

Decision No. 59743**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 CALIFORNIA MOTOR TRANSPORT CO., LTD.,  
 a corporation, for a certificate of  
 public convenience and necessity to  
 extend highway common carrier service.

Application No. 41109

Marvin Handler, Daniel W. Baker and Robert C. Ellis,  
 for applicant.  
Frank Loughran, for Sacramento Auto Truck; Bruce R.  
Geernaert and Bertram S. Silver, for Fortier  
 Transportation Co.; Willard S. Johnson, for  
 J. Christenson Co., Woods Truck Line, Karlson  
 Bros. Trucking Service, Georgetown Express  
 and Ted Peters Trucking Company, Inc.; Crossland,  
 Crossland and Richardson, by R. S. Crossland,  
 for Valley Motor Lines, Inc., et al., Mariposa  
 Express, Oregon-Nevada-California Fast Freight,  
 Inc., Southern California Freight Lines, et al.,  
 protestants.  
Ray Harris, for Delta Lines, Inc., interested party.

O P I N I O N

This application was filed on May 4, 1959 and amended on June 17, 1959. Public hearings were held before Examiner John Power on seven dates in 1959. After the last of these, October 9, the matter was submitted subject to the late filing of two exhibits. The last of these was received on December 1, 1959 and the matter is ready for decision.

California Motor Transport presently operates as a highway common carrier generally between Sacramento and San Diego and serves between San Francisco and Los Angeles over both the coast and valley routes. By this application it seeks to extend service generally between Redding and Fresno including lateral rights which would enable it to render service throughout most of the Sacramento Valley.

On June 29 and 30 applicant presented operating and public witness testimony at San Francisco. Fifteen witnesses appeared and the testimony of 25 others was admitted pursuant to stipulation.

At Los Angeles on July 14 and 15, 22 witnesses testified and 21 were stipulated by counsel. On August 18 at Sacramento nine witnesses testified and the evidence of six was admitted by stipulation. Protestants presented operating testimony at San Francisco on September 21. Protestant Mariposa Express presented both operating and public witness testimony at Mariposa on October 9. This Mariposa testimony included 13 who actually testified and 6 whose evidence was received by stipulation.

The applicant's experience as a highway common carrier dates back to June 5, 1930. It was then authorized to acquire an existing highway common carrier certificate by a Commission order. Since that time it has continuously rendered service as a common carrier to the California shipping public.

The applicant is in very sound condition financially. Its terminals, personnel and fleet have been expanded as needed ever since it began serving the public in this State and past experience suggests that such expansion will be continued as needed. Applicant serves about eight thousand regular customers and many thousands of casual patrons.

The public witnesses made it clear that they prefer a carrier that has authority to serve many points. They dislike interlining. They have patronized applicant in the past and will continue to do so in the future, having found its service entirely satisfactory.

The public witnesses were all patrons of applicant, many of them for several years. They prefer the service of applicant to other services with which they are familiar. They have found applicant's service reliable and suited to their needs and they would like to employ it more than they are now able to do. There is a growing use of the split delivery device and accumulation of shipments to take advantage of more economical large quantity rates.

Most of the witnesses were familiar with the practice of interlining and it was universally unpopular with them. Since most ship in interstate as well as intrastate commerce, they have to accept the fact that they will never be able to avoid interlining completely. However, the less of it there is, the better they will be pleased. The chief complaints are delays to shipments, difficulty of tracing shipments and the fact that consignees hold them responsible for the acts of carriers whom they do not know and usually did not select.

Many Southern California witnesses like to tack their shipments to points north of Sacramento onto shipments to the more populous Stockton-Sacramento area. Any carrier not in a position to accept such shipments is at a disadvantage. Similarly many Northern California shippers prefer a carrier who can serve the whole Los Angeles Basin Territory. Lack of authority to serve these two areas may cause some shippers to change to new carriers.

