

ORIGINALDecision No. 48491

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 LAD'S FURNITURE FREIGHT, INC., for a
 certificate of public convenience and
 necessity to operate as a highway
 common carrier of blanket wrapped
 furniture and related commodities
 between points and places in portions
 of Los Angeles, San Bernardino,
 Riverside, Orange, and San Diego
 Counties.

Application No. 33523

Glanz & Russell, by Ernest F. Shelander, for
 applicant, and Jos. Le Roy Ventress for applicant.
H. P. Merry and J. B. Robinson, for Southern Cali-
 fornia Freight Lines, Melvin A. Pixley and Marvin
Handler, for Pixley Transportation, formerly known
 as Furniture Fast Freight, and Robert W. Walker and
Richard K. Knolton, for Santa Fe Transportation
 Company and The Atchison, Topeka and Santa Fe Railway
 Company, protestants. R. C. Fels, for Mohawk Trans-
 portation Company, Henry W. Fulhorst, for Furniture
 Manufacturers Association, and Milton Hallen, in
 propria persona, interested parties.

O P I N I O N

Applicant, a California corporation, presently is
 engaged in business as a radial highway common carrier, a high-
 way contract carrier, a city carrier, and a household goods
 carrier, in the transportation of new household furniture, new
 office furniture and fixtures, and new store fixtures. Authority
 is herein requested to conduct operations as a highway common
 carrier under a certificate of public convenience and necessity
 in the transportation of blanket-wrapped new household furniture,
 new office furniture and fixtures, and new store fixtures, between

all points and places in the Los Angeles Area, on the one hand, and the San Diego Area, on the other hand, as those areas are described on a map attached to the application. In addition, applicant requests authority to conduct operations for the afore-mentioned commodities between San Bernardino, Redlands, and Riverside, on the one hand, and the Los Angeles Area on the other. The routes over which operations are proposed are set out in the application.

Public hearings were held in Los Angeles on September 10 and 11, and December 10, 1952, in San Diego, on December 11, 1952, in San Bernardino, and on February 18 and 19, 1953, in Los Angeles. During these dates evidence was adduced and on the last named date the matter was submitted. It is now ready for decision.

On the last date of hearing a stipulation between applicant and Pixley Transportation, formerly known as Furniture Fast Freight, one of the protestants, was filed, whereby the application was limited so as to restrict applicant against hauling between any points in the Los Angeles Area; between points in the Los Angeles Area, on the one hand, and the intermediate points on U. S. Highway 101-A between the Los Angeles Area and its junction with the Santa Ana River, on the other hand; and between points in the Los Angeles Area, on the one hand, and intermediate points on U. S. Highway 101 between the Los Angeles Area and the junction of U. S. Highway 101 with Newport Avenue, on the other hand, excepting the cities of Whittier, Brea and La Habra. It was further stipulated that applicant would not serve beyond the city limits of Whittier,

Brea, and La Habra, nor would it perform services between points in the Los Angeles Area, on the one hand, and intermediate points on U. S. Highway 101 Bypass between the Los Angeles Area and the junction of U. S. 101 Bypass with U. S. Highway 101, on the other hand.

In consideration of this limiting of the application by applicant, the protest of Pixley Transportation was withdrawn.

At the hearing the president of applicant company testified that it was incorporated in March 1952, and was a successor to two companies, Lad's Furniture Freight and Sciortino Trucking Company. The corporation has continued the business of these two companies, the present officers being Sam O. Sciortino, President, Steve De Maggio, Vice President, William Sciortino, Treasurer, and Jos. Le Roy Ventress, Secretary. Sam O. Sciortino has been in the trucking business since 1946, and has been engaged in the transportation of blanket-wrapped furniture since 1947. Steve De Maggio and William Sciortino have worked in the trucking business for Sam Sciortino since 1947, and Jos. Le Roy Ventress is an attorney at law. At the present time the company conducts operations between the Los Angeles Area, the San Diego Area and the San Bernardino Area.

Exhibit 1 is a list of equipment which shows that the company presently operates nine trucks, including pickup trucks, three tractors, four semitrailers, and one station wagon. It maintains a terminal in Los Angeles on leased property, and has an average of 14 to 15 employees. Exhibits 3 to 7 are photographs of the equipment and facilities of applicant.

Under the proposed plan of operation it is intended to conduct operations six days a week, using three tractors and trailers in daily trips to San Diego. There are no immediate plans for a terminal at San Diego, but a telephone service will be maintained. Likewise, a telephone service will be maintained in San Bernardino. The rates applicant proposes to use are the same as those presently being used by haulers of this type of commodity, and specifically those used by Pixley Transportation.

