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ORIGINAL

Decision No. 68645

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of A & B GARMENT DELIVERY OF SAN FRANCISCO, a corporation, for an expansion of its present certificate of public convenience and necessity authorizing highway common carrier service, and the removal of a restriction therefrom.

Application No. 46320
(Filed March 27, 1964)

Handler, Baker and Green, by Daniel W. Baker,
for applicant.
Graham James and Rolph, by Boris H. Lakusta and
E. Myron Bull, Jr., for protestants.

O P I N I O N

Duly noticed public hearings were held before Examiner Power in San Francisco on October 6, 7, 28, and 29, and at Santa Rosa on October 9, 1964. The matter was submitted on October 29, 1964.

The application was protested by six highway common carriers of general commodities: California Motor Transport Co., Delta Lines, Inc., Merchants Express of California, Nielsen Freight Lines, Pacific Motor Trucking Co., and Willig Freight Lines.

A & B Garment Delivery of San Francisco (A & B) presently operates under authority granted by Decision No. 61999 dated May 16, 1961, as amended by Decision No. 63148 dated January 23, 1962, in Application No. 42840. This authority names 36 commodities, or groups of commodities. These, in general, cover wearing apparel, items that go into or with apparel, like shoes, bags, linings, and items which, though not apparel, are commonly sold in clothing stores, such as umbrellas, luggage, towels, and draperies.

The authority includes the right to haul general commodities to or from garment retailers and between certain retailers, wholesalers, and manufacturers.

Applicant seeks to extend the above-described authority from Ignacio Junction to Santa Rosa on U.S. Highway 101. It also seeks to have removed from its certificate a restriction reading as follows:

"Rates maintained on merchandise in cartons exceeding 8 pounds in weight shall be assessed on a 'per shipment' basis and not upon a 'per package' basis, except on movements between retail stores and branches or warehouses thereof." (Original page 3, Appendix A, Decision No. 63148.)

Applicant has also applied for an extension of its authority in interstate and foreign commerce under Section 206(a) (6) of the Interstate Commerce Act to the same points as its intrastate authority. ^{1/} Applicant registered Decision No. 63148 with the Interstate Commerce Commission on BMC form 75 on or about April 26, 1962. This registration has been accepted by the ICC and assigned No. MC-99339 (Sub No. 3). This registration has been perpetuated under Section 206(a) (7) (a) of said Act. Notice of the instant application appeared in the Federal Register of April 22, 1964.

Applicant's service is a specialized one catering to the clothing store trade. The most attractive feature of its operation is the transportation of garments in bags on hangers.

A witness for a chain of women's specialty shops testified that his company has 15 shops in A & B's certificated area. A 16th shop has been opened in Santa Rosa. A & B serves this last store under its permitted authority. This witness's company ships most of the enumerated commodities and some, like janitorial

^{1/} This authority is identical with the Intrastate except that the I.C.C. omits the general commodity provisions.

supplies, wrapping materials, and light bulbs, that are not enumerated. This witness ships exclusively by A & B when he can. He finds standard common carriers unsatisfactory, and stated that use of A & B speeds up deliveries.

A second witness also represented a chain. His firm has 25 stores in California, including 21 in the A & B area. It deals in men's, women's, and children's clothing, luggage, gift items, sporting goods, and athletic supplies. It has used A & B for 17 years. His testimony was, in effect, similar to that of the first witness with more emphasis on interstate commerce.

The third witness represented an interstate carrier which works with applicant. He pointed out that, in slow seasons, San Francisco area traffic is included in Los Angeles shipments, resulting in a day's delay. This witness's company operates transcontinentally as a motor carrier and as an airfreight forwarder (actually there are two corporations). He pointed out that any enlargement of A & B's authority would reduce the number of days per year on which it was necessary to route northern California shipments through Los Angeles.

The fourth witness represented a chain of men's and boys' stores, thirteen in all, soon to be increased to fourteen. One of the existing stores is in Santa Rosa, where the witness's company is served on contract.

