

ORIGINALDecision No. 62287

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
DAVIES TRANSPORTATION COMPANY, a
Corporation for a certificate of
Public Convenience and Necessity to
extend highway Common Carrier service.

Application No. 43257
(Filed March 24, 1961)

Phil Jacobson, for applicant.

O P I N I O N

This application was heard before Examiner Kent C. Rogers in Los Angeles on June 7, 1961, on which date it was submitted. Copies of the application and the notice of hearing were served in accordance with the Commission's procedural rules. There were no protests.

The applicant is a highway common carrier presently transporting general commodities, with exceptions, and subject to restrictions against through routes: (a) Between all points in the Los Angeles territory as described in its certificate; (b) between Los Angeles, on the one hand, and La Habra and Santa Ana, on the other hand; and (c) between Los Angeles, on the one hand, and Altadena, Azusa, Monrovia, Pomona, San Bernardino and Riverside, on the other hand.

Applicant proposes to provide an on-call highway common carrier service, rendering an overnight service Monday through Friday to, from and between all points and places in the Los Angeles Basin Territory. In its presently certificated services,

applicant publishes rates in conformity with Tariff 18-B of the Western Motor Tariff Bureau and will establish rates in conformity therewith as to any territory to which it receives a certificate.

Applicant has approximately 22 pieces of equipment of all types and will lease more equipment if needed.

As of December 31, 1960, applicant had current assets valued at \$18,514 and current liabilities of \$4,445. For the year ending December 31, 1960, it had net operating revenues of \$23,095.

Applicant is affiliated with the Davies Warehouse Company and both the applicant and said warehouse are located at 164 South Central Avenue, Los Angeles. At that location the warehouse company has a total of 150,000 square feet of warehouse space and a dock with space for ten trucks. This dock space will be available to the applicant.

The total capital stock in each company is owned by two sisters. The warehouse company rents the dock space at the warehouse to applicant on a month to month basis.

The warehouse corporation has numerous clients storing all types of merchandise in the warehouse (Exhibit No. 1 and Exhibit No. 3). These clients have deliveries made from the warehouse to collectively all points and places in the Los Angeles Basin Territory (Exhibit No. 2). These customers have been doing business with the warehouse over a period of years and applicant asserts that they desire that it, as an affiliate of the warehouse, deliver their merchandise from the warehouse to the consignees as it saves time in transit and handling.

Six of applicant's customers appeared in support of the application and the record shows others were willing to testify. The appearing witnesses represented manufacturers, distributors, or brokers of general commodities warehoused at the affiliated warehouse who desire that applicant transport shipments from the warehouse to collectively all points and places in the Los Angeles Basin Territory. Their shipments range in size from 100 pounds to truckloads and they ship daily to one or more points in the proposed service area. The companies now use applicant as a certificated carrier where possible and as a permitted carrier in the noncertificated points in the proposed service area. Several have split deliveries or multiple lot shipments, or both, and would like to have all of their deliveries in the Los Angeles Basin Territory made by applicant under a highway common carrier certificate to receive rate advantages and expedited service.

Upon consideration of the evidence, the Commission finds and concludes that applicant possesses the experience, equipment and financial resources to institute and maintain the proposed services and that public convenience and necessity require that the application be granted as set forth in the ensuing order.

Davies Transportation Company 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 and findings herein contained,

IT IS ORDERED:

1. That a certificate of public convenience and necessity be and it is granted to Davies Transportation Company, a corporation, authorizing it to operate as a highway common carrier, as defined in Section 213 of the Public Utilities Code, between the points and over the routes as more particularly set forth in Appendices A and B attached hereto and hereby made a part hereof. ✓

2. That the certificate of public convenience and necessity granted in paragraph 1 of this order supersedes the certificate of public convenience and necessity granted by Decision No. 55019 and acquired by Davies Transportation Company by Decision No. 56306, which certificate is hereby revoked, said revocation to become effective concurrently with the effective date of the tariff filings required by paragraph 3(b) hereof.

3. 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 and insurance requirements of the Commission's General Order No. 100-B. 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-B, 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 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 18th day of July, 1961.

[Signature]
 President

[Signature]

[Signature]

George J. Hoover

Fredrick B. Hobbs
 Commissioners

Davies Warehouse Company, a corporation, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport general commodities between all points within the Los Angeles Basin Territory, as more particularly described in Appendix B attached hereto.

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. 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.
3. 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.
4. Commodities requiring protection from heat by the use of ice (either water or solidified carbon dioxide) or by mechanical refrigeration.
5. 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.

Issued by California Public Utilities Commission.

Decision No. 62287, Application No. 43257.

6. Commodities when transported in bulk in dump trucks or in hopper-type trucks.
7. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
8. Logs.

End of Appendix A

Issued by California Public Utilities Commission.

Decision No. 62287, Application No. 43257.

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; southwesterly along La Cadena Drive to Iowa Avenue; southerly along Iowa Avenue to U. S. Highway No. 60; southwesterly 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; southwesterly 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 shoreline of the Pacific Ocean to point of beginning.