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Decision No. 51062

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of FRANK J. BROWN, an individual, doing business as A & B GARMENT DELIVERY OF SAN FRANCISCO, for a certificate of public convenience and necessity to operate as a highway common carrier.

Application No. 35603

Daniel W. Baker, for applicant.

Douglas Brookman, William Meinhold, Frederick <u>E. Fuhrman, Preston W. Davis, Roger Ramsey,</u> <u>Edward M. Berol, Bertram S. Silver</u>, and <u>Thomas P. Brown</u>, for various carriers, protestants.

<u>Russell Bevans</u>, for Draymen's Association of San Francisco; <u>Maurice A. Owens</u>, for Draymen's Association of Alameda County; Norman R. Moon, for Loretz & Co.; <u>Marvin Handler</u>, <u>Willard S.</u> <u>Johnson</u>, <u>Frank Loughran</u>, <u>Arthur D. Nearon</u> and Vaughan, Paul and Lyons by <u>John G. Lyons</u> for various carriers, interested parties.

<u>O P I N I O N</u>

Applicant is one of a group of carriers whose applications were heard in connection with those 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 this applicant and to have materially influenced his activities. In addition, a hearing on this application alone was held before Examiner John Power in San Francisco on September 29, 1954. On that occasion applicant presented evidence covering the history, finances, equipment, facilities and personnel of his organization.

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Applicant's San Francisco manager gave operating testimony in his behalf. Through him eight exhibits were introduced. Five shipper witnesses supported the application. A vice-president of an active protestant testified in opposition and added two exhibits, prepared by him. This protestant filed a motion to exclude evidence and to hear this matter separately. The motion has been considered by the Commission and will be denied.

Applicant went into the business of transporting clothing and related items in Los Angeles in 1940. In 1947 he opened a similar business in San Francisco with two pieces of equipment. Applicant is also the owner of A & B Garment Delivery of Los Angeles (the original business) and is sole stockholder of Garment Carriers, Inc., which serves between the two metropolitan areas. All three organizations are certificated carriers. Since the date of this application applicant has filed Application No. 36626 for authority to transfer this business to a corporation, A & B Garment Delivery of San Francisco. The corporation will therefore be substituted as applicant and named as grentee in the order to follow:

By Decision No. 48808 dated July 7, 1953 applicant has authority to carry garments on hangers and packages of eight pounds or less when tendered with garment shipments among wholesalers and retailers. They seek here to eliminate the restriction to hangers and the poundage restriction on incidental packages.

The financial exhibits presented by applicant included a balance sheet and an analysis of the revenue equipment account both as of June 30, 1954. Results of operations were given for five full years, 1949 through 1953 and the first half of 1954. The results thus shown are adequate. The new corporation's balance sheet will show substantial differences from the figures on the exhibits in this application. These differences will be considered in our decision in Application No. 36626 and the analysis will not be repeated here.

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Applicant has a terminal near the "Apparel City" garment manufacturing center in San Francisco. This contains 10,000 square feet of yard space. A building, covering 5000 sq. ft., has been erected on the remaining portion of the property to applicant's specifications.

The building contains office space and a 100-ft. dock. It may be noted that this operation is unique among the transbay carriers in consolidating its shipments over a terminal. Applicant's fleet consists of 19 trucks of one and one-half and two tons capacity. Because of the high value of the merchandise carried, these vehicles have been provided with locks and are waterproof and to some extent dustproof.

The service pattern of applicant is most complex, being adapted not only to the needs of shippers but to vehicular traffic densities in certain portions of the area served. Both same-day and overnight delivery practices are followed.

Applicant's most attractive service is the present one for garments on hangers (which can be hung in the retail store without pressing). However, there is a definite demand for transportation of cartoned garments both alone and with garments on hangers. The shipper witnesses supported the applicant on this. Six customers have shipped very heavily in cartons, and several others have made occasional tenders of freight.

Applicant's counsel indicated that applicant had no objection to being excluded from the field of retail delivery, and the following order will so provide.

The evidence shows that applicant has the necessary financial ability, facilities, equipment, experience and personnel to undertake the proposed service. It further shows that the growth of the San Francisco-East Bay community has increased the over-all requirements for common carrier service and has resulted in increased

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demand for applicant's services. Public convenience and necessity require that the application be granted. This grant will be on the condition, however, that applicant 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.

