

**ORIGINAL**Decision No. 67838

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 EAGLE TRUCK LINES, INC., a corporation, )  
 for a certificate of public convenience )  
 and necessity to institute a highway )  
 common carrier service. )

Application No. 44619  
 (Filed July 9, 1962)

Bertram S. Silver, for applicant.

Arthur H. Glanz, for Associated Freight Lines;  
 Boulevard Transportation Company; California Cartage  
 Company; California Motor Express, Ltd.; Constructors  
 Transport Co.; Delta Lines, Inc.; Di Salvo Trucking  
 Company; Merchants Express of California; Oregon-  
 Nevada-California Fast Freight; Pacific Motor Trucking  
 Company; Pacific Intermountain Express Company;  
 Shippers Express Company; Southern California Freight  
 Lines, Inc.; Valley Motor Lines, Inc.; and Sterling  
 Transit Company, protestants.

Russell and Schureman, by R. Y. Schureman, for Brake  
 Delivery Service; Burton Truck & Transfer Co.; City  
 Transfer, Inc.; G & H Transportation, Inc.; Griley  
 Security Freight Lines; Imperial Truck Lines; Quikway  
 Trucking Co.; Ronga Truck Company; S and M Freight  
 Lines; and Swift Transportation Company, protestants.

O P I N I O N

This application was heard in Los Angeles, before Examiner Fraser, on November 13, 14 and 15, 1963, and March 23, 24 and 25, 1964. It was submitted on the last day of hearing without briefs or closing argument.

The applicant, a corporation, is operating under permitted authority, as a radial highway common carrier, a highway contract carrier and a city carrier. The applicant also operates as a highway common carrier under a certificate of public convenience and necessity granted by Decision No. 54389 and Decision No. 61538 in Application No. 36409, to Theodore F. Rocke, doing business as Eagle Truck Lines, Inc. The operating authority granted by the two decisions noted

above was registered with the Interstate Commerce Commission and transferred to Eagle Truck Lines, Inc. by Decision No. 63948, in Application No. 44546. The Interstate Commerce Commission also authorized the transfer in an order dated August 16, 1963 and the transfer was made on October 1, 1963. The present certificate authorizes the transportation of general commodities to and from all points in an area bounded generally by Hollywood and Beverly Hills on the west, and by a line approximately six miles from downtown Los Angeles on the north, east and south; also from the Los Angeles Drayage Area, on the one hand, and Arcadia, El Monte, Baldwin Park, Monrovia, Azusa, Covina, Pomona, Puente, Brea, La Habra, Whittier, Fullerton, Canoga Park, Reseda and Walnut, on the other hand.

Applicant has requested that its certificate be amended, under Sections 1063 and 1064 of the Public Utilities Code, to authorize the transportation of general commodities between all points and places in the Los Angeles Basin Territory, and between all points and places on and within 25 miles of Highways 101 and 101 Alternate from Los Angeles to San Ysidro and Highway 395 between San Diego and San Bernardino. The applicant stipulated during the first day of hearing that no service is proposed or requested to points north or east of the Los Angeles Basin Territory.

Applicant requests that it be authorized to establish through routes and rates between any and all points to be served. Applicant also requests that the authority to be granted include the right to engage in foreign and interstate commerce within the service area on intrastate hauling described in the certificate. The notice of applicant's intention to seek the authority to operate interstate was published in the Federal Register of October 30, 1963.

The record shows that applicant now operates out of a single terminal in Los Angeles with eight vans and two stake trucks, three tractors, four semitrailers, a station wagon and a Falcon (Exhibit No. 6). Applicant's balance sheet (Exhibit No. 7), dated October 1, 1963, shows total assets of \$51,729.53, current liabilities of \$18,299.84, long-term liabilities of \$13,443.70 and a total capital of \$19,985.99. Its profit and loss statement for the nine months ended on September 30, 1963, shows freight revenue of \$182,549.65 and operating expenses of \$154,664.10, with a net income before taxes of \$27,885.55. The application alleges that the proposed service will be daily with the exception of Sundays and holidays; rates to be charged will be applied from Minimum Rate Tariff No. 2 and other applicable minimum rate tariffs of the Commission.

