

**ORIGINAL**

Decision No. 50361

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )	
Roc Ross and Gil Gouveia dba RE-LY-ON )	
VAN SERVICE, for a certificate of )	
public convenience and necessity as a )	
highway common carrier between San )	Application No. 35420
Francisco and East Bay points on the )	
one hand, and San Jose, Stockton, )	
Sacramento, Santa Rosa, Antioch, and )	
Newark, on the other hand. )	

John A. O'Connell, for applicant.  
Marquam C. George, for Safe Transportation Company,  
 as protestant and later as interested party.  
 Gordon, Knapp and Gill by Wyman C. Knapp, for  
 Bekins Van Lines, Inc., Lyon Van Lines, Inc.,  
 and W. Ray James (James Van Lines); Jackson  
W. Kendall, for Bekins Van Lines, Inc., as  
 protestants and later as interested parties.

OPINION AND ORDER

This application was filed on May 10, 1954. On June 23 an amendment to the application was filed for the purpose of correcting certain rate references. On June 30 a public hearing was held before Examiner Power at San Francisco and the matter was submitted.

Applicants propose to establish common carrier service for the transportation of uncrated office furniture, new and used, between the Bay area and points as far as Santa Rosa, San Jose, Centerville, Antioch, Stockton, and Sacramento.

Four carriers who now hold certificates appeared as protestants but withdrew their protests after clarification of the application, and changed their appearances to those of interested parties. One minor amendment to the application was made.

The two applicant partners, prior to the second World War, were employed as office equipment repairmen. When one of them

returned from military service in 1946 they organized the present business. By 1951 they were employing two drivers and the partners were also still driving. After 1952 the partners concerned themselves principally with management, and have employed six drivers and a helper.

Mr. Gouveia testified as operating witness for the firm. He is estimator and supervises the movement of equipment into offices when difficulties are encountered. Mr. Ross is the dispatcher and router and takes orders over the telephone. Applicants possess a single terminal in San Francisco. This is used entirely for the accumulation and handling of shipments. Trucks are parked at a parking lot in the neighborhood.

It is proposed to furnish service to East Bay points daily, down the peninsula to San Jose twice weekly, and to all other points once weekly. Applicants have a 1-ton truck, a 1½-ton truck, four 2½-ton trucks, and a 5-ton truck. All these are equipped with moving van style steel bodies.

The December 31, 1953 balance sheet of applicants was introduced in evidence as Exhibit No. 6. The total assets are reported at \$17,638.65 with liabilities of \$8,420 and partners' capital of \$9,218. For the year 1953 the applicants report revenues of \$85,742, and expenses of \$70,946, leaving a net profit of \$14,796. Operating ratios for 1952 were 73.6 per cent and in 1953, 82.7 per cent. Equipment obligations as of December 31, 1953 amounted to \$7,487. The financial resources of applicants appear to be adequate.

The application was strongly supported by the shipper witnesses. These were eight in number. Six represented dealers, one represented a reconditioning firm and one was a manufacturer of custom furniture. Several of the witnesses testified that their respective firms had cut down proprietary fleets because of the excellent service rendered by the applicants.

The applicants proposed to establish certain per piece rates instead of rates stated in cents per 100 pounds. The witnesses who appeared did not support this request. We are of the opinion that this type of request is best considered on its own merits in a separate proceeding and therefore the sought authority will not be granted.

In conclusion, it is our opinion that public convenience and necessity require the establishment of the proposed service as contemplated in the application as amended.

Applicants are 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

Application having been filed, a hearing having been held, the matter having been submitted, and the Commission being of the opinion and finding that public convenience and necessity so require;

IT IS ORDERED that:

1. A certificate of public convenience be, and it hereby is, granted to Roc Ross and Gil Gouveia, doing business as Re-Ly-On Van Service, authorizing the establishment and operation of a service as a highway common carrier as defined by Section 213 of the Public Utilities Code for the transportation of new and used office furniture, uncrated, moving from or to retailers, dealers, auctioneers, or when shipped for the purpose of resale between San Francisco and East Bay

points, and between San Francisco and East Bay points, on the one hand, and the following points, on the other hand:

- a. All points on U. S. Highway 101 and 101 By-pass between San Francisco and San Jose.
- b. All points on U. S. Highway 101 between San Francisco and Santa Rosa, including the off-route points of Mill Valley and all points on the Sir Francis Drake Highway from its junction with U. S. Highway 101 to and including Fairfax.
- c. All points on U. S. Highway 40 between Richmond and Sacramento, including the off-route points of Woodland and Vallejo.
- d. All points on U. S. Highway 50 between East Bay points and Sacramento.
- e. All points on State Highway 17 between Hayward and Centerville, including the off-route point of Newark.
- f. All points on State Highway 4 and 24 between Richmond and Antioch.

By "East Bay points" is meant Richmond, El Cerrito, Albany, Berkeley, Piedmont, Emeryville, Oakland, Alameda, San Leandro, Hayward, and unincorporated territory lying between any of the points named.

2. In providing service pursuant to the certificate herein granted, applicants shall comply with the following service regulations:

- a. Within thirty days after the effective date of this order, applicants 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, applicants shall establish the service herein authorized, and file in triplicate and concurrently make effective appropriate tariffs.

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

Dated at San Francisco, California, this 7<sup>th</sup> day of August, 1954.

John E. Marshall  
President

Walter D. Walker

Wassell Patton

Orme Higgins