

Decision No. 46322

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 CARL A. MILLER and B. J. MAZZIA, co-)
 partners doing business under the)
 firm name of Mission Drayage Service)
 for a certificate to operate as a)
 highway common carrier of commodities)
 generally between points and places in)
 Ventura, Santa Barbara, and San Luis)
 Obispo Counties over regular routes.)

Application No. 31856

Glanz & Russell by Theodore W. Russell and E. F. Shelander, and Percy C. Heckendorf for applicant.
H. J. Bischoff for Southern California Freight Lines; and W. W. McKee and M. H. Armstrong for Pacific Freight Lines, interested parties.

O P I N I O N

By this application, as amended, Carl A. Miller and B. J. Mazzia, copartners, doing business as Mission Drayage Service, seek authority to operate as a highway common carrier (1) of general commodities between points and places situated in Santa Barbara, San Luis Obispo and Ventura Counties. The principal cities proposed to be served are Paso Robles, San Luis Obispo, Santa Maria, Santa Barbara, Ventura and Oxnard, situated along U. S. Highway No. 101, and the off-route cities and towns of Morro Bay, Guadalupe, Lompoc, Ojai, Santa Paula, Fillmore, Moorpark, Camarillo and Hueneme. Intermediate and other off-route points will also be served, including five major military and naval establishments: Camp Roberts near Paso Robles, Camp San Luis Obispo, Camp Cooke near Lompoc, Port Hueneme and the Naval Air Missile Center near Pt. Mugu.

(1) Applicants do not propose to transport livestock, petroleum products in bulk and tank trucks, household goods and personal effects, uncrated new furniture or explosives. ✓

Public hearings were held in Santa Barbara on September 19 and 20, 1951, before Examiner Chiesa. Oral and documentary evidence having been adduced, the matter was submitted for decision.

Applicants have for the past two years been engaged in the transportation business as a "permitted" carrier and have been serving shippers throughout said area. Their principal place of business is in Santa Barbara, which city has rapidly developed to a position of importance as a supply and distribution center for the so-called Tri-Counties area. Such commodities as plumbing supplies, electrical fixtures, heating and ventilating equipment, building materials, paper products, seeds and fertilizer, soaps and detergents, chemicals, auto parts and accessories, hardware, paints, groceries and many others are distributed from Santa Barbara and Ventura, the principal distribution points. The wholesalers and jobbers situated in said cities are in direct competition with similar businesses located in Los Angeles and the San Francisco Bay area, and therefore a prompt and dependable transportation service within the area is not only a convenience but is essential. The evidence shows that applicants have, to the extent of their present operating authority, been providing such a service to the shippers and consignees in the said communities.

Thirty-eight shipper witnesses, engaged in the said various types of businesses, testified (in person or by stipulation) that there is an urgent need for the transportation service which applicants are proposing. All of said witnesses have been using applicants' service which has been very satisfactory. No other single highway common carrier, nor any combination of such carriers, is now rendering, in the said area, as complete a service as is herein proposed. Several witnesses testified that there is a need for the services of the present carriers and also that proposed by applicants, particularly for the shipments destined to the smaller communities along the principal route and to off-route points and places.

With the exception of some points in the Morro Bay and Ojai areas, deliveries will be made either the same day or following morning. All points will receive pickup and delivery service six days per week. A regular schedule is proposed for all the principal cities and "on call" service will be available to the smaller off-route communities. Satisfactory telephone facilities will be provided and new terminal stations will be established in Ventura, Santa Maria and San Luis Obispo. Applicants now maintain a terminal at Santa Barbara, consisting of an all metal building used as a dock and office, which, it is proposed, will be enlarged from an area of 2,000 square feet to 3,200 square feet. Eight persons, including six drivers and two office workers are now employed. Applicants now operate seven trucks (Exhibit No. 3). If this application is granted, applicants will immediately add two tractors and four semi-trailers which would be operated as two "sets of doubles." This equipment will be adequate, in the opinion of the applicants, to meet the present needs of the shipping public situated in the area proposed to be served. If not, additional equipment can and will be acquired.

As of June 30, 1951, applicants' financial condition (Exhibits Nos. 1 and 2) showed total assets, all tangible, of \$17,292.82 and total liabilities of \$5,359.92. Current assets, cash and accounts receivable, amounted to \$6,773.26. Net worth of \$11,932.90 consisted of capital and the distributive share of the profits. For the year ending June 30, 1951, the net profit was \$4,904.20, after payment of partners' salaries.

Both partners are experienced in the trucking business and the evidence shows that they are now rendering a satisfactory transportation service. Gross freight revenues increased from \$22,762.63 for the year ending June 30, 1950, to \$48,307.30 for a like period ending June 30, 1951.

At the hearing, applicants were permitted to amend their application to include the use of highways between Moorpark and Fillmore and between Paso Robles and Morro Bay, for convenience of operation, and to add Camp Roberts, near Paso Robles, as a service point. ✓

The application was not protested.

Having considered the evidence of record, we are of the opinion and find that public convenience and necessity require that applicants establish and operate a highway common carrier service as proposed. ✓

Carl A. Miller and B. J. Mazzia, copartners, are 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

A public hearing having been held in the above-entitled proceeding, the Commission being fully advised in the premises and having found that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to Carl A. Miller and B. J. Mazzia, copartners, doing business as Mission Drayage Service, authorizing

them to establish and operate a service as a highway common carrier, as defined in Section 2-3/4 of the Public Utilities Act, for the transportation of property between Paso Robles and Cambria on the north, and Pt. Mugu (Naval Air Missile Center), Camarillo, Moorpark and Fillmore, on the south, and intermediate points along the several routes as hereafter set forth and including the off-route points of Camp Roberts, Camp San Luis Obispo, Avila, Betteravia, Casmalia, Garey, Sisquoc, Camp Cooke, Los Olivos, Wheeler Hot Springs, Saticoy, Hollywood Beach and Huoneme, subject to the following conditions and restrictions:

Applicants shall not transport livestock, petroleum products in bulk and tank trucks, household goods and personal effects, uncrated new furniture and explosives.

(2) That, in the operation of the highway common carrier service pursuant to the foregoing certificate, Carl A. Miller and B. J. Mazzia, copartners, shall conform with and observe the following service regulations:

- (a) Within thirty (30) days after the effective date hereof, applicants 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, applicants 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, Carl A. Miller and B. J. Mazzia shall conduct said highway common carrier operation over and along the following described routes:

Between Paso Robles and Camarillo, U. S. Highway No. 101;
between Cambria and San Luis Obispo, State Highway No. 1;

between Cambria and Paso Robles, State Highway No. 41;
 between Pismo Beach and Santa Maria, State Highway No. 1 and unnumbered County Road;
 between Santa Maria and Los Cruces, State Highway No. 1;
 between Lompoc and Santa Barbara, State Highway No. 150;
 between Junction of U. S. Highways Nos. 101 and 101-A, north of Oxnard, and Naval Air Missile Center, U. S. Highway No. 101-A;
 between Camarillo and Fillmore via Moorpark, State Highways Nos. 118 and 23;
 between Fillmore and Ventura, State Highway No. 126;
 between Santa Paula and Carpinteria, State Highway No. 150;
 between Ventura and Wheeler Hot Springs, U. S. Highway No. 399.

Off-route points may be served by 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 23rd day of October, 1951.

R. J. [Signature]
 President
Justin Z. [Signature]
Harold P. [Signature]
[Signature]
 Commissioners