A & B Garment Delivery of San Francisco, a California corporation, is 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, such rights 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.

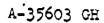
## <u>ORDER</u>

Application having been filed by Frank J. Brown, an individual, and A & B Garment Delivery of San Francisco, a corporation, having been substituted as applicant herein in the place and stead of said Frank J. Brown, 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 A & B Garment Delivery of San Francisco, a California corporation, 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 garments, clothing, wearing apparel and merchandise incidental thereto, which

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commodities are more particularly described in Appendix "B" attached hereto, between the points set forth in Appendix "A" attached hereto, both of which appendices are by this reference made a part of this order.

2. That in providing service pursuant to the authority herein granted, applicant 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, 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 comply with the provisions of General Order No. 80 by filing in triplicate and concurrently making effective tariffs satisfactory to the Commission.
- c. Applicant shall perform no transportation of property from retail stores or retail sales warehouses where the property has been sold at retail by a retail merchant.

3. In so far as any authority herein granted may duplicate operating authority now held by Frank J. Brown doing business as A & B Garment Delivery of San Francisco, the operating authority of said Frank J. Brown shall be revoked and canceled to the extent necessary to prevent such duplication, such revocation and cancellation to take effect simultaneously with the institution of service under the authority herein granted.

United Parcel Service having filed a motion on September 7, 1954, to strike certain evidence from the record in this proceeding, and to have this application considered separately and apart from other applications then pending before the Commission, the Commission having considered said motion, and good cause appearing,

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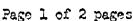
IT IS FURTHER ORDERED, that said motion be, and it hereby is, denied.

The effective date of this order shall be the date hereof. Dated at San Francisco , California, this 114 Pohrmann, 1955. day:of\_\_\_ 

Commissioners



#### APPENDIX "A"



### LINITS OF SAN FRANCISCO-EAST BAY CARTAGE ZONE

San Francisco-East Bay Cartage Zone includes that area embraced by the following boundary:

Beginning at the point where the San Francisco-San Mateo County Boundary Line meets the Pacific Occan; thence easterly along said boundary line to Lake Merced Boulevard; thence southerly along said Lake Merced Boulevard and Lynnewood Drive to So. Mayfair Avenue; thence westerly along said South Mayfair Avenue to Crestwood Drive; thence southerly along Crestwood Drive to Southgate Avenue; thence westerly along Southgate Avenue to Maddux Drive; thence southerly and easterly along Maddux Drive to a point one mile west of Highway U.S. 101; thence southeasterly along an imaginary line one mile west of and paralleling Highway U.S. 101 (El Camino Real) to its intersection with the southerly boundary line of the City of San Mateo; thence northeasterly, northwesterly, northerly and easterly along said southerly boundary to Bayshore Highway (U.S. 101 Bypass); thence leaving said boundary line and continuing easterly along the projection of last said course to its intersection with Belmont (or Angelo) Creek; thence northcasterly along Belmont (or Angelo) Creek to Seal Creek; thence westerly and northerly to a point one mile south of Toll Bridge Road; thence easterly along an imaginary line one mile southerly and paralloling Toll Bridge Road and San Mateo Bridge and Mt. Eden Road to its intersection with State Sign Route 17; thence continuing casterly and northeasterly along an imaginary line one mile south and southeasterly of and paralleling Mt. Eden Road and Jackson Road to its intersection with an imaginary line one mile easterly of and paralleling State Sign Route 9; thence northerly along said imaginary line one mile easterly of and paralleling State Sign Route 9 to its intersection with "B" Street, Hayward; thence easterly and northerly along "B" Street to Center Street; thence northerly along Center Street to Castro Valley Boulevard; thence westerly elong Castro Valley Boulovard to Redwood Road; thence northerly along Redwood Road to William Street; thence westerly along William Street and 168th Avenue to Foothill Soulevard; northwesterly along Foothill Boulevard to the southerly boundary line of the City of Oakland; thence easterly and northerly along the Oakland Boundary Line to its intersection with the Alameda-Contra Costa County Boundary Line; thence northwesterly along last said line to its intersection with Arlington Avenue (Serkeley); thence northwesterly along Arlington Avenue to a point one mile northeasterly of San Pablo Avenue (Highway U.S. 40); thence northwesterly along an imaginary line one mile casterly of and paralleling San Pablo Avenue (Highway U.S.40) to its intersection with County Road No. 20 (Contra Costa County); thence westerly Along County Road No. 20 to Broadway Avenue (also known as Balboa Road); thence northerly along Broadway Avenue (also known as Balboa Road) to Highway U.S. 40; thence northerly along Highway U.S. 40 to Rivers Street; thence westerly along Rivers Street to 11th Street; thence northerly along 11th Street to Johns Avenue; thence westerly along Johns Avenue to Collins Avenue; thence northerly along Collins Avenue to Morton Avenue; thence westerly along Morton Avenue to the Southern Pacific Company right of way and continuing westerly along the prolongation of Morton Avenue to the shore line of San Pablo Bay; thence southerly and westerly along the shore line and waterfront of San Pablo Bay to Point San Pablo; thence southerly along an imaginary line from Point San Pablo to the San Francisco Waterfront at the foot of Market Street; thence westerly along said waterfront and shore line to the Pacific Ocean; thence southerly along the shore line of the Pacific Ocean to the point of

