

ORIGINAL

Decision No. 51286

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 A. D. WOOLLEY and R. E. WOOLLEY, co-)
 partners doing business as SHIPPERS)
 EXPRESS COMPANY formerly WESTERN)
 TRANSPORT COMPANY, for a certificate)
 of public convenience and necessity)
 as a highway common carrier.)

Application No. 34799

In the Matter of the Application of)
 SAVAGE TRANSPORTATION CO. INC., a)
 corporation, for a certificate of)
 public convenience and necessity to)
 operate as a highway common carrier)
 for the transportation of property.)

Application No. 34537

In the Matter of the Application of)
 CHAS. F. HART TRANSPORTATION CO. INC.,)
 a corporation, for a certificate of)
 public convenience and necessity to)
 operate as a highway common carrier)
 for the transportation of property.)

Application No. 34257

In the Matter of the Application of)
 STERLING TRANSIT COMPANY, INC., a)
 corporation, for a certificate of)
 public convenience and necessity to)
 operate as a highway common carrier)
 for the transportation of property.)

Application No. 34259

In the Matter of the Application of)
 WILLIG FREIGHT LINES, a corporation,)
 for a certificate of public conven-)
 ience and necessity to operate as a)
 highway common carrier for the trans-)
 portation of property.)

Application No. 34260

In the Matter of the Application of)
 WESTERN TRUCK LINES, LTD., a corpor-)
 ation, for a certificate of public)
 convenience and necessity to operate)
 as a highway common carrier for the)
 transportation of property as herein)
 described.)

Application No. 34423

Bertram S. Silver and Edward M. Berol for applicants in Applications Nos. 34260, 34257 and 34259, and for said applicants as interested parties in each application other than their own.

Lloyd R. Guerra and Scott Elder for applicant in Application No. 34423 and for said applicant as interested party in Applications Nos. 34799, 34537, 34257, 34259 and 34260.

M. D. Savage and Edward M. Berol for applicant in Application No. 34537, and for said applicant as interested party in Applications Nos. 34799, 34257, 34259, 34260 and 34423.

Scott Elder for applicant in Application No. 34799 and for said applicant as interested party in Applications Nos. 34537, 34257, 34259, 34260 and 34423.

Gordon, Knapp and Gill, by Joseph C. Gill, for Pacific Freight Lines and Pacific Freight Lines Express, Robert W. Walker, Wallace L. Ware, Matthew H. Witteman and Henry M. Moffat, for The Atchison, Topeka and Santa Fe Railway Company and Santa Fe Transportation Company; Wallace L. Ware, George W. Cox, Hugh W. Lee and Henry M. Moffat, for Railway Express Agency; Marvin Handler, Clark T. Robinson and Daniel W. Baker, for Machado Trucking Company; H. J. Bischoff, J. H. Rhodes, George C. Strouse and John Robinson, for Southern California Freight Lines and Southern California Freight Forwarders, protestants.

Turcotte and Goldsmith, by F. W. Turcotte, for Pixley Transportation, interested party.

O P I N I O N

The six applications referred to above were consolidated for hearing for the reason that each is a request for an enlarged pickup and delivery zone (hereinafter referred to as "the basin") extending from the Los Angeles Territory to San Bernardino, Riverside, Redlands, and Santa Ana on the east, including intermediate and off-highway points. Inasmuch as the existing authorities and requested authorities of each applicant are not identical and different witnesses generally appeared in support of each application, they will be treated separately.

Public hearings on all applications, except that of Shippers Express, were held in San Francisco on August 28, 1953, and in Los Angeles on September 22 and 23, 1953, before Examiner Kent C. Rogers. Thereafter the application of Shippers Express was consolidated with the other five for hearings, and public hearings on the six consolidated matters were held in San Francisco on November 2 and 3, 1953, and February 2, 3, 4, 10 and 11, and May 19, 1954; in Riverside on November 10, 1953; in Los Angeles on November 30, December 1 and 2, 1953, and May 4 and 5, 1954; and in Santa Ana on December 8, 1953. On June 29, 1954 the matter was argued in San Francisco and submitted subject to the filing by each applicant of a financial statement. These statements have been filed and the matters are ready for decision.

A professor of economics and business administration presented evidence pertinent to all applications. This witness stated his experience with particular reference to various economic studies in the basin. He testified that exhibits Consolidated No. 1 to Consolidated No. 5, inclusive, were prepared by him and under his direction. These exhibits, in their numerical order, show the population increases for the period from 1940 to 1950, and in most instances to 1952 or 1953 of named places in the basin; the increases in retail sales therein in the same period; the type and number of dwelling unit permits which were issued in various cities therein during the years 1950, 1951 and 1952; and the increases in the salaries and number of business telephones since 1940. The witness stated that it was his conclusion from his studies, as reflected in the exhibits, that there is an industrial and residential decentralization from the Los Angeles metropolitan area to the urban areas in the basin.

Western Truck Lines, Ltd. (hereinafter referred to as Western).

This applicant has authority from this Commission to carry freight:

(1) Between Los Angeles and Bishop, serving all intermediate points between Mojave and Bishop, with no transportation between Los Angeles and Mojave, or intermediates, or between Lone Pine and Bishop, or intermediates. (Decision No. 21195, dated June 10, 1929, in Application No. 14544, 33 C.R.C. 154).

