

Decision No. 85123

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
ACME DRAYAGE, a California corpora-
tion, for an extension of its
certificate of public convenience
and necessity, authorizing the
transportation of general com-
modities between certain points.

Application No. 55165
(Filed September 12, 1974)

E. H. Griffiths, for applicant.
Marshall Berol, Attorney at Law, for
Delta Lines, Inc. and Pacific
Motor Trucking Co., protestants.

O P I N I O N

Acme Drayage, a California corporation, presently providing service as a highway common carrier for the transportation of general commodities between points in the San Francisco Territory, requests authority to extend service between points within an area from San Rafael, Woodland, Rocklin, and Folsom, on the north, to Carmel, Watsonville, and Fresno, on the south. Applicant also requests corresponding authority to transport shipments moving in interstate and foreign commerce. Copies of the application were served upon 60 existing carriers with which the proposed service might compete as well as upon the California Trucking Association, and an appropriate notice was published in the Federal Register on October 2, 1974.

Public hearing was held before Examiner Daly at San Francisco with the matter being submitted on June 12, 1975 upon the receipt of concurrent briefs due September 15, 1975. Applicant filed its brief on September 12, 1975 and protestant failed to file a brief.

Applicant's Case

Applicant's president, George P. Tuttle, and vice-president, Lewis R. Cresci, first commenced permitted operations as a partnership in February 1956. Applicant was incorporated in July 1967. By Decision No. 82199 dated December 4, 1973 in Application No. 54031, applicant was certificated to transport general commodities, with certain exceptions, between points in the San Francisco Territory.

Applicant's principal place of business is located at South San Francisco where it maintains two buildings. One building, which is constructed of steel and concrete, equipped with sprinklers and consisting of 10,000 square feet of space, is rented to various companies. The main building, which is also constructed of steel reinforced concrete, consisting of 30,000 square feet of space, is located on-rail, has an 80-foot loading dock and contains applicant's office facilities. Applicant employs six office personnel and from 15 to 18 drivers according to business requirements. Applicant owns and operates 33 units of equipment and as of November 30, 1974, indicated a net worth in the amount of \$90,424.

The proposed on-call service would be provided daily, Monday through Friday, with a same-day or overnight delivery service being provided depending upon the time of day requests for service are received. The proposed rates to be assessed are comparable to those set forth in Minimum Rate Tariff 2.

Applicant's president testified that the instant application was filed because applicant's customers have increased their volume of shipments moving into the proposed extended area and as a result have made increasing demands upon applicant to provide this service; that many of applicant's customers have split delivery shipments, portions of which are destined to points within applicant's presently certificated area and other portions are destined to points within the proposed area; that applicant is presently unable to master bill such

shipments and thereby afford these customers the rate advantages relating thereto; that within the past five years applicant's gross operating revenues have increased from \$273,418 in 1970 to \$514,026 in 1974; that if certificated applicant will be able to continue the operations that it presently is conducting and in addition thereto would be able to provide its customers with a more complete service.

To demonstrate the extent of its permitted operations applicant prepared a list of approximately 1,100 shipments which were transported in selected periods during the months of August 1974 through February 1975. (Exhibit 9.) These shipments, ranging in weight from 10 to 32,000 pounds, originated at such points as South San Francisco, San Francisco, Millbrae, San Rafael, Sunnyvale, Brisbane, Burlingame, Menlo Park, Redwood City, San Jose, and Belmont and were transported to points of destination extensively throughout the proposed area.

Applicant introduced the testimony of 16 public witnesses, who appeared in support of the application. Their testimony is summarized as follows:

1. Francis T. White - South San Francisco.
Warehouse manager - Union Carbide Corporation.
Manufactures and distributes batteries, flash-lights, and automobile products. Ships to Sacramento, Santa Cruz, Stockton, Pleasant Hill, Pittsburg, Carmel, Concord, and Monterey. Shipments range from 100 pounds to 50,000 pounds. Has used applicant for 10 years. Has split delivery shipments. Cannot now presently use applicant on split delivery shipments moving to points in applicant's certificated area and the proposed area. Desires to use applicant on such shipments. Applicant's terminal is very close to the warehouse, which results in a personalized type of service. Business has grown, particularly the Glad-Wrap products. Has used other carriers, but they

were not satisfactory because they did not consistently provide an overnight service or same-day service when required. Rents warehouse space from applicant. Could achieve substantial savings if he were able to use applicant on split delivery shipments to the proposed area. Uses applicant exclusively within its presently certificated area and to points within the proposed area.

