

ORIGINAL

Decision No. 48808

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Frank J. Brown,)
 doing business as A & B GARMENT DELIVERY OF SAN)
 FRANCISCO, for a certificate of public convenience)
 and necessity as a highway common carrier for trans-) Application
 portation of garments on hangers between San Fran-) No. 34201
 cisco and East Bay points, and between San Francisco)
 and East Bay points, on the one hand, and San Jose)
 and intermediate points, Vallejo and Sacramento, on)
 the other hand.)

In the Matter of the Application of GARMENT CARRIERS,)
 INC., a Corporation for a certificate of public con-)
 venience and necessity as a highway common carrier) Application
 for the transportation of garments on hangers be-) No. 34202
 tween Los Angeles and San Francisco and the inter-)
 mediate points of Bakersfield and Fresno.)

Scott Elder, for applicants
Robert W. Walker and Henry M. Moffatt,
 for Santa Fe Transportation Co., and
 The Atchison, Topeka and Santa Fe
 Railway Co., interested parties

O P I N I O N

In Application No. 34201 Frank J. Brown requests the issuance of a certificate of public convenience and necessity authorizing him to transport garments, clothing and wearing apparel, when transported on garment hangers, and merchandise incidental thereto shipped in company therewith in packages weighing not more than eight pounds, between wholesalers and retailers, or any of them.

- (1) Between San Francisco on the one hand and,
 on the other hand, Oakland, Berkeley, Richmond,
 Alameda, San Leandro and Hayward (hereinafter
 called East Bay points).
- (2) Between San Francisco and said East Bay points,
 on the one hand, and San Jose, and intermediate
 points on U. S. Highways 101 and 101 Alternate,
 on the other hand.

- (3) Between San Francisco and said East Bay points, on the one hand, and Vallejo and Sacramento, on the other hand.
- (4) Between each of said points and places on the one hand, and all of said other points and places on the other hand.

In Application No. 34202 Garment Carriers, Inc., request the issuance to it of a certificate of public convenience and necessity authorizing the transportation of garments, clothing and wearing apparel, when transported on garment hangers, and merchandise incidental thereto shipped in company therewith in packages weighing not more than eight pounds, between wholesalers and retailers, or any of them, between Los Angeles and San Francisco and the intermediate points of Fresno and Bakersfield.

The two applications were consolidated for public hearings held in San Francisco before Examiner Silverhart on June 9 and 10, 1953 on which latter date the matter was submitted. There were no protests to the granting of the applications.

Frank J. Brown has been engaged in various phases of operating trucks for hire since 1926. For several years last past he has transported garments on hangers between points encompassed within the scope of Application No. 34201, except San Leandro, Alameda and Hayward, as a permitted carrier.

Shipments are enclosed in waterproof cloth bags, with a capacity of 25 garments or 35 blouses. The bags, to which are attached envelopes containing shipping instructions, are also utilized for routing purposes. Incidental merchandise accompanying garments is described as relating thereto and consists of such items as buttons, buckles, belts and pins.

Applicant Brown will utilize a terminal in San Francisco specially equipped for processing garments on hangers. His automotive equipment is of the closed van or panel type and is equipped with specially designed racks from which the bags are suspended.

Applicant Brown proposes a daily, overnight, door-to-door service, five days a week except Saturdays, Sundays and holidays. The rates to be assessed, and the rules and regulations in connection therewith, will be substantially similar to those contained in the tariff of A & B Garment Delivery, a corporation, presently filed with the Commission.

Applicant Brown testified that many requests have been made for his service and particularly from merchandisers of wearing apparel located in San Leandro, Alameda and Hayward.

The record discloses that applicant Brown possesses the experience, equipment, terminal facilities and adequate financial resources to institute and maintain the proposed operation.

Applicant Garment Carriers, Inc., for several years past has been engaged in the type of operation and between the points for which a certificate is sought herein as a permitted carrier. Frank J. Brown, applicant in Application No. 34201 is its president and only stockholder.

Garment Carriers, Inc., proposes a daily, overnight terminal-to-door service, five days a week, except Saturdays, Sundays, and holidays. It possesses terminal facilities in Los Angeles, Fresno, Bakersfield and San Francisco. Its equipment consists of van semi-trailers and panel trucks fitted with specially designed racks. Rates to be assessed, and the rules and regulations in connection therewith, will be substantially similar to those contained in the tariff of A & B Garment Delivery, a corporation, presently filed with the Commission.

The record discloses that Garment Carriers, Inc., has the experience, equipment, terminal facilities and adequate financial resources to initiate and maintain the proposed service.