During the course of the hearings Southern California Freight Lines withdrew its protest, as did Pixley Transportation. Therefore, the only other protestant remaining in the matter is the Santa Fe Transportation Company.

Applicant presented testimony of public witnesses representing shippers who had used his service in the past. In each instance these witnesses testified that they shipped one or more of the commodities covered by this application, and that prompt pickup and prompt delivery were essential to this type of shipping. The applicant has given them this type of service and they desire to continue using applicant's services. In many cases the business of these shippers has increased, and likewise their hauling requirements have increased. They generally testified that they have had no complaints as to applicant's service and that they desire to continue using it.

Applicant produced public witnesses from the Los Angeles, San Diego, and San Bernardino Areas.

Exhibit 9 consists of income statements for the years 1950, 1951 and the nine month period to September 30, 1952, as well as balance sheets for September 30, 1952.

No evidence was presented by the protestants or interested parties in this case.

In the light of this record we find that public convenience and necessity require that Lad's Furniture Freight, Inc., a California corporation, establish and operate a highway common carrier service for the transportation of blanket-wrapped new household furniture, blanket-wrapped new office furniture and fixtures, and blanket-wrapped new store fixtures, between the points and over the routes as set out in the ensuing order.

Lad's Furniture Freight, Inc. 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.

ORDER

Application as above entitled having been filed, public hearing having been held thereon, the matter having been submitted, the Commission being fully advised in the premises and hereby finding that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity authorizing operations as a highway common carrier, as that term is defined in Section 213 of the Public Utilities Code, be, and it hereby is, granted to Lad's Furniture Freight, Inc., a California corporation, for the transportation of blanket-wrapped new household furniture, blanket-wrapped new office furniture and fixtures, and blanket-wrapped new store furniture, between the Los Angeles Area, as hereinafter described, on the one hand, and the San Diego Area, as hereinafter described, on the other, via U. S. Highways 101, 101A, and 101 Bypass, and between the Los Angeles Area, as hereinafter described, on the one hand, and, on the other, the Cities of San Bernardino, Redlands and Riverside, via U. S. Highways 66, 99, 60, 70 and 91, and California Highways 14 and 18.

(2) The Los Angeles Area, as that term is used herein, shall include the following territory:

LOS ANGELES AREA

(Item 270-A, Highway Carriers' Tariff No. 2)

Los Angeles Area includes that area embraced by the following boundary: Beginning at the intersection of Sunset Boulevard and U. S. Highway No. 101, Alternate; thence northeasterly along Sunset Boulevard to State Highway No. 7; northerly along State Highway No. 7 to State Highway No. 118; northeasterly along State Highway No. 118 through and including the City of San Fernando; continuing northeasterly and southeasterly along State Highway No. 118 to and including the City of Pasadena; easterly along U. S. Highway No. 66 to State Highway No. 19; southerly along State Highway No. 19 to its intersection with U. S. Highway No. 101, Alternate, at Ximeno Street; southerly along Ximeno Street and its prolongation to the Pacific Ocean; westerly and northerly along the shore line of the Pacific Ocean to a point directly south of the intersection of Sunset Boulevard and U. S. Highway No. 101, Alternate; thence northerly along an imaginary line to point of beginning.

The San Diego Area, as that term is used herein, shall include the following territory:

SAN DIEGO AREA

(Item 271-C, Highway Carriers' Tariff No. 2)

San Diego Area includes that area embraced by the following imaginary line starting at the northerly junction of U. S. Highways 101E and 101W (4 miles north of La Jolla); thence easterly to Miramar on State Highway No. 395; thence southeasterly to Lakeside on the El Cajon-Ramona Highway; thence southerly to Bostonia on U. S. Highway No. 80; thence southeasterly to Jamul on State Highway No. 94; thence due south to the International Boundary Line; west to the Pacific Ocean and north along the coast to point of beginning and Coronado and North Island:

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

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted.
- (b) Within sixty days after the effective date hereof, and upon not less than five days' notice to the Commission and the public, applicant shall establish the service herein authorized and file in triplicate and concurrently make effective tariffs satisfactory to the Commission.

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

Dated at San Francisco, California, this 14th day of April, 1953.

[Signature]
President
Justus J. Calver
Harold K. Kula
[Signature]
[Signature]
Commissioners