The testimony of the witnesses is in accord with the Commission's own knowledge of the organization of which applicant is an important part. Annual gross revenue of this system is now approaching the ten million dollar mark. Clearly a substantial segment of the shipping community finds that the services of applicant and its affiliates are quite satisfactory.

The areas served by certain protestants in the Sierra Nevada mountains will not be included. These areas are very sparsely inhabited. For example, Mariposa County has a population of about 5,000 with about 700 of these in the county seat. For the present these mountain areas will be left in statu quo. The protestants in these areas are advised, however, that there must be no discrimination, either between long-line carriers or between shippers.

The other exception is in the field of commodities. Applicant requested that household goods and livestock be excepted. ✓ The evidence reveals, moreover, that applicant has no tank, dump or hopper type vehicles nor does it appear to have any vehicles equipped for mechanical mixing in transit. These exceptions will be added to those requested.

With the exceptions noted, the Commission finds that public convenience and necessity require that the authority sought in the application be granted.

Applicant is 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, 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 modified or canceled 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

Public hearings having been held and based upon the evidence adduced therein and the application and the amendment to the application,

IT IS ORDERED:

1. That a certificate of public convenience and necessity is granted to California Motor Transport Co., Ltd., a corporation, authorizing it to operate as a highway common carrier as defined by Section 213 of the Public Utilities Code for the transportation of

property between the points and over the routes particularly set forth in Appendices A and B attached hereto and made a part hereof.

2. That in providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations:

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that it will be required, among other things, to file annual reports of its operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 99. Failure to file such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Order No. 99, may result in a cancellation of the operating authority granted by this decision.
- (b) Within sixty days after the effective date hereof, and on not less than ten days' notice to the Commission and to 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 29th day of February, 1960.

\_\_\_\_\_  
President

*[Signature]*

\_\_\_\_\_  
Commissioners

*[Signature]*

*[Signature]*

*[Signature]*

5- Commissioner Everett C. McKeage, being necessarily absent, did not participate in the disposition of this proceeding.

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(a corporation)

California Motor Transport Co., Ltd., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport general commodities between the points hereinafter designated:

1. U.S. Highway 99 between Project City and Red Bluff.
2. U.S. Highway 99W between Red Bluff and its intersection with U.S. Highway 40 near Davis.
3. U.S. Highway 99E between Red Bluff and Roseville.
4. U.S. Highway 40 between San Francisco and Colfax.
5. All points and places within the area bounded by U.S. Highways 99W, 99E and 40.
6. State Highway 24 between Marysville and Oroville.
7. Unnumbered highway between Oroville and its junction with U.S. Highway 99E, approximately 1.2 miles northwest of Oroville.
8. Unnumbered highway between Oroville and Palermo.
9. Unnumbered highway between Marysville and Camp Beale.
10. Between Stockton and Brentwood on State Highway 4, including 25 mile lateral north of State Highway 4.
11. Between Brentwood and Tracy via unnumbered highway.
12. Between Danville and Mission San Jose via State Highway 21, including off-route point of Pleasanton.
13. Between San Francisco and Tracy via U.S. Highway 50, including off-route points of Livermore and Parks Air Force Base.
14. Between Pinole and Pleasant Hill Road on State Highway 4.
15. Between San Francisco and Novato via U.S. Highway 101 including all points westerly to the Pacific Ocean with alternate route via Richmond-San Rafael Bridge.

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16. All points and places between U.S. Highway No. 99 and the eastern boundary lines of Sacramento and San Joaquin Counties.
17. All points and places between U.S. Highway 99 and a line drawn parallel to, and 20 miles easterly from said U.S. Highway 99 from the Stanislaus-San Joaquin Counties boundary line on the north to Fresno on the south.
18. Between all points and places in the Los Angeles Basin Territory, as described in Appendix B hereto attached.
19. Between Riverside and San Diego via U.S. Highway 395 and all points and places located between U.S. Highways 395 and 101, Temecula to San Diego, on the east, and San Clemente to San Diego, on the west.
20. Between Ventura and Ojai via U.S. Highway 399 and State Highway 150.
21. All points on State Highway 126 between U.S. Highways 101 and 99, including all places within a 5-mile lateral.
22. Between Santa Paula and Ojai via State Highway 150.
23. Between junction of U.S. Highway 101 and State Highway 118 and Chatsworth via State Highway 118, including all places within a 5-mile lateral.
24. Between junction of U.S. Highway 99 and State Highway 126 and San Fernando via U.S. Highway 99, including all places within a 5-mile lateral.
25. All intermediate points on routes described and all points within three miles laterally of any highway named herein may be served.

