

ORIGINAL

Decision No. 46611

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of HARRY)
G. ARNESEN and F. HELEN ARNESEN, copartners,)
doing business under the firm name of METRO)
PARCEL SERVICE, for a certificate of public)
convenience and necessity authorizing the)
transportation of freight, with certain)
exceptions, between Los Angeles and vicinity,)
Arcadia, Baldwin Park, Chino, Colton, Corona,)
Cucamonga, Glendora, Monrovia, Ontario,)
Pomona, Redlands, Riverside, San Bernardino,)
San Gabriel, Temple City, Upland and Yucaipa,)
California, serving all intermediate points.)

Application No.
31769
As amended.

F. W. Turcotte and Jack O. Goldsmith, for applicants.
Donald Murchison and Gordon and Knapp, by Sanford A. Waugh, for Pacific Freight Lines and Pacific Freight Lines Express; Preston W. Davis, for United Parcel Service of Los Angeles, Inc.; John H. Gordon and E. L. H. Bissinger, for Southern Pacific Company, Pacific Motor Trucking Company and Pacific Electric Railway Company; Frederic A. Jacobus, Robert W. Walker and John B. Kramer, by John B. Kramer, for The Atchison, Topeka & Santa Fe Railway Company and Santa Fe Transportation Company; H. P. Merry, Laird M. Hall, John B. Robinson and Oscar Goldberg, for Southern California Freight Lines and Southern California Freight Forwarders, protestants.
R. F. Shackelford, for Public Freight System, interested party.

O P I N I O N

In this proceeding Mr. and Mrs. Harry G. Arnesen, copartners doing business under the firm name of Metro Parcel Service, seek authority to operate an automobile truck service as a highway common carrier, as that term is defined in Section 213 of the Public Utilities Code, for the transportation of commodities generally, with certain exceptions, from, to and between the Los Angeles Drayage Area, as defined by this Commission in Case No. 4121, on the one hand, and various points east thereof in the so-called "kite" area, including Pomona, Corona, Riverside, Highland, Redlands, San Bernardino, Colton, and other points in that general area and serving intermediate points. The applicants do not propose to handle shipments where the origin and destination points are both within the Los Angeles Drayage Area above defined.

Applicants propose to serve all points and places located along U. S. Highway No. 66 on and east of Rosemead Boulevard as far as San Bernardino; also, along Valley Boulevard, U. S. Highways Nos. 60, 70 and 99, and Redlands Boulevard as far east as Yucaipa; and applicants propose to serve along Whittier Boulevard as far east as its intersection with Workman Mill Road, and along said Workman Mill Road north to Valley Boulevard. Service also is proposed along Garey Avenue, Chino Road, U. S. Highway No. 91 and U. S. Highway No. 395 east to Alessandro. Applicant wishes to operate between the previously named highways and points laterally along Rosemead Boulevard, Atlantic Boulevard, Peck Road, Glendora Avenue, Azusa Avenue, San Dimas Avenue, Central Avenue, Euclid Avenue, north of Corona along Main Street, Hamner Avenue, Adams Avenue and Etiwanda Avenue. The right to serve laterally for ten miles from the east and west highways is additionally requested over any and all highways.

Public hearings were held before Examiner Rowe in Los Angeles on November 6 and December 15, 1950, and on March 21 and 22, 1951, in Pomona on November 10, 1950, and January 3, 1950, and in San Bernardino on January 4 and 5, and April 9 and 10, 1951. Evidence both oral and documentary was adduced, and the matter was submitted on concurrent briefs now on file.

Twenty-eight public witnesses testified for applicant, and twenty-four for protestants. Protestants severally described their respective operations.

Applicants' public witnesses testified that their respective businesses required the prompt delivery afforded by Metro Parcel Service. They also praised that firm's care in handling fragile packages. Many of these witnesses stated that the Saturday delivery afforded by applicants was of benefit to them, as was the regularity of their time of pickup and delivery. Several of applicants' customers praised the speed and reliability of the delivery of packages weighing less than 100 pounds, as well as those weighing more. Several witnesses stated their need for deliveries of shipments to off-route points as far distant as ten miles.

The Commission finds as a fact that applicants have sufficient operating experience and ability, and are possessed of the required financial resources and physical terminals and equipment, and that public convenience and necessity require that applicants be authorized to operate the service as hereinafter provided. The Commission is of the opinion, and finds, that protestants' contention for a restriction against applicants' carrying parcels weighing less than 100 pounds and amounts over 5,000 pounds is not in the public interest, and applicants will not be so restricted.