The president of the applicant corporation testified as follows: he operated as an individual, under his own name, until October 1, 1963, when his operating authorities were transferred to the corporation along with assets and liabilities; the corporation is now serving all points in the extended area of the Los Angeles Basin with eight regular routes; the first covers the San Bernardino, Riverside, Redlands area, starting at Ontario or Pomona; the second, Alhambra, Pasadena and Monrovia, to Pomona; the third, Glendale to Canoga Park, and Woodland Hills; the fourth, Santa Monica, Beverly Hills and Hollywood; the fifth, Inglewood, El Segundo, Redondo Beach; the sixth, Palos Verdes Estates, Torrance and Compton; Long Beach, San Pedro, South Gate and Huntington Park on the seventh and the final route covering the east side of Los Angeles to Whittier; in addition there is a route which covers Orange County, one or more routes in the Los Angeles Drayage Area and a final route which covers the San Diego area, including Vista, Escondido, Elsinore, National City, Chula Vista and El Cajon; the service is usually overnight, although same-day delivery can be provided on large shipments ar

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THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY

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special orders; the interstate shipments handled by the applicant are exclusively to or from the Los Angeles docks; if the requested authority is granted, service will be provided to the Los Angeles docks from all points served by the applicant; many of applicant's 200 regular customers are providing sales and service in areas outside of applicant's certificated authority and have requested applicant to provide the truck service necessary to expansion; applicant has filed the present application to satisfy these customers; applicant now operates over the same routes and between the same points with such frequency that it has become a legal requirement to serve the routes and points as a certificated carrier.

Nineteen shipper witnesses testified for applicant, fifteen from Los Angeles, one from San Diego and three from Escondido. They ship electric batteries for commercial use, electric signs, steel shelving, lockers, office furniture, boxes and cabinets, paper boxes, curtains and draperies, venetian blinds, ink and chemicals, insulation material, toys, hobby shop supplies, tires, auto batteries, hardware, fibre glass, adhesives, tapes, air filters, steel stampings, school and industrial furniture and auto parts. Shipments vary in size from less than ten pounds to more than a truckload. Most of these shippers require daily service through parts of the Los Angeles area and to San Diego. The need for service to other points varies from three or four deliveries a week to less than one a month. Most prefer the service offered by applicant because of prompt pickup and delivery. Others because applicant has provided special care with light and fragile loads and has provided prompt and courteous service on claims. Several require Saturday service which has been provided by applicant and some would transfer a portion of the business now hauled by other carriers to applicant, if the latter's authority is expanded, due to restricted loading space and the desire to be served by fewer

carriers. Most of these shippers also use their own trucks or other carriers, although the majority have experienced delayed or missed pickups and deliveries, poor claim service and long delays on delivery from other carriers. A manufacturer of insulation testified that on one occasion one of the protestants refused to carry insulation material because it is too light and bulky, although the applicant has always transported it. One witness testified that he requires daily service on interstate shipments to the Los Angeles docks and that he will give this business to applicant if the latter is granted the required authority. All of the witnesses require intrastate service throughout the area in which applicant has requested authority to operate as a certificated carrier and all will use the extended service if applicant receives a certificate.