(2) Between Los Angeles and points south and east thereof not involved in the application. (Decision No. 23482, dated March 4, 1931, in Application No. 17233, and Decision No. 32875, dated March 6, 1940, in Application No. 23074).

(3) Between the intersection of U. S. Highway No. 6 and a county road about four miles westerly of Inyokern and Inyokern Naval Testing Station on the other hand, and the intermediate point of Inyokern and no other points, as an extension of the rights granted by Decision No. 21195, supra. (Decision No. 37110, dated June 6, 1944, in Application No. 26139).

(4) Between Sacramento and Pacific House to the Nevada State Line. (Decision No. 38050, dated July 10, 1945, in Application No. 26829).

(5) Between the San Francisco Territory and Los Angeles Territory via any and all routes carrying general commodities, with exceptions. (Decision No. 43003, dated June 14, 1949, in Application No. 27100).

(6) Between the Los Angeles Territory and Sacramento, Stockton, Modesto, and Fresno, and points within five miles of each, and all other points and places on U. S. Highway No. 99 and off-route points within five miles of U. S. Highway No. 99 between Sacramento and Fresno (Decision No. 47901, dated November 3, 1952, in Application No. 30657).

By Application No. 34423 Western seeks authority, as an extension and enlargement of its present rights, for the transportation of general commodities, with exceptions, between all points and places north of the Los Angeles Territory to and from which applicant is presently authorized to serve, on the one hand, and, on the other hand, the basin, on an overnight basis. Applicant alleges that the rates to be assessed for the proposed service, and the rules and regulations covering it, will be those established by the Commission, as contained in Highway Carriers' Tariff No. 2 (now Minimum Rate Tariff No. 2) and other tariffs of this Commission naming rates, rules and regulations applicable to the transportation of commodities proposed to be transported between the points involved herein.

Until 1949 Western served all points in the basin as a permitted carrier. Since 1949 it has not served the basin except pursuant to the foregoing certificates.

Operating testimony in support of Western's application was as follows:

Western's operations commenced in 1920 between Los Angeles and Glendale. The company was incorporated in 1931. In addition to the certificates above referred to, Western has a radial highway common carrier permit, a city carrier permit, a highway contract carrier permit, and rights as an interstate carrier of property. It has terminals in Los Angeles, San Francisco, Oakland, San Jose, Sacramento, Stockton, Fresno, Bijou, Bishop, Lone Pine, Blythe, San Diego (interstate), Ridgecrest, and Riverside, in California, and terminals in Arizona and Nevada. Subagencies are at Bakersfield, Bridgeport, Coleville, June Lake, Leevining, Mammoth and Modesto. If the application is granted, Western will establish a new terminal at Santa Ana, giving it two terminals in the basin. Western has a

total of approximately 896 employees and maintains telephones and teletype service at all of its terminals. It has 646 pieces of equipment of all types throughout its system.

For the six months ending June 30, 1953, Western had a net income before income taxes of \$86,832, and for the six months ending June 30, 1954 it had a net income before income taxes of \$88,965. At present 65 percent by weight of Western's freight is interstate and 75 percent of its revenue comes from interstate traffic.

Western renders a daily overnight service between Los Angeles and the territory it serves north of Los Angeles, and proposes an overnight service in both directions between the basin and points north thereof.

Western carries about 250,000 - 350,000 pounds per day between Los Angeles and San Francisco, of which about 2,000 pounds per day originate in the basin and are handled to Los Angeles by connecting carriers which include Pacific Freight Lines, Southern California Freight Lines and Public Freight System. It has joint rates to Highway No. 99 points and the San Francisco Territory with carriers other than Pacific Freight Lines, but has no joint rates with any carrier to Owens Valley points (points on U. S. Highways Nos. 6 and 395 north of Los Angeles to the Nevada State Line).

During the following periods applicant handled the stated weight of intrastate traffic which moved from the basin to various destinations it has authority to serve as a highway common carrier: March 1952 - 152,255 pounds, August 1952 - 143,244 pounds, March 1953 - 322,383 pounds, August 1953 - 381,920 pounds.

By stipulation, twenty-four affidavits were received in evidence. These affidavits were made by representatives of receivers and shippers in Ridgecrest (five), Inyokern (three), Lone Pine (six), Darwin (one), Olancho (one), Bishop (four), Laws (one), June Lake (one), Colton (one), and Los Angeles (one). Their shipments vary in weight from five pounds to 20,000 pounds and in frequency from daily to weekly. They ship or receive all types of commodities. Origin points cover the basin. Each would like to have applicant's services to save time in transit and freight charges, as applicant has no joint rate agreements on shipments to and from Owens Valley points. The affiants all use applicant's services through interchange with another carrier.

No carrier appeared in opposition to applicant's request for authority to provide direct service from the basin to the Owens Valley area.

Western presented testimony from forty-nine public witnesses (excluding the affidavits relative to the Owens Valley area) representing various shippers and consignees in the areas involved. An analysis of this testimony indicates that these shippers and consignees deal with a wide variety of commodities, including those which can be hauled on regular equipment, commodities requiring refrigeration, commodities requiring open equipment, and commodities requiring flat-bed equipment. With few exceptions the witnesses desired overnight service, and stated that business conditions required such service. Most of them had used Western's through services to other areas and had used its services in conjunction with other carriers to or from the basin even though overnight service could not be afforded on the interchanged shipments. All would use applicant's proposed services if they were available.