2. Roland H. Martin - Brisbane.
Regional manager - Sony Corporation of America. Sale and distribution of Sony products, i.e., radios, television sets, high fidelity products, video tapes, recorder products, and business products. Shipments range from 50 pounds to 30,000 pounds. Has used applicant for five years. Ships to Alamo, Antioch, Aptos, Carmel, Benicia, Sacramento, Carmichael, Crockett, Danville, Dublin, Fairfield, Gilroy, Lafayette, Livermore, Mill Valley, Manteca, Napa, Novato, Orinda, Petaluma, Pittsburg, Pleasant Hill, Pleasanton, Salinas, San Rafael, San Ramon, Santa Cruz, Santa Rosa, Sausalito, Tracy, Vallejo, and Walnut Creek. Very much interested in a split delivery service. Would like to use applicant on split delivery shipments moving to points within its presently certificated area and to the proposed area. Has used other carriers, but prefers applicant because of its superior service. Occasionally requires a same-day service.
3. Bernard Bilodeau - South San Francisco.
Operations manager - Rod McLellan Company. Wholesale nursery. Shipments range from 100 pounds to 115,000 pounds. Within the last six months has shipped to Alamo, Antioch, Aptos, Capitola, Carmel, Carmichael, Concord, Danville, Davis, Dublin, Fairfield, Fair Oaks, Gilroy, Kentfield, Lafayette, Livermore, Lodi, Mill Valley, Monterey, Napa, Novato, Orinda, Petaluma, Pinole, Pittsburg, Pleasant Hill, Pleasanton, Portola Valley, Rancho Cordova, Sacramento, Salinas, San Anselmo, San Rafael, San Ramon, Santa Cruz,

Santa Rosa, Sausalito, Sebastopol, Sonoma, Soquel, Stockton, Vacaville, Vallejo, Walnut Creek, and Watsonville. Has used applicant for the past 2-1/2 years. Had used another carrier (CME) but because of excessive delays in travel time, commenced checking for another carrier. Shipments of soil are made in bags which are not palletized. When contacted, applicant agreed to handle the shipments. Soil sales have doubled in the past two years. In many cases requires a same-day service.

4. La Von M. Moore - San Francisco.
Sales agent for Shirk Brothers.
Sells and distributes peanuts and cashew nuts. Shipments originate at the Santa Fe China Basin team track in San Francisco. The railcar originates in Bloomington, Illinois. The nuts are a very perishable product. Shipments range from 200 pounds to 5,000 pounds. Requires an overnight service. Applicant is presently handling the local shipments. Also has shipments to Crockett, Mill Valley, Napa, Sacramento, Petaluma, Salinas, San Rafael, Santa Cruz, Santa Rosa, Stockton, and Vallejo. Has used applicant since 1956. Business has doubled in three years. Has also used System 99, CME, and PMT. Was not satisfied with CME and PMT. Is interested in master billing split delivery shipments.
5. Vernon Stanley Taddei - South San Francisco.
Shipping and receiving clerk - Lucca Packing Co.
Packs and distributes canned soups, spaghetti, ravioli, garbenzo beans, kidney beans, and frozen items. Combines shipments destined to various retail stores under a master bill because of the rate advantage. Ships to Dublin, San Ramon, Danville, Moraga, Alamo, Lafayette, Walnut Creek, Orinda, Pleasant Hill, Concord, Martinez, Pittsburg, Antioch, Brentwood, Rio Vista, Morgan Hill, Gilroy, Watsonville, Freedom, Capitola, Soquel, Pleasanton, Livermore, Tracy, Modesto, Stockton, Lodi, Galt, Elk Grove, Rancho Cordova, Roseville, Sacramento, Woodland, Santa Cruz, Monterey, and Fulton. Has used applicant for 15 years. Receives an overnight service. Has used Delta, but was not satisfied with the service.