Eighteen of the protestants presented oral and documentary evidence. All of them presented evidence to show that they have adequate equipment to handle any foreseeable increase in the public need for either interstate or intrastate service throughout the area applied for by applicant. All of them stated they have equipment operating in this region at much less than full capacity, and several have trucks which are inoperative due to a lack of business. They claim they are losing business and along with other carriers will be forced to petition this Commission for a substantial raise in rates if many more general commodity carriers are certificated in the area where they operate. Testimony was presented to inform this Commission that at least 60 general commodity carriers serve the Los Angeles Basin along with hundreds of permitted carriers and proprietary haulers. Protestants serving San Diego stated it is a consumer rather than a production area and all of the profit is in the haul from Los Angeles to San Diego; trucks returning to Los Angeles are normally about one-quarter loaded; the commodities moved out of San Diego are now hauled by so many carriers that all are losing money

on the return to Los Angeles. Protestants all carry goods in interstate commerce between the California points they serve. Many have extensive interline connections with large interstate operators which serve the entire United States. Most prefer to haul goods in interstate commerce and all are violently opposed to the grant of interstate authority to any additional carriers. Protestants allege they are opposing this application because another certificated carrier is not needed in any part of the zone applied for and because applicant can serve all of its customers adequately under the operating authorities it now holds.

Upon consideration of the evidence, the Commission finds that:

1. Applicant is now serving the Los Angeles Basin Area and San Diego area by a series of regular daily routes which start from applicant's terminal in Los Angeles.
2. The present certificate held by applicant which authorizes service to, from and between certain municipalities in the Los Angeles Basin Area is unduly restrictive.
3. Shippers served by applicant are expanding their operations and sales and require a regularly scheduled service from applicant throughout the Los Angeles Basin Area and to Escondido and San Diego, and the required service to intermediate points and out to San Bernardino is much less frequent and can be provided under permitted authority.
4. Applicant operates out of a single terminal with ten trucks and three tractors. Applicant does not have sufficient equipment to serve more of the public than a few selected shippers, who are furnished a specialized personal service which a large carrier with numerous accounts could never provide.



5. Shippers who testified prefer the service offered by applicant to that of other highway carriers, although none have used more than a few of the carriers who are available in the territory applicant seeks to serve as a highway common carrier.

6. Applicant has failed to show a need for expansion of its interstate authority.

7. Public convenience and necessity require that the proposed service be authorized as specified in the order which follows.

8. Applicant has the experience, equipment and personnel to maintain the operations to be authorized and the financial ability to support the proposed service.

The Commission concludes that the application should be granted to the extent set forth in the ensuing order.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Eagle Truck Lines, Inc., 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 more particularly set forth in Appendices A and B attached hereto and made a part hereof.

2. 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 of the California Highway Patrol and the 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 safety rules or the provisions of General Order No. 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, applicant shall establish the service herein authorized and file tariffs, in triplicate, in the Commission's office.
- (c) The tariff filings shall be made effective not earlier than thirty days after the effective date of this order on not less than thirty days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the establishment of the service herein authorized.
- (d) The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 80-A.

3. The certificate of public convenience and necessity granted in paragraph 1 of this order supersedes all existing certificates of public convenience and necessity authorizing the transportation of general commodities heretofore granted to or acquired by Eagle Truck Lines, Inc., and presently possessed by it, which certificates are hereby 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 15<sup>th</sup> day of SEPTEMBER, 1964.

Fredrick B. Hallock  
President

George G. Grover  
Commissioner George G. Grover, being necessarily absent, did not participate in the disposition of this proceeding.

William M. Bennett  
Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

Eagle Truck Lines, Inc., 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 and places in Los Angeles Basin Territory as described in Appendix B attached hereto, and between said Los Angeles Basin Territory and San Diego and Escondido. Applicant may operate over any and all available streets and highways for operating convenience only. The operating authority hereinabove set forth does not include the right to render service to, from or between intermediate points not named herein.

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 Item No. 5 of Minimum Rate Tariff No. 4-B.
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 the use of special refrigeration or temperature control in specially designed and constructed refrigerator equipment.
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.

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Decision No. 67838, Application No. 44619.

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.
9. Portland or similar cements, in bulk or packages, when loaded substantially to capacity of motor vehicle.

End of Appendix A

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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; northwesterly along the shoreline of the Pacific Ocean to point of beginning.