The only protesting single-line all-weight carrier serving the points on U. S. Highway No. 99 north of Los Angeles between the area extending from Fresno to and including Sacramento, on the one hand, and all points in the basin, on the other hand, is Pacific Freight Lines which holds itself out to give second-day service. Pacific Motor Trucking Company and Santa Fe Transportation Company serve between the San Joaquin Valley points, on the one hand, and some of the points in the basin, on the other hand. Southern California Freight Lines, Pacific Freight Lines, Pacific Motor Trucking Company, Santa Fe Transportation Company, and Machado Trucking Company all serve between points in the San Francisco Bay Territory and the basin.

Few of the public witnesses were familiar with all the carriers. They had various complaints concerning the existing services, many of which were directed to the Pacific Freight Lines' second-day service on U. S. Highway No. 99 points. They also criticized the pickup service, types of equipment, and lack of refrigerated service of some of the protesting carriers. Several of the public witnesses testified that their businesses were increasing.

Shippers Express (hereinafter referred to as Shippers).

This applicant was formerly the Western Transport Company, a copartnership consisting of A. D. Woolley and R. E. Woolley. The firm name was changed to Shippers Express Company on January 1, 1953.

By Decision No. 41600, dated May 18, 1948, in Application No. 29212, Shippers received authority from this Commission to transport fresh berries from the Santa Clara Valley Territory and the Watsonville Territory to the Los Angeles Territory.

By Decision No. 43003, dated June 14, 1949, in Application No. 27301, Shippers was given authority as a highway common carrier for the transportation of general commodities, including fresh fruits and vegetables, with exceptions, and the restriction that it could not, without the approval of this Commission, operate as an underlying carrier for an express corporation or transport property for a freight forwarder, nor publish joint rates with an express corporation or freight forwarder, between the Santa Clara Valley Territory and the Los Angeles Territory.

By Decision No. 46432, dated November 20, 1951, in Application No. 31584, Shippers was given authority as a highway common carrier to transport (a) fresh, green and frozen fruits and fresh, green and frozen vegetables, including mushrooms, and empty containers for said commodities, between San Francisco Territory, on the one hand, and certain points south thereof, including the basin and San Diego, on the other hand, and (b) citrus fruits and empty containers between San Francisco Territory, on the one hand, and all points and places east of U. S. Highway No. 99, north of State Highway No. 178 (east of Bakersfield) and south of State Highway No. 180 (east of Fresno), described as the San Joaquin Valley producing area, on the other hand, via certain designated routes.

By Decision No. 49102, dated September 15, 1953, in Application No. 34022, Shippers' Los Angeles to San Jose authority (Decision No. 43003, supra) was enlarged to include the entire San Francisco Territory as defined in Item 270-A Series of Highway Carriers' Tariff No. 2. (Now Minimum Rate Tariff No. 2).

Shippers also has a radial highway common carrier's permit and a highway contract carrier's permit issued by this Commission.

By Application No. 34799, Shippers seeks authority as a highway common carrier to extend its services for the transportation of general commodities, with exceptions, between the San Francisco Territory and the Santa Clara Valley Territory, on the one hand, and, on the other hand, the basin, on an overnight basis.

Shippers proposes to apply and observe in general the minimum and the applicable rates, rules and regulations provided in Highway Carriers' Tariff No. 2 (now Minimum Rate Tariff No. 2).

One of Shippers' officials testified as follows:

Shippers has general freight terminals, trucking equipment, and personnel at San Jose and Los Angeles, with a teletype service between the terminals. Authority to extend the general commodity service to San Francisco and Oakland was granted on September 15, 1953 (Decision No. 49102, supra), and applicant does not yet have independent terminals there. By arrangement with another highway common carrier, that carrier is acting as Shippers' pickup agent in San Francisco and east bay points. This other carrier has terminals in San Francisco and Oakland.

Shippers' operating equipment consists of 103 pieces of all types, and it employs 107 persons.

For the seven-month period ending July 31, 1953, Shippers had a net income, before income taxes, of \$34,226, and for the six months ending June 30, 1954 it had a net income, before income taxes, of \$17,278.

Shippers schedules an overnight service now, and intends to give overnight service to and from the basin. Service will be rendered Monday through Friday, with service on Saturdays on special request.

Traffic to and from the San Francisco Territory and to and from the basin has been handled by Shippers for many years. Prior to certification (Decision No. 43003, supra), such shipments were handled direct by Shippers, but it is now mostly interlined with other carriers at Los Angeles. In June 1953 traffic between the San Francisco Territory and the basin amounted to 861,652 pounds, in July 1953 it amounted to 1,089,095 pounds, and in August 1953 it amounted to 932,650 pounds. If the application is granted, applicant expects to increase its tonnage to the basin from the San Francisco Territory to 30,000 to 40,000 pounds per day from each of San Francisco, Oakland and San Jose. Shippers is now delivering the heavier shipments (10,000 pounds or over) direct to consignees in the basin, and it plans to run trains consisting of a tractor and two trailers from each of San Francisco, the East Bay and San Jose, and to establish terminals at Santa Ana and Riverside. At present Shippers' northbound traffic from the basin is negligible, but it intends to solicit enough traffic to secure 120,000 pounds of freight per day.

