate financial resources to inaugurate and maintain the proposed service.

Representatives of business establishments and manufacturing concerns making shipments between the points comprehended herein testified upon behalf of applicant. Their testimony disclosed that shipments range from one pound to 20,000 pounds; that they are made as often as daily and as infrequently as once a month; that Highway furnishes them a daily pickup and has been and is rendering an excellent service to the points on its system; that they will utilize the proposed service if authorized. One witness indicated that he preferred to use one carrier in that it would effect a saving in the time devoted to shipping procedures. Another witness asserted that his company's warehouse facilities are located in a building in which the docks and receiving platforms are used jointly with other firms; that the proposed service will reduce the congestion caused by such joint use and expedite the transportation of its freight.

Merchants Express Corporation protested the granting of the application. It did not offer any testimony or present any witness in its behalf. It was stipulated that Merchants Express Corporation is authorized to and does operate as a highway common carrier between San Francisco and East Bay cities, on the one hand,

and San Jose and intermediate points, on the other hand, and both sides of San Francisco Bay, including Livermore and Pleasanton, in connection with which it renders a daily service to San Jose, excepting Saturdays, Sundays and holidays.

The record herein demonstrates, and we so find, that public convenience and necessity require that the application be granted.

O R D E R

A public hearing having been held and evidence having been adduced therein,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity is granted to Highway Transport, Inc., authorizing it to operate as a highway common carrier, as defined by Section 2-3/4 of the Public Utilities Act, for the transportation of express traffic of Highway Transport Express, excepting only used uncrated household goods and petroleum products in bulk, as follows:

- a. Between Richmond and San Jose via State Highways Nos. 17 and 9 and U. S. Highways Nos. 40 and 50, and intermediate points, except that service shall not be rendered locally between Richmond and San Leandro, inclusive, and intermediate points.
- b. Between Oakland and Livermore, via U. S. Highway No. 50, and intermediate points.
- c. Between Livermore and San Jose via an unnumbered state highway, State Highways Nos. 21 and 17, and all intermediate points.
- d. Between all the points in paragraphs (a), (b) and (c) above and Alameda, Mulford Gardens, Russell, Arden, Newark, Santa Rita Prison Farm, Pleasanton, Asco and Hearst Ranch.
- e. Via all routes connecting said highways between said points.

(2) That in providing service pursuant to the certificate herein granted, there shall be compliance with 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.

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

Dated at San Francisco, California, this 20th day of August, 1951.

R. T. Induram
Justus F. Cassner
Harold L. Kula
John E. McKel
Bonnetta Potter
COMMISSIONERS