beginning. The foregoing description includes the following points or portions

Alameda Lameda Pier Albany Eaden Bay Farm Island Eayshore Berkeley fernel Erisbane Eroadway Jurlingame amp Knight Cactro Valley Colma Johna Jaly City East Oskland El Cerrite

Elkton Elmhurst Emeryville Ferry Point Government Island Point Isabel Hayward Point Yo Fruitvale Lawndale Lomita Park Melrose Millbrae Mills Field Mt. Eden Cakland Oakland Municipal San Francisco Airport national Airport

Ocean View Piedmont Point Castro Point Orient Point Potrero Point Richmond Point San Pablo Richmond Russell City San Brunc

Oakland Pier

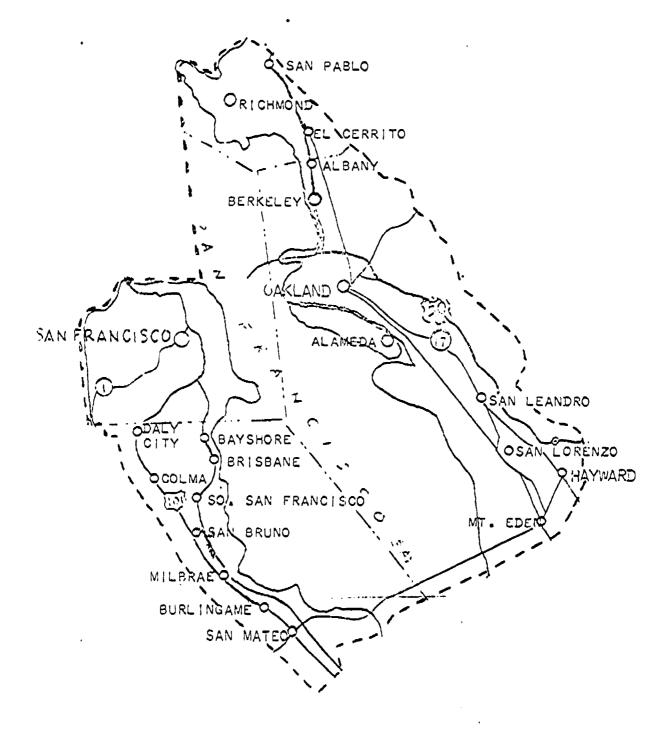
San Leandro San Lorenzo San Mateo San Pablo South San Francísco Stege Tanforan Treasure Island Union Park Visitacion Westlake Winehaven Yerba Buena Island



APPENDIX "A" (Continued)

## MAP SHOWING

LIMITS OF SAN FRANCISCO - LEAST BAY CARTAGE ZONE



## APPENDIX "B"

## A & B GARMENT DELIVERY OF SAN FRANCISCO, a corporation

## INDEX OF COMMODITIES

Apparel, wearing Bags, cloth Bags, hand Bath Robes Belts Blouses Buttons Cloth, NOIBN Cloth, piece goods Clothing, NOIBN Clothing Accessories Containers, clothes Draperies Dry Goods, NOIBN Fittings, tailored Footwear Furnishings, men's Garments

Gloves Hangers, clothes Hose Jewelry, costume Lining, clothes Luggage Patterns Shirts Shoes Suspenders Tapes, cloth Textiles Thread Ties Towels Trimmings, tailored Umbrellas Yarns