Exhibit Shippers 6 shows all southbound interstate traffic handled by Shippers under permits between the San Francisco Territory and the basin for the months of June, July and August 1953. It contains the following information:

	<u>Southbound</u>	
June	717,070 pounds	221 shipments
July	952,644 "	292 "
August	489,139 "	148 "

Traffic out of total handled all the way by applicant:

June	568,929 pounds	24 shipments
July	829,297 "	36 "
August	402,576 "	24 "

In the same period all Shippers' northbound traffic, interline and direct haul, from the basin was as follows:

June	71,893 pounds	41 shipments
July	85,494 "	101 "
August	272,708 "	86 "

Several public witnesses appeared in support of Shippers' application. They represented businesses located in Azusa, Pomona, San Jose, San Francisco, Santa Clara, Sunnyvale, Los Angeles and Oakland, handling numerous commodities and shipping or receiving in less-than-truckload and truckload quantities. On the truckload shipments they are generally using the applicant on shipments between the basin and the points north thereof which it serves. The less-than-truckload shipments are carried between Los Angeles and the basin by some other carrier, but usually by Shippers between Los Angeles and points north thereof. Generally the witnesses were familiar with or had used some of the existing through-line highway common carriers, but none of them had tried or was familiar with all of such carriers. They collectively complained about the delay caused by the use of two carriers with the change of lading in Los Angeles. All wanted the proposed single-line service.

Savage Transportation Company (hereinafter referred to as Savage).

Savage is a California corporation. By Decision No. 43003, dated June 14, 1949, in Application No. 23877, as amended by Decision No. 47272, dated June 17, 1952, in Application No. 23877, it has authority as a highway common carrier to transport commodities with exceptions which include articles weighing in excess of 16,000 pounds, or the dimensions of which exceed 8 feet by 8 feet by 18 feet, between the San Francisco Territory and the Los Angeles Territory.

By Application No. 34537, Savage seeks an extension of its authority as a highway common carrier which will permit it to transport general commodities, with the same exceptions, between the San Francisco Territory, on the one hand, and the basin, on the other hand, on an overnight basis.

Applicant alleges that the rates to be assessed for the proposed service, and the rules and regulations covering it, will be those established by this Commission, as contained in Highway Carriers' Tariff No. 2 (now Minimum Rate Tariff No. 2) and other tariffs of this Commission, naming rates, rules and regulations applicable to the transportation of commodities proposed to be transported between the points involved herein.

The president of Savage presented operating testimony as follows:

Savage has a terminal in Los Angeles and one in San Francisco, and maintains a teletype service between them. No new terminals are contemplated if the application is granted. It will operate regular pickup and delivery routes out of Los Angeles, with arrangements for pickups being made by telephone. The charges for the telephone calls will be paid by applicant. It owns and operates 109 pieces of equipment, and employs 70 persons.

Savage has highway contract carrier and radial highway common carrier permits from this Commission and conducts operations pursuant thereto, the shipments usually consisting of truckload lots, between the San Francisco Territory and the basin.

Applicant allegedly has sufficient tonnage originating in the San Francisco Territory to operate two schedules per day from Los Angeles to San Bernardino and one schedule per day from

Los Angeles to Santa Ana. It will provide the proposed basin service on the basis of the tonnage presently moved, but will seek additional tonnage.

At present Savage operates a minimum of six schedules per day northbound from the Los Angeles Territory and the same number southbound. It has available in both Los Angeles and San Francisco sufficient equipment to handle three additional schedules per day each way.

Applicant has joint rates with Pacific Freight Lines, Southern California Freight Lines, and Public Freight System on shipments between the San Francisco Territory and the basin whereby Savage gets 60 percent of the freight charges and the connecting carrier gets 40 percent.

Savage is herein seeking to serve, pursuant to a certificate of public convenience and necessity, a territory it is presently serving and has been serving over a period of several years as a permitted carrier, and its finances appear to be adequate to insure its continued existence.

Savage's reason for requesting the described authority is that it claims to be handling a large volume of traffic with origin or destination in the proposed area, and it allegedly can handle this traffic cheaper if it handles it all the way from origin to destination without interlining it with another carrier. In March 1953 this traffic amounted to 550,090 pounds, in April 1953 to 162,111 pounds, in May 1953 to 302,773 pounds, and in June 1953 to 426,858 pounds, and was composed of 28 shipments totalling 840,000 pounds and averaging 30,000 pounds per shipment, and 210 shipments totalling 601,832 pounds and averaging 3,000 pounds per shipment.

Savage is presently handling shipments of 15,000 pounds or more direct from the San Francisco Territory to the basin, or vice versa. During the months of October and November 1952 and the month of January 1953 Savage gave shipments of under 15,000 pounds which ✓ totalled 480,450 pounds to connecting carriers.

Several public witnesses appeared in support of the Savage application. They represented parties shipping to or receiving at points in the basin. They handle various types of commodities. Shipments range from a few pounds to truckloads. All want Savage's proposed overnight service between the San Francisco Territory and the basin. The gist of their testimony is that they like, use, and will continue to use Savage on the heavier shipments, and they want Savage to carry less-than-truckload shipments direct from origin to destination without interlining with another carrier at Los Angeles. A few of them had some general complaints against one or two specific carriers, but generally they were not familiar with or had not used the existing single-line carriers.

Charles P. Hart Transportation Co., Inc. (hereinafter referred to as Hart).

Hart, the successor to Charles P. Hart, doing business as Chas. P. Hart Transportation Co., is a California corporation. It has authority from this Commission to transport general commodities, with exceptions, between the San Francisco Territory and the Los Angeles Territory, subject to the restriction that it shall not, without approval of this Commission, operate as an underlying carrier for an express corporation or transport property for a freight forwarder, nor shall it publish joint rates with an express corporation. (Decision No. 43003, dated June 14, 1949, in Application No. 24124).

