

Decision No. 61413**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SAMJO, INC., a California corpora-)
 tion, doing business as SMISER)
 FREIGHT SERVICE, for an in lieu cer-)
 tificate of public convenience and)
 necessity to operate as a highway)
 common carrier for the transporta-)
 tion of property and to extend its)
 present certificate of public con-)
 venience and necessity.)

Application No. 42545

Donald Murchison, for applicant.O P I N I O N

By the application herein, filed with the Commission on August 10, 1960, Samjo, Inc., a California corporation, doing business as Smiser Freight Service, requests an in lieu certificate of public convenience and necessity as a highway common carrier, as defined in Section 213 of the Public Utilities Code, and an extension of its present certificate of public convenience and necessity. Applicant seeks authority for the transportation of general commodities, with the usual exceptions,

- (1) To, from and between all points and places located in the Los Angeles Basin Territory.
- (2) Between the Los Angeles Basin Territory on the one hand and San Ysidro inclusive on the other hand, via U. S. Highways 101, 101 Alternate, 101 By-pass and 395, serving all intermediate points located on and along said highways.
- (3) Between the Los Angeles Basin Territory on the one hand and Fresno inclusive on the other hand, via U. S. Highway 99 and State Highway 65 and serving all intermediate points on and along said highways.

That in addition to the above, applicant proposes to serve all intermediate points and all off-points located within ten miles of either side of said highways above enumerated, as well as the

specific off-points of Dinuba, Hanford, Corcoran, Taft, Wasco, Shafter, Lemoore, and Lemoore Naval Air Station.

The applicant is now authorized to transport specified commodities which are quite broad in scope numbering approximately 300 items. The authority is between Area "A" (Los Angeles Pickup zone) and Area "B" (outlying delivery zone). Area "B" includes Glendale; Burbank; San Fernando; Pasadena; El Monte; Arcadia; and Belvedere, Los Angeles County; between the said areas, on the one hand, and Bakersfield on the north and National City on the south, on the other hand, plus the specific off-route points of Oildale and Edison.

A public hearing was held on November 29, 1960, at Los Angeles before Examiner Martin J. Porter and the matter was submitted. There was no protest to the application although the application and notice of hearing was sent to all known common carriers with whom the service proposed herein might be competitive.

The evidence shows that the applicant, through inadvertence, failed to include Lemoore Naval Air Station in the list of specific off-points in its application.

The applicant is presently operating as a highway common carrier and holds a permit as a highway contract carrier.

Applicant has operated between points proposed as a permitted carrier. There has been a substantial increase in population and industry in this area and applicant receives increasing requests from shippers having movements of general commodities to, from and between this area. For the past year applicant has performed service to and from Lemoore Naval Air Station three times a week; it is expected that the need for this transportation service will increase. At present applicant's regular customers frequently have occasion to

tender shipments which require split deliveries where one delivery is within the present certificated area and other deliveries are outside the area. This places a rate burden upon applicant's regular customers which applicant seeks to eliminate by the present request for expansion of its service area. Exhibit 2, profit and loss statement for January 1, 1960 to October 31, 1960, shows total income of \$249,104.20, total liabilities of \$206,821.37 for a net income of \$42,282.83. Of the total income \$185,685.21 is operating freight revenue and the remaining is assigned to warehouse income, non-operating income and other operating income.

Exhibit 3 lists 38 pieces of operating equipment.

Four shipper witnesses testified. These shippers all have used applicant's service and were highly satisfied. Applicant provides late pickup service and careful handling, necessary for their type of business. All shippers testified their businesses were expanding and they would use the proposed service if granted.

Exhibit 5 is a list of 33 additional shippers who, if called, would testify substantially the same as the witnesses called.

The types of commodities shipped included, in part, welding flux, plumbing supplies, table ware, toys, trailer parts, boat supplies, metal building products, sporting goods, casing products and general hardware merchandise.

Upon consideration of all of the evidence adduced herein, we find that public convenience and necessity require that 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

A public hearing having been held and based upon the evidence therein adduced,

IT IS ORDERED that:

1. A certificate of public convenience and necessity is hereby granted to Samjo, Inc., a corporation, authorizing the transportation of property as a highway common carrier as defined by Section 213 of the Public Utilities Code, between the points and over the routes as set forth in Appendices A and B attached hereto and made a part hereof.