Applicant may perform service between all points it is herein authorized to serve, and between all such points and all points presently served.

Applicant may make use of any street, road, highway, ferry, or toll bridge necessary or convenient for the purpose of performing the service herein authorized.

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Applicant shall not transport any shipments of:

1. Used household goods and personal effects not packed in accordance with the crated property requirements set forth in paragraph (d) of Item No. 10-C of Minimum Rate Tariff No. 4-A.
2. Livestock, viz.: bucks, bulls, calves, cattle, cows, dairy cattle, ewes, goats, hogs, horses, kids, lambs, oxen, pigs, sheep, sheep camp outfits, sows, steers, stags or swine.
3. Liquids, compressed gases, commodities in semiplastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semitrailers or a combination of such highway vehicles.
4. Commodities when transported in bulk in dump trucks or in hopper-type trucks.
5. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.

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LOS ANGELES BASIN TERRITORY includes that area embraced by the following boundary: Beginning at the point the Ventura County-Los Angeles County boundary line intersects the Pacific Ocean; thence northeasterly along said county line to the point it intersects State Highway No. 118, approximately two miles west of Chatsworth; easterly along State Highway No. 118 to Sepulveda Boulevard; northerly along Sepulveda Boulevard to Chatsworth Drive; northeasterly along Chatsworth Drive to the corporate boundary of the City of San Fernando; westerly and northerly along said corporate boundary to McClay Avenue; northeasterly along McClay Avenue and its prolongation to the Angeles National Forest Boundary; southeasterly and easterly along the Angeles National Forest and San Bernardino National Forest boundary to the county road known as Mill Creek Road; westerly along Mill Creek Road to the county road 3.8 miles north of Yucaipa; southerly along said county road to and including the unincorporated community of Yucaipa; westerly along Redlands Boulevard to U. S. Highway No. 99; northwesterly along U. S. Highway No. 99 to the corporate boundary of the City of Redlands; westerly and northerly along said corporate boundary to Brookside Avenue; westerly along Brookside Avenue to Barton Avenue; westerly along Barton Avenue and its prolongation to Palm Avenue; westerly along Palm Avenue to La Cadena Drive; southwestwesterly along La Cadena Drive to Iowa Avenue; southerly along Iowa Avenue to U. S. Highway No. 60; southwestwesterly along U. S. Highways Nos. 60 and 395 to the county road approximately one mile north of Perris; easterly along said county road via Nuevo and Lakeview to the corporate boundary of the City of San Jacinto; easterly, southerly and westerly along said corporate boundary to San Jacinto Avenue; southerly along San Jacinto Avenue to State Highway No. 74; westerly along State Highway No. 74 to the corporate boundary of the City of Hemet; southerly, westerly and northerly along said corporate boundary to the right of way of The Atchison, Topeka & Santa Fe Railway Company; southwestwesterly along said right of way to Washington Avenue; southerly along Washington Avenue, through and including the unincorporated community of Winchester to Benton Road; westerly along Benton Road to the county road intersecting U. S. Highway No. 395, 2.1 miles north of the unincorporated community of Temecula; southerly along said county road to U. S. Highway No. 395; southeasterly along U. S. Highway No. 395 to the Riverside County-San Diego County boundary line; westerly along said boundary line to the Orange County-San Diego County boundary line; southerly along said boundary line to the Pacific Ocean; northwestwesterly along the shore line of the Pacific Ocean to point of beginning.