The fifth witness represented a San Francisco dress manufacturer. This witness uses A & B, but not to the Petaluma-Santa Rosa area. He has to pack his shipments to that area which frequently necessitates repressing. He would like the services of A & B to the area and would use them if available.

The sixth witness represented Garment Carriers, Inc., which is one of three companies, including applicant, in common ownership. One operates in the Los Angeles area. Applicant operates in the San Francisco metropolitan area. Garment Carriers, Inc., operates between the two areas.

A & B distributes for Garment Carriers, Inc., throughout its certificated area. This traffic includes interstate traffic chiefly from Phoenix and Tucson, Arizona. The operating authority of this carrier is substantially similar to that of applicant. Only applicant can satisfactorily serve this carrier because only applicant affords a hanger movement.

The seventh witness represented a custom draperies manufacturer. He receives piece goods, ships draperies and associated hardware. He ships the draperies on hangers. He had not been served by A & B to Petaluma-Santa Rosa, but would use the A & B service if it were available to him. He anticipated that his business would expand in the area if this application were granted.

The eighth witness represented two dress manufacturers in San Francisco. These are in common ownership, but manufacture different types of dresses. He ships dresses, and packaged goods that go with them for the two companies. He does not now have A & B service to Petaluma-Santa Rosa. His present service to the area is not satisfactory and he would use A & B service if it were available to him. He stressed the need of a hanger service.

The ninth witness ships cosmetics, lotions, notions, luggage, and gift items associated with cosmetics. This witness's company operates cosmetic concessions in women's clothing stores. He had used A & B for eight years and he liked the service.

Four witnesses testified in Santa Rosa on behalf of the application. These witnesses' firms were not then receiving A & B service. All of them desired it. Two represented department stores; one, a store dealing in women's apparel; and the fourth, a men's store. Some represented stores that had outlets in A & B's present territory. All receive lading from outside the state. One of the witnesses was a director of the Santa Rosa Downtown Development Association and, as such, presented a resolution of its Board of Directors supporting the application (Exhibit 10).

Upon returning to San Francisco, applicant presented a witness who was executive director of an association in the fashion trade. He presented a resolution of his board of directors endorsing this application. A partner in a model agency testified to the advantages resulting from having A & B service available to transport fashion shows.

Protestants presented two witnesses representing common carriers of general commodities. They testified to the service rendered by their companies, which was typical of carriers of this type.

In the Commission's opinion A & B is a specialized carrier serving a particular commercial enterprise. Because of this specialization it can render a service that common carriers of general commodities cannot duplicate as far as this business is concerned. ✓

The Commission finds that:

1. Applicant is now serving the San Francisco Bay and Delta area and renders both overnight and same-day service within its service area.

2. Applicant's certificate does not authorize service to points along U.S. Highway 101 between Ignacio Junction and Santa Rosa, inclusive, although these points are portions of the metropolitan area served by applicant.

3. Applicant renders a specialized service to a particular trade; namely, to manufacturers, wholesalers, and retailers of garments and commodities sold therewith. The service rendered by applicant is superior to any service that common carriers of general commodities can render consistently with the duties that such carriers have assumed to the shippers of other commodities.

4. Condition No. 2, appearing on Original Page 3 of Appendix A to Decision No. 63148, in Application No. 42840, and relating to rates is undesirable and contrary to the public interest.

5. Public convenience and necessity require that the application should be granted insofar as it relates to intrastate commerce.

6. Public convenience and necessity require that applicant be authorized to engage in interstate or foreign commerce within a portion of the limits of the intrastate authority herein granted as requested in its publication in the Federal Register.

The Commission concludes that the application should be granted.

O R D E R

IT IS ORDERED that:

1. Appendix A to Decision No. 61999, dated May 16, 1961, as amended by Decision No. 63148, dated January 23, 1962, in Application No. 42840, is further amended by incorporating therein Second

Revised Page 2, attached hereto, in revision of First Revised Page 2 and First Revised Page 3, attached hereto, in revision of Original Page 3.

