

Decision No. 80677

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
RAMS EXPRESS, a California corporation,
for an extension of its Certificate of
Public Convenience and Necessity to
operate as a highway common carrier
for the transportation of property in
interstate and intrastate and foreign
commerce, and for an In Lieu Certifi-
cate of Public Convenience and
Necessity therefor.

Application No. 53233
(Filed March 24, 1972)

Donald Murchison, Attorney at Law, for applicant.
Russell & Schureman, by Carl H. Fritze, Attorney
at Law, for Delta Lines, Inc. and Griley Freight
Lines, interested parties.

O P I N I O N

Applicant, a California corporation, is operating under permitted authority as a radial highway common carrier and a highway contract carrier. Applicant also operates in intrastate commerce only, as a highway common carrier pursuant to Decision No. 67438, dated June 23, 1964, in Application No. 45000. This certificate authorizes the applicant to transport general commodities, with the usual exceptions, between all points and places in the Los Angeles Basin Territory.

Applicant now requests an in lieu certificate of public convenience and necessity, pursuant to Section 1063 of the Public Utilities Code, as an extension of applicant's existing certificate, to authorize applicant to transport general commodities in intra-state commerce only, from the Los Angeles Basin Territory north on Highway 101, Interstate 5, and State Routes 1, 23, 118, 126 and 150 to, and including, Santa Barbara, serving all intermediate points with a ten-mile lateral; also to authorize applicant to

extend service south along Interstate Highways 5 and 15 to and including the San Diego Territory, serving all intermediate points, with a ten-mile lateral along both routes.

A public hearing was held before Examiner Fraser in Los Angeles on July 11 and 12, 1972. A protest was filed but during the first day of hearing protestants withdrew and became interested parties.

Applicant operates from a terminal in Los Angeles with a 3½-acre parking lot, a storage building with gates designed to load or unload 18 trucks simultaneously, a 50 by 70 foot office area, and a maintenance facility which has four full-time mechanics. Applicant also employs a president, vice-president and dispatcher, an 8-man dock crew, and 41 drivers. Operating equipment in July, 1972 totaled 27 van and stake trucks, 25 tractors, 35 large trailers, and 2 dollies. Applicant's balance sheet, dated May 31, 1972, shows total current assets of \$183,009 and total fixed assets of \$223,310. Liabilities total \$106,239. The profit and loss statement for the eleven months ended on May 31, 1972, shows a profit of \$75,995 after federal taxes.

Applicant's president testified he has held the position for 11 years, since the applicant started service. He testified the proposed service will be provided on an "on-call basis", Monday through Saturday, with Sundays and holidays excepted; and that all service will be overnight, i.e., shipments picked up one day would be delivered on the morning of the following day. He further testified that the tariffs presently used by the applicant will be applied in the extended area applicant seeks to serve. He testified the application was filed to accommodate customers who have expanded to areas outside of the Los Angeles Basin Territory. Applicant serves some of these shippers as a contract carrier, but could provide better and cheaper transportation under a certificate.

Sixteen shippers testified for the applicant. They ship printing matter, office equipment, iron and brass pipe fittings and valves, starch adhesives, resins, drugs, medicines, toilet preparations, soap, paint products, pipe, switch boxes, electrical fittings, wire and cable, transformers, industrial chemicals, rubber products, oil, antifreeze, patio, porch and Christmas lights, electric motors and parts, and health and beauty products. Shipments vary from a few pounds to more than a truckload. All have used applicant's service from two to eleven years. Most require five-day service, although three have pickups on Saturday and most have a need for extra on-call pickups. Most are substantial shippers who move more than 100,000 pounds a week and ship daily out of the Los Angeles area north to Santa Barbara and south to San Diego. All have used three or more other carriers but prefer Rams' service for various reasons. They praised applicant's prompt pickups and deliveries, courteous drivers, clean equipment, care in handling shipments and facility in providing extra on-call pickups. All testified they will use the applicant's expanded service if this application is granted. It was noted that most have limited dock space and prefer to rely on one or two good carriers for all of their transportation needs. All testified that their businesses were expanding in both the number and size of shipments. Several had recently opened new branch offices, warehouses or manufacturing plants. Twenty four other shippers were ready to testify but were not called after the protest was withdrawn.

Upon consideration of the evidence, the Commission finds that applicant is able to supply the extended service, has adequate equipment, has the necessary experience, and is financially sound. We further find that public convenience and necessity require that the application be granted in the manner set forth in the ensuing order which will provide for an in lieu certificate combining all of applicant's intrastate operating authority.

Applicant 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

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Rams Express, 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 particularly set forth in Appendix A 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. Failure so to do may result in a cancellation of the operating authority granted by this decision.
 - (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. Applicant is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, it will be required, among other things, 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-Series.
 - (b) Within one hundred twenty days after the effective date hereof, applicant shall establish the service and amend its tariffs on file with the Commission to reflect the authority granted herein.

- (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-Series.
- (e) Applicant shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.
- (f) Applicant shall comply with the requirements of the Commission's General Order No. 84-Series for the transportation of collect on delivery shipments. If applicant elects not to transport collect on delivery shipments, it shall make the appropriate tariff filings as required by the General Order.

3. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede all existing certificates of public convenience and necessity authorizing the transportation of general commodities heretofore granted to or

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acquired by Rams Express and presently possessed by it, which certificates are revoked 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 31st day of OCTOBER, 1972.

I abstain



Commissioner


President



Commissioners

Rams Express, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to conduct operations as a highway common carrier as defined in Section 213 of the Public Utilities Code for the transportation of general commodities as follows:

- I. Between all points and places within the Los Angeles Basin Territory, as described in Note A, and between the Los Angeles Basin Territory, on the one hand, and on the other hand;
 - a. Santa Barbara, via U.S. Highway 101, Interstate Highway 5 and State Highways 1, 23, 118, 126 and 150, serving all intermediate points on or within ten miles laterally of said highways, between the northern boundary of the Los Angeles Basin Territory and Santa Barbara, inclusive.
 - b. The San Diego Territory, as described in Note B, via Interstate Highways 5 and 15, serving all intermediate points on and within ten miles laterally of said highways, between the southern boundary of the Los Angeles Basin Territory and the San Diego Territory, inclusive.
- II. Carrier may establish through routes and rates between any or all points authorized to be served.

Carrier shall not transport any shipments of:

1. Used household goods, personal effects and office, store and institution furniture, fixtures and equipment not packed in accordance with the crated property requirements set forth in Item 5 of Minimum Rate Tariff 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.

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3. Livestock, viz.: barrows, boars, bulls, butcher hogs, calves, cattle, cows, dairy cattle, ewes, feeder pigs, gilts, goats, heifers, hogs, kids, lambs, oxen, pigs, rams (bucks), sheep, sheep camp outfits, sows, steers, stags, swine or wethers.
4. 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.
5. Commodities when transported in bulk in dump trucks or in hopper-type trucks.
6. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
7. Fresh fruits and vegetables, nuts in the shell and mushrooms, from point of growth or from accumulation points to canneries, packing sheds, precooling plants, wineries and cold storage plants.
8. Explosives as described in and subject to the regulations of Motor Carriers' Explosives and Dangerous Articles Tariff 11, Cal. P.U.C. 6, American Trucking Associations Inc., Agent, on the issue date thereof.
9. Articles of Extraordinary Value as set forth in Rule 15 of National Motor Freight Classification A-7, Cal. P.U.C. 1, National Motor Freight Traffic Association, Inc., Agent, on the issue date thereof.
10. House trailers, trailers other than house trailers, portable units designed for human occupancy other than trailers, and parts, contents or supports for such articles when accompanying such equipments.
11. Furniture, as described under the heading "Furniture Group" in National Motor Freight Classification A-7, Cal. P.U.C. 1, National Motor Freight Traffic Association, Inc., Agent,

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on the issue date thereof, and lamp shades or reflectors and lamp standards or electric lamps and shades combined when the furniture or other articles are tendered to the carrier loose (not in packages nor completely wrapped.)

12. Garments on hangers.
13. Hay, fodder and straw in machine pressed bales.
14. Logs.
15. Portland or similar cements, in bulk or packages, when loaded substantially to capacity of motor vehicle.

Note A

LOS ANGELES BASIN TERRITORY

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 118, approximately two miles west of Chatsworth; easterly along State Highway 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 of the City of San Fernando to MacLay Avenue; northeasterly along MacLay and its prolongation to the Los Angeles National Forest Boundary; southeasterly and easterly along the Angeles National Forest and San Bernardino National Forest Boundary to Mill Creek Road (State Highway 38); westerly along Mill Creek Road to Bryant Street; southerly along Bryant Street to and including the unincorporated community of Yucaipa; westerly along Yucaipa Boulevard to Interstate Highway 10; northwesterly along Interstate Highway 10 to Redlands Boulevard; northwesterly along Redlands Boulevard to Barton Road; westerly along Barton Road to La Cadena Drive; southerly along La Cadena Drive to Iowa Avenue; southerly along Iowa Avenue to State Highway 60; southeasterly along State Highway 60 and U.S. Highway 395 to Nuevo Road; easterly along Nuevo Road via Nuevo and Lakeview to State Highway 79; southerly along State Highway 79 to State Highway 74; thence westerly to the corporate boundary of the City of Hemet; southerly, westerly and northerly

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along said corporate boundary to The Atchison, Topeka & Santa Fe right-of-way; southerly along said right-of-way to Washington Road; southerly along Washington Road through and including the unincorporated community of Winchester to Benton Road; westerly along Benton Road to Winchester Road (State Highway 79) to Jefferson Avenue; southerly along Jefferson Avenue to U.S. Highway 395; southerly along U.S. Highway 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, including the point of March Air Force Base.

Note B

SAN DIEGO TERRITORY

The San Diego Territory includes that area embraced by following an imaginary line starting at a point approximately four miles north of La Jolla on the Pacific Coast shoreline running east to Miramar on U.S. Highway 395; thence following an imaginary line running southeasterly to Lakeside on State Highway 67; thence southerly on County Road S 17 (San Diego County) and its prolongation to State Highway 94; easterly on State Highway 94 to Jamul; thence due south following an imaginary line to the California-Mexico Boundary Line; thence westerly along the boundary line to the Pacific Ocean and north along the shoreline to point of beginning.

(END OF APPENDIX A)

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