The application requests authority to transport commodities generally between all points indicated therein. Protestants are presently rendering an adequate transportation service for general commodities between the Los Angeles Metropolitan Area and the other points involved. Applicants' proposed transportation of general commodities service between

Pomona and points to the east, north and south thereof will be granted, but will be limited to those points. Applicants presently are engaged in a service largely composed of transporting packages and parcels between the Los Angeles area and points generally to the east thereof. The addition of a new highway common carrier of packages and parcels not exceeding 500 pounds in weight is found to be required by public convenience and necessity. Each of the protestants herein is found to be rendering a satisfactory transportation service. Consequently, it appears that to grant to applicants highway common carrier rights between Los Angeles and the requested points generally to the east thereof for the carriage of general commodities might seriously dilute available traffic revenue to the detriment of existing carriers. Additional highway common carrier transportation is not in the public interest if it is likely, as the record shows in this proceeding, to result in overservicing, curtailment of existing schedules, or possibly rate increases. So far as transportation of packages and parcels is concerned, the Commission finds from the evidence of record that public convenience and necessity require an additional highway common carrier. It has not been shown that the protestant highway common carrier of packages and parcels will be unduly prejudiced by the granting of the rights to applicant as above limited.

Harry G. Arnesen and F. Helen Arnesen 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 particular routes. 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

Application as above entitled having been filed, public hearings having been held thereon, briefs having been filed by the parties, the matter being duly submitted and the Commission hereby finding 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 Harry G. Arnesen and F. Helen Arnesen, copartners, doing business under the firm name of Metro Parcel Service, authorizing them to operate as highway common carriers, as defined in Section 213 of the Public Utilities Code (formerly Section 2-3/4 of the Public Utilities Act), for the transportation of general commodity freight, with the exception of livestock, perishable commodities, articles requiring refrigeration, household goods, new, uncrated, unwrapped and unpacked furniture, petroleum and petroleum products in tank vehicles, explosives and commodities contaminating to other lading, between the Los Angeles Drayage Area, as defined by this Commission in Case No. 4121, and as bounded in Appendix A

attached hereto, on the one hand, and, on the other hand, Montebello, Monterey Park, Alhambra, South Pasadena, Sierra Madre, Pomona, Corona, Riverside, Highland, Redlands, San Bernardino, Colton, Yucaipa, Alessandro, and over and along the highways hereinafter named, serving all intermediate points on said highways and all points within ten miles on either side of said highways, subject to the following restriction:

- (a) Except for transportation between Pomona and points to the north, east and west thereof, applicants shall not transport any freight from said Los Angeles area ~~any~~ any other points to which rights are herein granted except deliveries from manufacturers, manufacturers' agents, wholesalers, warehouses, jobbers, commercial distributors and retailers, of packages and parcels which individually weigh not to exceed 500 pounds (including return of such merchandise originally shipped outbound by such consignors); and applicants shall transport no freight between points both located in said Los Angeles area.

(2) That, in the operation of the highway common carrier service pursuant to the foregoing certificate, applicants 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, applicants shall conduct said highway common carrier operations over and along the following highways:

U. S. Highway No. 66 between Los Angeles and San Bernardino.

U. S. Highways Nos. 60, 70 and 99 between Los Angeles and Riverside.

Whittier Boulevard between Los Angeles and Workman Mill Road.

Workman Mill Road between Whittier Boulevard and Valley Boulevard.

Atlantic Boulevard between Slauson Avenue and Huntington Drive.

Huntington Drive between Los Angeles and U. S. Highway No. 66.

Rosemead Boulevard between Whittier Boulevard and Huntington Drive.

Peck Road between Ramona Boulevard and U. S. Highway No. 66.

Ramona Boulevard and San Bernardino Road between Valley Boulevard and Grand Avenue.

Grand Avenue and Covina Boulevard between San Bernardino Road and San Dimas Avenue.

State Highway No. 39 between Valley Boulevard and U. S. Highway No. 66.

San Dimas Avenue between U. S. Highway No. 60 and U. S. Highway No. 66.

Garey Avenue, Eucalyptus Avenue, Ramona Avenue and Carbon Canyon between U. S. Highway No. 60 and Central Avenue.

Central Avenue, State Highway No. 71, Euclid Avenue, Pine Avenue, Chino Road and U. S. Highway No. 91 and State Highway No. 18 between U. S. Highway No. 66 and the City of Riverside.

U. S. Highway No. 395 between Riverside and Alessandro.

U. S. Highway No. 99 and Redlands Boulevard between Pomona and Yucaipa.

Hamner Avenue between Corona and
U. S. Highway No. 60.

Etiwanda Avenue between U. S. Highway
No. 60 and Etiwanda.

U. S. Highways Nos. 91 and 395 between
Riverside and U. S. Highway No. 66.

(3) Except as herein authorized, Application No. 31769,
as amended, is hereby denied.

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

Dated at San Francisco, California, this 3rd
day of January, 1952.

R. T. [Signature]
President

Justice J. [Signature]

Harold P. [Signature]

[Signature]

[Signature]
Commissioners