

**ORIGINAL**Decision No. 72722

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 Sophie W. Jakobsen, doing business as  
 TRANS-BAY MOTOR EXPRESS CO., for an  
 order amending a weight restriction  
 in her certificate of public convenience  
 and necessity as a highway common carrier.

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 ) Application No. 48056  
 ) (Filed November 12, 1965)  
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Scott Elder, for applicant.

Graham James & Rolph, by Boris H. Lakusta and  
E. Myron Bull, Jr., for Boulevard Transporta-  
 tion Company, California Cartage Company,  
 California Motor Transport Co., T.I.M.E.  
 Motor Freight, Delta Lines, Inc., Di Salvo  
 Trucking Company, Ringsby-Pacific Ltd.,  
 Garden City Transportation Company, Walkup's  
 Merchants Express, Nielsen Freight Lines,  
 Oregon-Nevada-California Fast Freight and  
 Southern California Freight Lines, Pacific  
 Intermountain Express, Pacific Motor Trucking  
 Company, Shippers Express, Sterling Transit  
 Co., Inc., Warren Transportation Company,  
 Willig Freight Lines, protestants.

O P I N I O N

Applicant has a certificate of public convenience and  
 necessity to operate as a highway common carrier of general  
 commodities.<sup>1/</sup> Its service area is bounded generally by Santa Rosa,  
 Sacramento, Fresno, Salinas and the Monterey Peninsula. In addition  
 to the customary exclusions, the certificate also prohibits the  
 transportation of:

"Parcels or packages which weigh in excess of 200  
 pounds and shipments including any split pickup

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<sup>1/</sup> By amendment to the application filed May 3, 1967, it was  
 pointed out that by Decision No. 72335, dated April 25, 1967,  
 in Application No. 49234, the Commission authorized the trans-  
 fer of the highway common carrier operating rights from Sophie  
 W. Jakobsen to Trans-Bay Motor Express, Inc. Such substitution  
 of applicant will be made in this proceeding.

and any split delivery shipment, to which is applicable a rate subject to a minimum weight exceeding 20,000 pounds."

By this application, a change in the above-cited exclusion is sought so as to permit the transportation of "barrels, drums and parcels or packages strapped or otherwise secured to pallets or skids" which weigh in excess of 200 pounds.

Public hearings on the application were held in San Francisco before Examiner Turpen on January 20 and 27, and March 2, 1966. The matter was submitted August 1, 1966, on the filing of closing briefs. Applicant's general manager and representatives of seven shippers testified in support of the application. Seventeen highway common carriers protested the application. Representatives of five of these carriers testified in opposition to the sought amendment of the certificate.

Applicant's operations differ from those of most highway common carriers. Trans-Bay offers an expedited parcel service between Bay Area points and from the Bay Area to the rest of the territory served without handling shipments into the Bay Area, except for returned shipments. Applicant has only a single terminal at Emeryville which is designed and especially equipped to handle and sort parcels on moving belts. Shipments are picked up, brought to the terminal, sorted and placed in the vehicle going to the destination area. The trucks are dispatched at various times during the night so as to arrive at the first destination in time for the opening of the business day.

Applicant's general manager testified that frequently some shippers had barrels, drums or palletized items that they desired to ship along with parcels weighing under 200 pounds or as split delivery shipments along with such parcels. The witness

said that the inability to accept the heavy items with the parcels as a single shipment often resulted in the shipper giving the entire lot to another carrier. He also said that Trans-Bay would actively solicit such heavy shipments without parcels under 200 pounds being included in the shipment.

The testimony of the various shipper witnesses showed that their companies have used Trans-Bay as a carrier for some time and have found the service excellent and fast; that they frequently have barrels, drums or pallets weighing over 200 pounds that they would like to ship by Trans-Bay along with smaller packages, but have to ship by another carrier or by Trans-Bay as separate shipments under Trans-Bay's permit operation. The shipper testimony showed that they would like to see the sought authority granted so that they could use Trans-Bay for such service.

On cross-examination of the shipper witnesses, it was developed that they all have a number of other carriers, including many of the carriers protesting this application, call at their docks, daily or frequently, for shipments both within the territory served by Trans-Bay and to other points in the State and interstate. It also was developed that the shippers are generally satisfied with the service given by these carriers, but that if the authority sought herein is granted, much of the heavier weight shipments would be diverted to Trans-Bay, as the shippers feel that the service by Trans-Bay is superior to that offered by the other carriers.

The testimony of the protesting carrier witnesses showed, in general, that each serves all or part of the territory served by Trans-Bay, and collectively they serve the entire territory. They also at present transport shipments for the shippers who testified

in support of the application, both within and outside of the area involved. Their testimony shows that they all are operating at less than full capacity, and that loss of any of the present business to Trans-Bay would increase their operating ratios. Several of these witnesses, who have had many years' experience as carrier traffic managers, stated that if Trans-Bay receives the requested authority and develops a considerable amount of heavy weight shipments, in their opinion, it could not continue the single terminal operation as now conducted. Protestants contend that granting of the application would eventually result in Trans-Bay becoming a general commodity carrier with a dilution of the traffic now available to the existing carriers.

It is clear that Trans-Bay has developed a successful operation as a carrier of small parcels. Its whole operation is geared to the rapid handling and delivery of such shipments. It is also clear that if Trans-Bay undertakes the handling of a substantial number of heavier weight shipments it will have to change its method of operation and possibly establish destination terminals. The shipper support in this application is based on the desire to extend the expedited small shipment service that Trans-Bay now offers to larger shipments, but it is obvious that if Trans-Bay has many of the larger shipments the present expedited service may seriously deteriorate. It is equally obvious that the number of general commodity carriers which now serve this area is sufficient to afford shippers adequate service. Applicant's statements that it will vigorously solicit the larger shipments makes clear its desire to get into the general commodity field, already adequately served by the protestant carriers.

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The Commission finds that:

1. Applicant operates as a highway common carrier offering an expedited service for shipments consisting of parcels under 200 pounds each.

2. Shippers frequently have barrels, drums or palletized shipments weighing over 200 pounds that they desire to combine with their small shipments, but an adequate number of carriers are already available to satisfactorily handle such shipments.

3. Expansion of applicant's certificate as requested could conceivably result in a necessary change in operating practices so as to create a deterioration of the small-shipment service in which applicant now specializes.

4. Applicant has not shown that public convenience and necessity require the sought amendment of the certificate.

We conclude that the application should be denied.

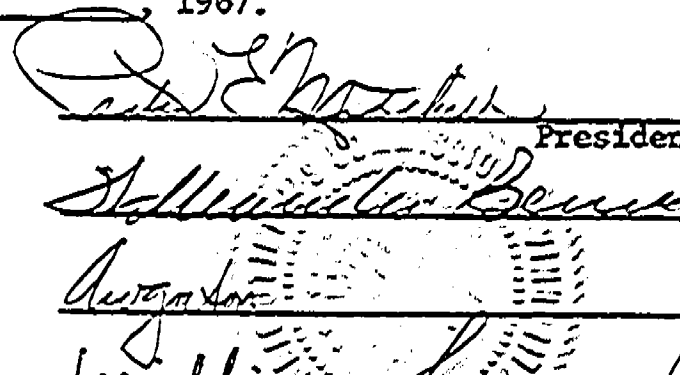
O R D E R

IT IS ORDERED that Application No. 48056, as amended, is denied.

This order shall be effective twenty days after the date hereof.

Dated at San Francisco, California, this

11th ~~12th~~ day of JULY, 1967.

  
[Signature]  
President  
[Signature]  
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Commissioners