6. Phillip D. Cada - South San Francisco.
Administrative service supervisor -
Owens-Corning Fiberglass Corporation.
Manufactures and distributes insulating material
for residential, commercial, and industrial
markets. Ships to retail stores. Business is
growing. Made a study of the company's shipping
needs and requirements and decided it needed a
carrier located close by; one that had sufficient
equipment to handle the company's needs, both on
regular and emergency shipments, and one that
could give a personal service. After carefully
checking many carriers, applicant was selected.
Ships daily to one or more of the following
points: Salinas, Santa Cruz, Monterey, Scotts
Valley, Capitola, Watsonville, Gilroy, Morgan
Hill, Brentwood, Antioch, Pittsburg, Martinez,
Concord, Pleasant Hill, Orinda, Walnut Creek,
Lafayette, Alamo, Danville, San Ramon, Dublin,
Pleasanton, Livermore, Marin City, Mill Valley,
Sausalito, Napa, Petaluma, San Rafael, Fairfield,
Vacaville, Davis, Sacramento, Stockton, Modesto,
Tracy, Roseville, and Lodi. Has used applicant
exclusively for the past year.
7. William W. Cross - South San Francisco.
District purchasing and service supervisor -
Owens-Corning Fiberglass - Construction
Services Division, which is a separate division
from that for which Mr. Cada testified.
It acts as subcontractor in the industrial field.
It installs acoustical ceilings and insulation.
Shipments range from 100 pounds to 40,000 pounds.
Ships to job sites and requires an exact delivery
time. In many instances requires a same-day
service. Presently shipping to job sites at
Pacific Grove, Salinas, Sacramento, Elk Grove,
Galt, Lodi, Stockton, Davis, Dixon, Woodland,
Vacaville, Vallejo, and Monterey. Has used other
carriers such as Delta, but was not satisfied.
On a shipment to a job site in Dixon, Delta took
five days to make delivery, when next day delivery
was required. Had to pay the time for six
carpenters, who were unable to work because they
did not have the material. Has no such problems
with applicant.

8. Edward Thomas Dauer - South San Francisco.
Shipping and receiving foreman - Spalding Sales Corporation.
Manufactures and distributes sporting goods. Shipments range from 100 to 1,000 pounds. Ships to retail outlets. Has used applicant for eight years. Ships to Stockton, Sacramento, Carmichael, Tracy, Livermore, Madera, Fresno, Pittsburg, Vallejo, Fairfield, Vacaville, and Davis. Applicant provides a same-day service when required. Has used other carriers, but applicant provides the best service. No pilferage or other type of claims with applicant.
9. James John Pikios - Menlo Park.
Warehouse foreman - Treck Photographic, Incorporated. Prior to 1968 was a part of Eastman Kodak. Shipments range from 100 to 500 pounds. Consists of cameras, film, glass plates, flashbulbs, and picture frames. Also ships large machines, which weigh approximately 300 pounds and are used by lithograph companies. The machines are shipped uncrated and require special handling. Occasionally requires a same-day service. Ships to Fresno, Merced, Monterey, Carmel, Santa Rosa, Roseville, Vallejo, Walnut Creek, Santa Cruz, and points in Marin County. Has limited dock facilities and attempts to limit his use of carriers. Has used applicant for 18 years.
10. Joseph Richard Larsen - Millbrae.
Western distribution manager - Ciba-Geigy Corp. Ships over-the-counter drugs, household goods, breath fresheners, and nupercainal ointments. Recently acquired the products of Airwick Corp. Shipments range from 10 to 500 pounds on pharmaceutical products and 300 to 20,000 pounds on household products. Ships to retail drug stores, independent supermarkets, and to drug wholesalers throughout the proposed area. Has approximately 2,000 accounts in northern California. Has used applicant for three years. First commenced storing goods with applicant under lease arrangement and then started to use its transportation service out of South San Francisco.