By Application No. 34257, Hart seeks authority to transport general commodities, with the same exceptions, between the San Francisco Territory and the basin, on an overnight basis.

The rates, rules and regulations for the proposed services will be those established by the Commission in Highway Carriers' Tariff No. 2 (now Minimum Rate Tariff No. 2) and other tariffs of this Commission naming rates, rules and regulations applicable to the transportation of the commodities proposed to be carried between the points involved herein.

Hart presented evidence as follows:

It has terminals at Los Angeles, San Francisco, Oakland and San Jose which are connected by teletype. It owns and operates 115 pieces of equipment, and employs 91 persons.

Hart is herein seeking to serve, pursuant to a certificate of public convenience and necessity, a territory it is presently serving and has been serving over a period of several years as a permitted carrier, and its finances appear to be adequate to insure its continued existence.

Applicant offers an overnight service between the Los Angeles Territory and the San Francisco Territory. Depending on traffic requirements, between eight and twelve schedules are operated daily (except Sunday) in each direction. Equipment is dispatched direct from Los Angeles to San Francisco, San Jose and Oakland. In the southbound movement equipment is dispatched directly from each of the three named cities. In San Francisco, the Oakland area, and the Los Angeles area, regular pickup and delivery routes are maintained. Similarly, a regular route is maintained between San Francisco and Palo Alto to provide a pickup

and delivery service for the communities between San Francisco and Palo Alto. A similar route is maintained on the east side of the Bay between Richmond on the north and Niles and Newark on the south. Other points in the San Francisco Territory are handled by equipment stationed at San Jose.

Applicant has a highway contract carrier permit and a radial highway common carrier permit pursuant to which it carries shipments weighing in excess of 20,000 pounds direct from the San Francisco Territory to the basin in its own equipment. Some smaller shipments are also carried direct. It proposes to establish no additional terminals in the basin.

Several shippers were called by this applicant in support of its application. They ship various commodities which move between the San Francisco Territory and the Los Angeles Territory, including the basin. Most shipments are truckload lots. With one or two exceptions they have used Hart exclusively for periods ranging up to fifteen years. They have no complaints against the other carriers and are generally unfamiliar with them. They like Hart's services and want them continued. They realize that Hart usually interchanges less-than-truckload shipments with other carriers at Los Angeles and they want Hart to carry their shipments from origin to destination to avoid interchanges with the consequent loss of time in transit.

Willis Freight Lines (hereinafter referred to as Willig).

Willig, a California corporation, has authority from this Commission as a highway common carrier to carry general commodities, with exceptions, which include articles weighing in excess of 16,000 pounds or the dimensions of which exceed 8 feet by 8 feet by 18 feet,

between the San Francisco Territory and the Los Angeles Territory. (Decision No. 43003, dated June 14, 1949, in Application No. 24107, as amended by Decision No. 47272, dated June 17, 1952, in Application No. 24107). It also has authority to carry general commodities, with exceptions, between all points served by it and the Point Arena Weather Station. (Decision No. 49865, dated March 30, 1954, in Application No. 35146).

By the application herein Willig seeks a certificate of public convenience and necessity as a highway common carrier for the transportation of general commodities, except those proscribed by Decision No. 43003, as amended, between the San Francisco Territory, on the one hand, and the basin, on the other hand, on an overnight basis.

Applicant proposes that the rates assessed for the proposed service, and rules and regulations covering same, will be those established as minimum by this Commission, as contained in Highway Carriers' Tariff No. 2 (now Minimum Rate Tariff No. 2), and other tariffs of the Commission naming rates, rules and regulations applicable to the transportation of commodities proposed to be transported between the points involved herein.

Willig presented evidence to show the following:

It has terminals located at Los Angeles, San Francisco, Santa Rosa and Fort Bragg, which are connected by teletype, and it proposes an additional terminal in San Jose. It owns and operates 198 pieces of equipment, and it has a total of 175 employees.

For the period from January 1, 1954 to June 30, 1954 it had a net income (before income taxes) of \$69,512.

Applicant operates an average of fifteen schedules per day in each direction, five days per week, between the San Francisco Territory and the Los Angeles Territory.

During the months of March, April and May 1953, applicant carried a total of 7,412,252 pounds of freight between the San Francisco Territory and the Los Angeles Territory destined for or originating in the basin. It carried during that period approximately 350 shipments of various commodities, plus 10 split-delivery shipments from San Francisco to various points in the basin. Approximately 50 percent by number and 95 percent by weight of the shipments were truckload lots consisting of beer or empty beer containers moving between the San Francisco Territory and Santa Ana, San Bernardino, Pomona or Riverside. All of the less-than-truckload traffic during the named months and between the basin and the San Francisco Territory was interlined with another carrier at Los Angeles.

If Willig is granted the requested authority, it will operate the necessary pickup equipment out of Los Angeles to serve the basin.

Thirteen shipper or receiver witnesses appeared at the request of Willig. These parties ship or receive all types of commodities, and their shipments vary from the minimum to truckloads. They are using Willig with connecting carriers, which combination of services results in second day deliveries. They want Willig's services all the way with the proposed overnight delivery. They generally prefer Willig's services to those of other carriers.

Sterling Transit Company, Inc. (hereinafter referred to as Sterling).