2. As herein amended, said Decision No. 61999 is continued in full force and effect.

3. Applicant is authorized to register a portion of the intrastate authority herein granted with the Interstate Commerce Commission for operations in interstate and foreign commerce as indicated in Appendix C hereto attached.

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

Dated at San Francisco, California, this 24th day of FEBRUARY, 1965.

Friedrich C. Hallock
President
John E. Mitchell
George F. Trover
August
William L. Bennett
Commissioners

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Appendix C

A & B GARMENT DELIVERY
OF SAN FRANCISCO
(a corporation)

Original Page 1

Notice having been given to interested persons through publication in the Federal Register of April 22, 1964 of the filing of this application and of the desire of the applicant to engage in transportation in interstate and foreign commerce, reasonable opportunity having been given to interested persons to be heard, the authority hereinafter defined not exceeding the intrastate authority of applicant and the Public Utilities Commission of California having found that public convenience and necessity so require

APPLICANT IS AUTHORIZED to register authority with the Interstate Commerce Commission for operations as a motor common carrier of the commodities listed in paragraph I below between the points designated in paragraph II below in interstate and foreign commerce.

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|----------------------|--------------------|---------------------|
| I. Apparel, wearing | Draperies | Patterns |
| Bags, cloth | Dry Goods | Shirts |
| Bags, hand | Fittings, tailored | Shoes |
| Bath Robes | Footwear | Suspenders |
| Belts | Furnishings, men's | Tapes, cloth |
| Blouses | Garments | Textiles |
| Buttons | Gloves | Thread |
| Cloth | Hangers, clothes | Ties |
| Cloth, piece goods | Hose | Towels |
| Clothing | Jewelry, costume | Trimmings, tailored |
| Clothing Accessories | Lining, clothes | Umbrellas |
| Containers, clothes | Luggage | Yarns |

- II. Between all points and places on and within 5 miles of U.S. Highway 101 between San Francisco and Santa Rosa, inclusive, and all points within 5 miles of the City of Santa Rosa.

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commodities specifically named in Paragraph I above, and manufacturers of the commodities specifically named in Paragraph I above; and

(c) To or from fashion shows.

1. Between all points and places within San Francisco Territory as described in Appendix B attached hereto and within 5 miles of the boundary thereof.
2. Between all points and places on and within 5 miles laterally of the following highways:
 - a. U.S. Highway 101 between San Francisco and Santa Rosa, inclusive;
 - b. State Highway 37 between Ignacio Junction and Napa, inclusive, including the off-route point of Sonoma;
 - c. U.S. Highway 40 between San Francisco and North Sacramento, inclusive;
 - d. State Highway 29 between the junction of said highway with U.S. Highway 40 and Napa, inclusive;
 - e. U.S. Highway 50 between San Francisco and Sacramento, inclusive, including the off-route point of Pleasanton;
 - f. State Highway 4 between the junction of said highway with U.S. Highway 40 and Stockton, inclusive, including the off-route points of Port Chicago and Byron;
 - g. State Highway 24 between Oakland and Pittsburg, inclusive, including the off-route point of Moraga;
 - h. State Highway 21 between Warm Springs and Martinez, inclusive;
 - i. U.S. Highway 99 between Stockton and Modesto, inclusive;

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Appendix A
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A & B GARMENT DELIVERY
OF SAN FRANCISCO
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First Revised Page 3
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- j. State Highway 33 between the junctions of said highway with U.S. Highway 50 near Tracy and State Highway 132 near Vernalis, inclusive; and
- k. State Highway 132 between the junction of said highway with State Highway 33 near Vernalis and Modesto, inclusive.
3. Between all points and places within 10 miles of the City of Sacramento.
4. Between all points and places within 10 miles of the City of Stockton.
5. Between all points and places within 5 miles of the City of Santa Rosa.

Through routes and rates may be established between any and all points and places specified in paragraphs 1 through 5, inclusive.

Applicant may use any and all available alternate routes for operating convenience only.

CONDITION

Applicant shall not transport property sold by a retail merchant from said retail merchant's store or warehouse to the purchaser thereof.

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