Uses applicant out of South San Francisco daily and out of Millbrae approximately two or three times a month. Many of the large chain accounts require delivery at a specified time, or they will refuse the shipment. Applicant makes deliveries at the time specified.

11. Bruce Kleinkauf - South San Francisco.
Administrative manager - Federal Envelope Company, Division of Champion International Corporation.
Manufactures, prints, sells, and distributes envelopes to department stores, insurance companies, and the State of California. Shipments range from 10 to 20,000 pounds. Occasionally requires a same-day service, which applicant provides. Ships to Antioch, Carmichael, Concord, Danville, Davis, Dublin, Gilroy, Lafayette, Livermore, Mill Valley, Monterey, Orinda, Pittsburg, Pleasanton, Rancho Cordova, Sacramento, Salinas, San Rafael, Santa Cruz, Santa Rosa, Stockton, Tracy, Walnut Creek, and Woodland. Has used Willig and System 99, but prefers applicant because it provides a better service.
12. Robert V. Shotwell - South San Francisco.
President - National Reprographics.
Manufactures and sells electro photographic sensitized copy paper, chemicals, and toners. Shipments range from 25 pounds to 10,000 pounds. Ships to Merced, Atwater, Turlock, Modesto, Stockton, Livermore, Sacramento, Walnut Creek, and Vacaville. Business has grown since commencing three years ago. Being a service oriented business transit time plays an important part in its success. Applicant's expeditious service has contributed to the company's growth. Has limited dock space and attempts to limit the number of carriers used.
13. Johnnie Yoshii - Brisbane.
Warehouse superintendent - Portal Publications. Deals in posters, print-outs, and art goods. Shipments range from 200 to 2,000 pounds. Ships to Stockton, Sacramento, Modesto, Merced, Concord, and Davis. Ships to said points approximately

three or four times a week. Frequently requires a same-day service to meet advertised weekend sales. Has used applicant for six years. The service has been very reliable. Business has continuously grown.

14. Ralph Eugene Hahn - Redwood City.
Shipping clerk - Dura-Vent Corporation.
Manufactures and distributes fireplaces, dual vent pipes, and chimneys. Shipments range from 100 to 40,000 pounds. Ships to Antioch, Aptos, Benicia, Sacramento, Santa Cruz, Livermore, Lodi, Manteca, Martinez, Mill Valley, Monterey, Napa, Stockton, Sonoma, Salinas, Pittsburg, Petaluma, Walnut Creek, Watsonville, and Woodland. Applicant provides a same-day service upon request.
15. Mario C. Chavez - Menlo Park.
Warehouse foreman - DTR Incorporated.
Manufactures and distributes ready-to-wear clothing, soft goods, towels, and sheets. Shipments range from 75 to 2,000 pounds. Ships to Antioch, Aptos, Capitola, Carmel, Concord, Dublin, Fairfield, Gilroy, Lafayette, Livermore, Lodi, Manteca, Martinez, Monterey, Napa, Contra Costa, Santa Cruz, Sacramento, Tracy, Vacaville, Vallejo, Walnut Creek, Novato, Petaluma, Pleasant Hill, Rancho Cordova, Roseville, Salinas, San Anselmo, San Rafael, Santa Rosa, Stockton, Sausalito, Watsonville, and Woodland. Ships on a daily basis to approximately half of said points. Business has increased. Applicant's service is very satisfactory because it is personalized.
16. Edward A. Stauffer - San Jose.
Shipping and receiving foreman -
W. W. Grainger, Inc.
Manufactures and distributes motors and blowers under the name of Dayton. Ships to electrical outlets, such as electrical manufacturers and retailers. Shipments range from 60 to 10,000 pounds. Has shipments to Carmel, Santa Cruz, Petaluma, and Santa Rosa. Has used applicant for five years. Service very satisfactory.