2. In providing service pursuant to the certificate of public convenience and necessity herein granted, applicant shall comply with and observe the following service regulations:

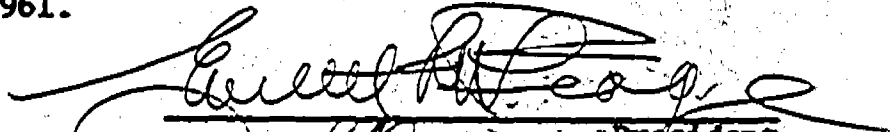
- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that it will be required, among other things, to file annual reports of its operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 99 and insurance requirements of the Commission's General Order No. 100-A. 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 Orders Nos. 99 and 100-A, may result in a cancellation of the operating authority granted by this decision.

(b) Within one hundred twenty 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.

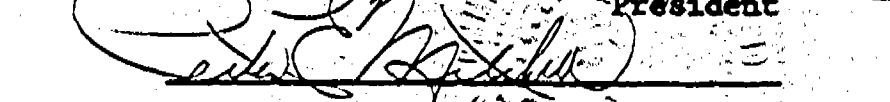
3. The certificate of public convenience and necessity granted in paragraph 1 of this order is in lieu of and supersedes all existing certificates of public convenience and necessity heretofore granted to or acquired by Samjo, Inc., which certificates are hereby canceled and revoked, said revocation to become effective concurrently with the effective date of the tariff filings required by paragraph 2(b) hereof.

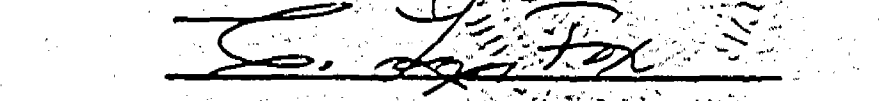
The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 24th day of January, 1961.



 President





 Commissioners

Samjo, Inc., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport general commodities as follows:

1. Between all points and places located in the Los Angeles Basin Territory as described in Appendix B attached hereto.
2. Between all points and places located on and within 10 miles laterally of the following named highways:
 - a. U. S. Highway 101 between the southerly boundary of the Los Angeles Basin Territory and San Ysidro, inclusive.
 - b. U. S. Highway 395 between the southerly boundary of the Los Angeles Basin Territory and San Diego, inclusive.
 - c. U. S. Highway 99 between the northerly boundary of the Los Angeles Basin Territory and Fresno, inclusive.
 - d. State Highway 65 between junction with U. S. Highway 99 near Bakersfield and junction with State Highway 198 near Exeter.
 - e. State Highway 198 between junctions with State Highway 65 and U. S. Highway 99.
3. Between the following off-route points: Taft, Shafter, Wasco, Corcoran, Hanford, Lemoore, U. S. Naval Air Station at Lemoore, and Dinuba.
4. Through routes and rates may be established between any and all points described in subparagraph 1 through 3 above.
5. Service may be performed between certificated points via any and all available streets and highways including all connecting streets and highways.

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6. Applicant shall not transport any shipments of:
- a. 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.
 - b. Automobiles, trucks and buses, viz.: new and used, finished or unfinished passenger automobiles (including jeeps), ambulances, hearses, and taxis; freight automobiles, automobile chassis, trucks, truck chassis, truck trailers, trucks and trailers combined, buses and bus chassis.
 - c. 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.
 - d. Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerator equipment.
 - e. Liquids, compressed gases, commodities in semi-plastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semitrailers or a combination of such highway vehicles.
 - f. Commodities when transported in bulk in dump trucks or in hopper-type trucks.
 - g. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
 - h. Logs.
 - i. Articles of extraordinary value as set forth in Rule 3 of Western Classification No. 77, J. P. Hackler, Tariff Publishing Officer, on the issue date thereof.

End of Appendix A

Issued by California Public Utilities Commission.

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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; southwestwardly along La Cadena Drive to Iowa Avenue; southerly along Iowa Avenue to U. S. Highway No. 60; southwestwardly 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; southwestwardly 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; northwesterly along the shore line of the Pacific Ocean to point of beginning.