Sterling is a California corporation. It received authority from this Commission (Decision No. 43003, dated June 14, 1949, in Application No. 27302, as amended by Decision No. 43732, dated January 24, 1950, in Application No. 27302) to carry general commodities, with exceptions, between the San Francisco Bay Area (smaller than the San Francisco Territory) and the Los Angeles Territory, between the San Francisco Bay Area and the San Diego Area, and between the Los Angeles Territory and the San Diego Area, subject to the restriction that it shall not, without the approval of the Commission, operate as an underlying carrier for an express corporation or transport property for a freight forwarder, nor publish joint rates with an express corporation or freight forwarder. By Decision No. 46394, dated November 6, 1951, in Application No. 31871, reference in the foregoing decisions to "San Francisco Bay Area" was changed to "San Francisco Territory," and in addition Sterling was given authority to carry general commodities, with the mentioned restrictions, between the Los Angeles Territory, on the one hand, and Fresno and Bakersfield, on the other hand.

By Application No. 34259, Sterling seeks authority as a highway common carrier to transport general commodities, with exceptions, between the San Francisco Territory, Fresno, Bakersfield and the San Diego Area, on the one hand, and the basin, on the other, on an overnight basis.

The rates assessed for the proposed service, and the rules and regulations covering the same, will be those established as minimum by this Commission, as contained in Highway Carriers' Tariff No. 2 (now Minimum Rate Tariff No. 2), and other tariffs of this Commission naming rates, rules and regulations applicable to the transportation of commodities proposed to be transported between the points involved herein.

Sterling presented evidence as follows:

It has terminals in Oakland, Fresno, Los Angeles, Bakersfield and San Diego, and it owns and operates 115 units of revenue equipment and has 96 employees. For the year ending June 30, 1954 it had a net income before income taxes of \$4,694.

Sterling offers an overnight service between all points it serves except between the San Francisco Territory and the San Diego Area, and proposes to render an overnight service between the basin and all points to be served therefrom. It maintains a minimum of five schedules daily in each direction between the San Francisco Territory and the Los Angeles Territory. Daily schedules are also maintained between Los Angeles and San Diego.

During March 1953 Sterling originated in the San Francisco Territory 175,919 pounds of traffic destined to points in the basin; during April 1953, 279,953 pounds; and in May 1953, 346,644 pounds. Applicant is also handling traffic which originates at points in the basin and is destined to other points served by applicant. At the present time shipments weighing 20,000 pounds or over are carried to or from the basin by Sterling in its own equipment. Smaller shipments are moved in the basin by a connecting carrier. It estimates that its present line-haul equipment will be sufficient to handle the traffic to and from the basin. Additional pickup equipment is to be purchased if and when required, but no new terminals are contemplated.

Several public witnesses appeared in support of this application. Their shipments vary from minimum to truckload. Generally, they said, applicant carries the heavier shipments direct from origin to destination, but it interchanges the smaller ones at Los Angeles. They ship various types of commodities. This applicant's witnesses were generally unfamiliar with the carriers authorized to serve the basin area and were satisfied with Sterling's services, both on the direct and on the interchange movements, but would like its proposed overnight single-line service.

Protestants' Showings.

Southern California Freight Lines, Pacific Freight Lines, Machado Trucking Company, and Santa Fe Transportation Company, highway common carriers now serving as such between the San Francisco Territory, the Los Angeles Territory, and the basin territory which applicants herein desire to serve, presented evidence in opposition to the granting of the requested authorities.

Southern California Freight Lines (hereinafter referred to as Southern California).

Southern California has authority from this Commission to carry general commodities between all points in the Los Angeles Territory and the basin, on the one hand, and the San Francisco Territory and San Diego, on the other hand. It claims to be giving an overnight service between the basin and points north or south thereof.

In the basin and the Los Angeles Territory it has terminals at Los Angeles (2), Santa Ana and Colton. It also has terminals at Escondido, San Diego, San Francisco, Oakland and San Jose.

Southern California has a total of 908 employees and 857 pieces of equipment.

Its vice president testified that if connecting carriers deliver shipments from points north of Los Angeles to its Los Angeles dock by 9 a.m., delivery will be made that same day to Santa Ana, Riverside, Colton and San Bernardino, and that this service has been available for a number of years. This witness further testified that Southern California holds itself out to give next-day delivery of shipments between the basin and the San Francisco Territory, with the exception of a small percentage of the traffic originating at or destined to outlying points in the basin.

Pacific Freight Lines (hereinafter referred to as Pacific).

Pacific is a highway common carrier. It has authority, among others, to serve between the San Francisco Territory, the Los Angeles Territory, the basin, San Diego, and points on U. S. Highway No. 99 between Bakersfield and Sacramento.

It maintains terminals at Los Angeles, Fresno, Oakland, Oceanside, Pomona, San Bernardino, Sacramento, San Diego, San Francisco, San Gabriel, San Jose, Santa Ana, and Stockton, among other places.

Pacific has a total of 1,250 employees, and it owns and operates 1,475 pieces of equipment.

Pacific does not hold itself out to give an overnight service southbound from the San Francisco Territory, although on occasions such service is rendered. Northbound from its Santa Ana terminal to San Francisco an overnight service is rendered.

