

**ORIGINAL**Decision No. 50921

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 I. W. BOLAND and R. G. CARLSON, )  
 partners, doing business as )  
 CITY-WIDE DRAYAGE COMPANY, for a )  
 certificate of public convenience )  
 and necessity to operate as a high- ) Application No. 35163  
 way common carrier between )  
 San Francisco, on the one hand, and )  
 on the other hand, San Leandro, )  
 San Lorenzo, Hayward, Albany, )  
 El Cerrito, Piedmont, San Pablo and )  
 Richmond. )

Frank Loughran, for applicant.  
Douglas Brookman, William Meinhold, Frederick E. Fuhrman, Edward M. Berol, Bertram S. Silver, Thomas P. Brown, William E. Shuholm and Willard S. Johnson, for various carriers, protestants.  
Russell Bevans, for Draymen's Association of San Francisco; Maurice A. Owens, for Draymen's Association of Alameda County; Norman R. Moon, for Loretz & Co.; and Marvin Handler, Daniel W. Baker, Vaughan, Paul and Lyons by John G. Lyons, for various carriers, interested parties.

O P I N I O N

Applicants are included in the group of carriers whose problems precipitated the investigation designated by the Commission as Case No. 5535. Hearings were held on this application in connection with that case. Evidence of community growth and the resulting expansion of carrier operations, as developed in Case No. 5535, was found to apply to these applicants and to have materially influenced their activities. In addition, a hearing on this application alone was held before Examiner John Power in San Francisco on August 5, 1954. On that occasion applicants presented evidence covering the history, finances, equipment, facilities and personnel of their organization.

The witness for applicants was one of the partners. He stated that applicant was started by the other partner "about 18 years ago" (that is, about 1936) with one truck. Daily movements between San Francisco and East Bay points have been made since that time. In addition to their permits applicants obtained a certificate under Decision No. 47905, dated November 3, 1952, in Application No. 32842. This decision granted authority between San Francisco on the one hand and Oakland, Berkeley, Emeryville and Alameda on the other hand.

Applicants have a terminal in San Francisco including 2,000 square feet of covered dock space and 8,000 square feet of storage space. It also includes office space. In July 1954 the applicants had ten pieces of equipment.

A balance sheet of City-Wide as of December 31, 1953 was introduced as an exhibit. It shows current assets of \$11,228 and total assets of \$22,818. On the liability side there were current liabilities of \$6,439 and no noncurrent liabilities with a proprietors' capital of \$16,379. Two other financial exhibits gave results of operations for five years, 1949 through 1953. Total operations have shown a profit in each of those years. This is not necessarily true of drayage operations; however, as the partners derive certain income from rentals and storage. Expenses are not ~~mentioned~~ in the exhibits. Salaries for both partners were charged to expenses in each of the five years.

Applicants' witness testified that the pattern of service included pickups twice a day--in the morning and afternoon. Same-day delivery is afforded on early pickups; following-morning delivery on the late ones. In addition to the regular rounds, special pickups will be provided upon request.

Applicants introduced a traffic exhibit which contained a list of their consignors and consignees. This evidence reveals that applicants have carried a wide variety of commodities while serving more than 100 different business organizations. Witnesses representing four of these firms testified in support of the application.

The evidence shows that applicants have the necessary financial ability, facilities, equipment, experience and personnel to undertake the proposed service. It further shows that the growth of San Francisco-East Bay communities has increased the over-all requirements for common carrier service and has resulted in increased demand for applicants' services. Public convenience and necessity require that the application be granted. This grant will be on the condition, however, that applicants serve the whole of the San Francisco-East Bay Cartage Zone as established in Case No. 5535. Acceptance of the certificate herein granted will be construed as consent to this condition.

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 as to the number of rights which may be given.

O R D E R

Application having been filed and public hearings held thereon, and the Commission having considered the same and being of the opinion and finding that public convenience and necessity so require; therefore,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity is hereby granted to I. W. Boland and R. G. Carlson; doing business as City-Wide Drayage Company, authorizing the establishment and operation of a service as a highway common carrier, as defined in Section 213 of the Public Utilities Code, for the transportation of general commodities, except uncrated household goods, petroleum products in tank vehicles, dangerous explosives and livestock; between the points set forth in Appendix "A" attached hereto and by this reference made a part of this order.

(2) That in providing service pursuant to the authority herein granted, applicants may use any and all streets, roads, highways and bridges, and 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 comply with the provisions of General Order No. 80 by filing in triplicate, and concurrently making effective, tariffs satisfactory to the Commission.

(3) That the authority heretofore granted to these applicants by Decision No. 47905, dated November 3, 1952, in Application No. 32842 is hereby revoked and canceled, said

revocation and cancellation to take effect upon even date with the institution of service under the authority herein granted.

The effective date of this order shall be February 1, 1955.

Dated at San Francisco, California, this 4<sup>th</sup>

day of JANUARY, 1955 :

John E. Mitchell  
President

Justin J. Cassin

Ray L. Lawrence

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Commissioners