Frank J. Brown is also president and sole stockholder of A & B Garment Delivery. This corporation conducts a certificated service similar to that for which authority is sought herein between points in and about the Los Angeles area. It is contemplated that the applicants and A & B Garment Delivery, a corporation, will provide an interline service to all points involved here.

Representatives of a large number of manufacturers of dresses, skirts, suits, blouses, coats and sportswear who ship their products to points within the areas here involved testified in support of the applications. They stated that they had used the service of either or both applicants and were laudative of it. Their testimony indicated that applicants' service provided a rapid method of transporting garments to retailers, eliminated packing, with attendant savings, and made possible the processing of more merchandise with less personnel. These witnesses said that the proposed services are needed in their businesses and will be used if authorized.

The testimony of representatives of retail clothing stores, general department stores and specialty shops located at various points encompassed within the scope of the applications disclosed that not only is there a movement of garments from manufacturer to retailer but between retail stores as well.

The witnesses stated that applicants' services were used daily; that such service was excellent; that it eliminated packing, unpacking and repressing of garments; that it enabled them to save time and expense in preparing garments for display and sale; that time is an important factor in retailing fashion merchandise.

The greater Bakersfield Chamber of Commerce and the Down Town Division of Fresno County and City Chamber of Commerce supported the application of Garment Carriers, Inc.

The evidence indicates that presently there is no highway common carrier performing the type of service herein offered to the various points within the proposed areas.

After careful consideration of the entire record the Commission finds that public convenience and necessity require the establishment and operation of a service by applicants as highway common carriers for the transportation of property as described in and between the points set forth in the ensuing order.

Applicants are hereby placed on 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 hearings having been held and based upon the evidence therein adduced,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity is granted to Frank J. Brown, authorizing him to operate as a highway common carrier as defined by Section 213 of the Public Utilities Code for the transportation of garments, clothing and wearing apparel when transported on garment hangers, and merchandise incidental

thereto shipped in company therewith in packages weighing not more than eight pounds between wholesalers and retailers, or any of them.

- (1) Between San Francisco on the one hand and, on the other hand, Oakland, Berkeley, Richmond, Alameda, San Leandro and Hayward (hereinafter called East Bay points).
- (2) Between San Francisco and said East Bay points, on the one hand, and San Jose, and intermediate points on U. S. Highways 101 and 101 Alternate, on the other hand.
- (3) Between San Francisco and said East Bay points, on the one hand, and Vallejo and Sacramento, on the other hand.
- (4) Between each of said points and places on the one hand, and all of said other points and places on the other hand.

(2) That a certificate of public convenience and necessity is granted to Garment Carriers, Inc., authorizing it to operate as a highway common carrier as defined by Section 213 of the Public Utilities Code for the transportation of garments, clothing and wearing apparel, when transported by garment hangers, and merchandise incidental thereto shipped in company therewith in packages weighing not more than eight pounds, between wholesalers and retailers, or any of them between Los Angeles and San Francisco and the intermediate points of Bakersfield and Fresno.

(3) That in providing service pursuant to the certificates herein granted, applicants shall comply with the following service regulations:

- (a) Applicants shall file a written acceptance of the certificates herein granted within thirty days after the effective date hereof.

- (b) Within sixty days after the effective date hereof and on 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, appropriate tariffs.
- (c) Subject to the authority of this Commission to change or modify them by further order applicant Frank J. Brown shall conduct operations pursuant to the certificate herein granted over and along the following routes:
 1. Between San Francisco and the East Bay points, the San Francisco-Oakland Bay Bridge and all available roads, streets and highways.
 2. Between San Francisco and San Jose, U. S. Highways 101 and 101 Alternate.
 3. Between San Francisco and Vallejo and Sacramento, U. S. Highway 40.
- (d) Subject to the authority of this Commission to change or modify them by further order, applicant Garment Carriers, Inc., shall conduct operations pursuant to the certificate herein granted over and along the following routes:
 1. U.S. Highway 99 between Los Angeles and Califa; State Highway 152 between Califa and the junction of said last-mentioned highway with U. S. Highway 101; U. S. Highway 101 and 101 Alternate between said junction and San Francisco.
 2. U.S. Highway 101 and 101 Alternate between Los Angeles and San Francisco as an alternate route.

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

Dated at San Francisco California, this 7th day of July, 1953.

R. J. [Signature]
 President

Harold D. [Signature]

[Signature]

Commissioners

Justus F. Craemer
 Commissioner S Kenneth Potter, being necessarily absent, did not participate in the disposition of this proceeding.