Its witness stated that between San Francisco and the basin it has competition from three through carriers, and that in the basin and the Los Angeles Territory there are 44 short-line carriers. He said that a recent check showed that 93 percent of its shipments were less than 1,000 pounds, and that this traffic accounts for 32 percent of the weight it carries and 50 percent of its revenue. He also stated that Southern California handles about the same percentage of shipments under 1,000 pounds. Machado Trucking Company (hereinafter referred to as Machado).

Machado is a highway common carrier serving between the San Francisco Territory, the Los Angeles Territory, and the basin. Between San Francisco and Los Angeles it serves the intermediate points of Fresno and Bakersfield.

It has terminals at Los Angeles, Pomona, Bakersfield, Fresno, San Jose and Oakland. Equipment is maintained at each terminal. Machado has 55 employees, and about 65 pieces of equipment.

An overnight service is offered between the San Francisco Territory and the basin. It operates from four to seven schedules per day in each direction.

Machado's witness stated that it can handle 40 percent more traffic northbound to San Francisco, and that its south-bound schedules are not always operated to capacity.

Santa Fe Transportation Company (hereinafter referred to as Santa Fe).

Santa Fe is a highway common carrier with authority from this Commission to carry general commodities in less-than-carload quantities between railroad points from San Francisco through Oakland, Fresno, Porterville, and Los Angeles to

San Bernardino, Riverside, and Santa Ana. It has a total of 349 pieces of equipment, and has a contract with a drayage operator for pickup service in San Francisco. This local operator has assigned 25 pieces of equipment to Santa Fe's work and has more pieces available if needed.

Santa Fe has the use of all Atchison, Topeka and Santa Fe Railway's freight terminals, and provides pickup and delivery service at each of said terminals.

Santa Fe's scheduled service out of San Francisco to Los Angeles is overnight, with afternoon deliveries in San Bernardino and Redlands. At all other points delivery is second morning.

In the return direction traffic from San Bernardino, Cucamonga, Upland, Colton, Fontana, Pomona, Laverne, San Dimas, Monrovia, Azusa and Arcadia, is overnight to San Francisco. From other points it is second morning.

Santa Fe's witness testified that the average weight of Santa Fe's shipments between the San Francisco Territory and the basin is 300 pounds; that its business fell off 14 percent in the past year; that it has idle equipment which it has not had licensed for the year 1954; and that the granting of new certificates will divert traffic from Santa Fe.

In addition to the foregoing protesting carriers, there are two nonprotesting long-line carriers serving the basin, California Motor Transport Company, Ltd., and Pacific Motor Trucking Company.

Upon the evidence of record herein, we find that public convenience and necessity require that each of the applicants herein be given authority as a highway common carrier to serve between the basin and points they are now authorized to serve as set out in the order herein.

O R D E R

Applications having been filed, public hearings having been held thereon, evidence presented, the matters having been argued and submitted, and the Commission having made the findings set out in the opinion herein, based upon said findings,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be, and it hereby is granted to Western Truck Lines, Ltd., a 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 general commodities, except uncrated household goods and other commodities for which the Commission has prescribed minimum rates in Minimum Rate Tariff No. 4-A, livestock, liquid commodities in bulk, and articles of extraordinary value between all points and places north of the Los Angeles Territory it is now

authorized to serve as a highway common carrier, on the one hand, and on the other hand,

- (a) Points and places on U. S. Highway No. 66 between Los Angeles and San Bernardino, including San Bernardino;
- (b) Points and places on U. S. Highways Nos. 60, 70, and 99, between Los Angeles and Redlands, including Redlands;
- (c) Points and places on U. S. Highway No. 60, between Los Angeles and Riverside, including Riverside;
- (d) Points and places on U. S. Highways Nos. 101 and 101 By-pass, between Los Angeles and Santa Ana, including Santa Ana;
- (e) Points and places on State Highway No. 18, between Anaheim and Riverside, including service to and

from points laterally within three miles of routes (a) through (e), inclusive.

(2) That a certificate of public convenience and necessity be, and it hereby is granted to A. D. Woolley and R. E. Woolley, partners, doing business as Shippers Express 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 and other commodities for which the Commission has prescribed minimum rates in Minimum Rate Tariff No. 4-A, livestock, commodities in bulk, articles of extraordinary

value, and dangerous explosives, between the San Francisco Territory, as defined in Minimum Rate Tariff No. 2, Item 270-A, and Santa Clara Valley Territory, as defined in Appendix C of Decision No. 43003, on the one hand, and, on the other hand,

- (a) Points and places on U. S. Highway No. 66, between Los Angeles and San Bernardino, including San Bernardino;
- (b) Points and places on U. S. Highways Nos. 60, 70 and 99, between Los Angeles and Redlands, including Redlands;
- (c) Points and places on U. S. Highway No. 60, between Los Angeles and Riverside, including Riverside and March Air Force Base;
- (d) Points and places on U. S. Highways Nos. 101 and 101 By-pass between Los Angeles and Santa Ana, including Santa Ana;
- (e) Points and places on State Highway No. 18 between Anaheim and Riverside, including service to and

from points laterally within three miles of routes (a) through (e), inclusive.

