

**ORIGINAL**

Decision No. 74592

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of WALKUP'S MERCHANTS EXPRESS, a  
corporation, for a certificate of  
public convenience and necessity  
to extend highway common carrier  
service.

Application No. 47472

Bruce A. Geernaert, for Walkup's Merchants  
Express, petitioner.  
Boris H. Lakusta, Richard Eastman and  
E. Myron Bull, Jr., for Willig Freight  
Lines, protestant.

OPINION ON REHEARING

On December 20, 1966, the Commission issued Decision No. 71736 which denied the instant application. A petition for rehearing was filed on February 20, 1967. It was granted by a Commission order dated April 18, 1967, and the rehearing was held in San Francisco before Examiner Fraser on December 21, 1967. The parties agreed prior to the hearing that the record was complete and that more evidence would serve no purpose. Oral argument was presented to summarize the lengthy record and the rehearing was submitted on the filing of concurrent and closing briefs.

Petitioner operates as a certificated carrier along U.S. Highway 101 from Santa Rosa north to the Oregon border. It does not have authority to serve points more than 20 miles west of U.S. Highway 101 between Santa Rosa and Longvale, both inclusive.

Petitioner applied herein for authority to serve State Highway 1 along the coast to Fort Bragg. The application was protested by Willig Freight Lines, the only carrier certificated to serve the area.

The applicant argued that the restriction which it seeks to remove was included in its certificate as a favor to Willig Freight Lines. Applicant emphasized that Willig Freight Lines has been the only carrier certificated in the Fort Bragg area for some time and that Willig has never instituted service between Fort Bragg, Crescent City and Eureka. Applicant noted that several shippers testified they were required to use their own trucks to haul between the three points mentioned, due to the lack of common carrier service. Applicant further emphasized that the shippers using Willig have no choice; they must conform to the Willig schedules or do without the service. Applicant argued that Willig does not have the equipment or proper scheduling to serve the fisheries in Fort Bragg. Fishing and lumber constitute the principal industry in the area.

Applicant alleged that past Commission decisions have granted applications of this type where an area was served by a single carrier and the scheduling of trucks was designed to satisfy the convenience of the carrier rather than the shipping public. Applicant maintains if it is authorized to serve the area, it will establish service in both directions between Eureka, Crescent City and Fort Bragg; that it will connect Fort Bragg with all other points in the State of California; that it will provide a split-delivery service throughout the area and will improve Willig's service by providing competition.

Willig argued that the area applicant seeks to serve has had a population of about 7,000 people during the last ten years and future growth is not anticipated; local people are involved in ranching, farming, lumber and commercial fishing; lumber is shipped by local carriers and most of the fish is transported by privately owned trucks; Willig trailers average a 62% load hauling into the area and a 12% load returning to the Bay Area; the few shippers who need

frequent service do not ship enough goods to justify all of the schedules maintained by Willig; another large carrier would at best be only a marginal operator and probably would suffer severe and steady financial loss. It was emphasized that other remote areas are served by a single certificated carrier whereas here, there is little industry and a sparse population.

The original decision discussed and weighed all issues developed in the oral argument and briefs on rehearing. It would be superfluous to reconsider the arguments. We therefore find that nothing additional was presented to justify altering or rescinding the original decision and we conclude that it should be affirmed.

ORDER ON REHEARING

The petition of Walkup's Merchants Express for a rehearing having been granted, rehearing having been held with oral arguments and briefs introduced, the matter having been submitted and now being ready for decision,

IT IS ORDERED that Decision No. 71736, dated December 20, 1966, be and it is affirmed, effective today.

Dated at San Francisco, California, this 27<sup>th</sup> day of AUGUST, 1968.

William Synovis, Jr.  
President

John P. Monroney  
Commissioners

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