(3) That a certificate of public convenience and necessity be, and it hereby is granted to Sterling Transit Company, Inc., 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 and other commodities for which

the Commission has prescribed minimum rates in Minimum Rate Tariff No. 4-A, livestock, commodities in bulk, articles of extraordinary value, commodities injurious or contaminating to other lading, dangerous explosives, commodities requiring special equipment, fresh fruits and vegetables, poultry, eggs, or perishable dairy products, and lamp black, between the San Francisco Territory, as defined in Minimum Rate Tariff No. 2, Item 270-A, Fresno, Bakersfield, and the San Diego Area, ✓ as defined in Appendix H of Decision No. 43003, on the one hand, and, on the other hand,

- (a) Points and places on U. S. Highway No. 66 between Los Angeles and San Bernardino, including San Bernardino;
- (b) Points and places on U. S. Highways Nos. 60, 70 and 99 between Los Angeles and Redlands, including Redlands
- (c) Points and places on U. S. Highway No. 60, between Los Angeles and Riverside, including Riverside.
- (d) Points and places on U. S. Highways Nos. 101 and 101 By-pass, between Los Angeles and Santa Ana, including Santa Ana;
- (e) Points and places on State Highway No. 18, U. S. Highways Nos. 91 and 395, between Los Angeles and Colton, including Colton, including service to and from

points within three miles of routes (a) through (e), inclusive.

(4) That a certificate of public convenience and necessity be, and it hereby is granted to Willig Freight Lines, a corporation, authorizing the establishment and operation of a service as a highway common carrier for the transportation of general commodities, except uncrated household goods and other commodities for which the Commission has prescribed minimum rates in Minimum Rate Tariff No. 4-A, livestock, commodities in bulk, articles of extraordinary value, commodities injurious or contaminating to other lading, dangerous explosives, commodities requiring special equipment other than refrigeration, and articles weighing in excess of 16,000 pounds or the dimensions of which exceed 8 feet by 8 feet by 18 feet, between the San Francisco Territory, as defined in Minimum Rate Tariff No. 2, Item No. 270-A, on the one hand, and, on the other hand,

- (a) Points and places on U. S. Highway No. 66, between Los Angeles and San Bernardino, including San Bernardino;
- (b) Points and places on U. S. Highways Nos. 60, 70 and 99, between Los Angeles and Redlands, including Redlands;

- (c) Points and places on U. S. Highway No. 60, between Los Angeles and Riverside, including Riverside; and
- (d) Points and places on U. S. Highways Nos. 101 and 101 By-pass between Los Angeles and Santa Ana, including Santa Ana;
- (e) Points and places on State Highway No. 18, U. S. Highways Nos. 91 and 395, between Los Angeles and Colton, including Colton;

including service to and from points laterally within three miles of routes (a) through (e), inclusive.

(5) That a certificate of public convenience and necessity be and it hereby is granted to Savage Transportation Co., Inc., a 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 general commodities, except uncrated household goods and other commodities for which the Commission has prescribed minimum rates in Minimum Rate Tariff No. 4-A, livestock, commodities in bulk, articles of extraordinary value, commodities injurious or contaminating to other lading, dangerous explosives, commodities requiring special equipment other than refrigeration, and articles weighing in excess of 16,000 pounds or the dimensions of which exceed 8 feet by 8 feet by 18 feet, between the San Francisco Territory, as defined in Minimum Rate Tariff No. 2, Item 270-A; on the one hand, and, on the other hand,

- (a) Points and places on U. S. Highway No. 66, between Los Angeles and San Bernardino, including San Bernardino;
- (b) Points and places on U. S. Highways Nos. 60, 70 and 99, between Los Angeles and Redlands, including Redlands;
- (c) Points and places on U. S. Highway No. 60, between Los Angeles and Riverside, including Riverside;

- (d) Points and places on U. S. Highways Nos. 101 and 101 By-pass between Los Angeles and Santa Ana, including Santa Ana;
- (e) Points and places on State Highway No. 18, U. S. Highways Nos. 91 and 395, between Los Angeles and Colton, including Colton;

including service to and from points laterally within three miles of routes (a) through (e), inclusive.

(6) That a certificate of public convenience and necessity be and it hereby is granted to Charles P. Hart Transportation Co., Inc., a 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 general commodities, except uncrated household goods and other commodities for which the Commission has prescribed minimum rates in Minimum Rate Tariff No. 4-A, livestock, commodities in bulk, articles of extraordinary value, commodities injurious or contaminating to other lading, dangerous explosives, and commodities requiring special equipment, including refrigeration, between the San Francisco Territory, as defined in Minimum Rate Tariff No. 2, Item 270-A, on the one hand, and, on the other hand,

- (a) Points and places on U. S. Highway No. 66, between Los Angeles and San Bernardino, including San Bernardino;
- (b) Points and places on U. S. Highways Nos. 60, 70 and 99, between Los Angeles and Redlands, including Redlands;
- (c) Points and places on U. S. Highway No. 60, between Los Angeles and Riverside, including Riverside;
- (d) Points and places on U. S. Highways Nos. 101 and 101 By-pass, between Los Angeles and Santa Ana, including Santa Ana;
- (e) Points and places on State Highway No. 18, U. S. Highways Nos. 91 and 395, between Los Angeles and Colton, including Colton;

including service to and from points laterally within three miles of routes (a) through (e), inclusive.

(7) That in providing service pursuant to the certificates granted by paragraphs (1), (2), (3), (4), (5) and (6) of this order, applicants Western Truck Lines, Ltd., A. D. Woolley and R. E. Woolley, doing business as Shippers Express, Sterling Transit Company, Inc., Willig Freight Lines, a corporation, Savage Transportation Co., Inc., and Charles P. Hart Transportation Co., Inc., shall comply with 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 5th day of April, 1955.

John E. ...
President

Justin F. Casner

Stanley ...

Commissioners