Protestants' Case

Protestants introduced the testimony of operating witnesses who testified as to the extent of their companies' respective operations within the proposed area and their reasons for protesting the application. Their testimony is summarized as follows:

1. John J. McSweeney, general traffic manager, Delta Lines.
Operates throughout the State in both intrastate and interstate commerce. Operates an extensive fleet of equipment. Many units are radio equipped. Maintains terminals throughout the State including Emeryville, San Francisco, Santa Clara, Merced, Modesto, Pittsburg, Sacramento, Salinas, and Stockton. Handles both less-than-truckload and truckload shipments. Approximately 80 percent of its traffic moving in California is intrastate and 20 percent is interstate. Traffic is worked over the dock and transported by line haul equipment between terminals. On certain occasions shipments, when practical, are picked up and delivered by the same unit of equipment. Offers an overnight service and a recent check indicates such service is being provided. Will perform a same-day service, but requests for such service are few. Attempts to make maximum use of equipment, but has experienced an imbalanced load factor, particularly on shipments originating within the San Joaquin and Sacramento Valleys and destined to points in the San Francisco Bay Area. Actively solicits additional and new business. Can handle additional traffic. Believes that applicant will divert traffic if certificated as have other recently certificated carriers serving the proposed area.
2. Phil J. Baffert, district sales manager, Pacific Motor Trucking Co.
Operates extensively throughout the State in both intrastate and interstate commerce, but holds no intrastate authority between Stockton and Fresno. Maintains terminals at Benicia, Merced, Modesto, Oakland, Redwood City, Sacramento, Salinas, San Francisco, San Jose, Santa Cruz, and Stockton.

Operates regular route pickups and deliveries and like Delta uses wild trucks where needed. Offers an overnight service and a recent check indicates that it is providing such service. Most shipments move over the dock, but, where possible, shipments of at least 1,000 pounds moving to the same destination points are picked up and delivered by the same unit of equipment. Approximately 80 percent of traffic handled is intrastate and 20 percent is interstate. Business has declined in the past year. If certificated, applicant would divert traffic which would adversely affect the service of PMT. Presently experiencing an imbalanced load factor, which could be further aggravated by applicant's certification within the proposed area. PMT is able to handle additional traffic and is ready and willing to do so.

Findings

1. Applicant and its predecessors have been operating as a permitted carrier since 1956 and since 1973 applicant has been operating as a certificated carrier within the San Francisco Territory.
2. Because of the continued growth of its operations and at the requests of its customers, applicant seeks authority to extend its certificated authority to the proposed area, which it now serves as a permitted carrier.
3. From its main place of business, applicant provides a personalized "on-call" service. Same-day service is a chief feature of the operation, which utilizes the same piece of equipment to pick up shipments at their points of origination and deliver them to their points of destination. This procedure eliminates terminal handling, which not only reduces transit time but also avoids damage claims.
4. Many of applicant's customers desire its personalized service, which is not only a convenience but an essential and necessary aspect of their business operations.

5. Applicant's past operation exhibit and the public testimony indicate a one-way movement in that shipments transported by applicant predominantly originate at points between San Francisco and San Jose and move extensively to points throughout the proposed extended area. The record fails to demonstrate, either by way of past operations or public witness testimony, any need for applicant's service on shipments originating at points within the proposed extended area.

6. Although protestants are providing satisfactory service within the proposed area for most shippers, their operations do not have the same flexibility as that required by many of the public witnesses who appeared in support of applicant.

7. Certificating applicant to the extent hereinafter set forth will enable applicant to meet the shipping needs and requirements of its customers as expressed during the course of hearing and will also enable applicant to continue, as a certificated carrier, the same service that it has been providing for its customers as a permitted carrier. It is unlikely that applicant would divert any substantial amount of traffic from protestants. Applicant is not a new carrier entering the field for the first time. The diversion anticipated by protestants has for the most part already taken place.

8. Applicant possesses the necessary equipment, facilities, experience, and financial ability to provide the proposed service.

9. Public convenience and necessity require that applicant be authorized to engage in operations in intrastate commerce as hereinafter authorized, and also require that applicant be authorized to engage in operations in interstate and foreign commerce within limits which do not exceed the scope of the intrastate operations authorized by this decision.

10. We find with reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment.

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The Commission concludes that the application should be granted to the extent of authorizing operations from points on U.S. Highway 101 between San Francisco and San Jose, inclusive, on the one hand, to points in the proposed extended area, on the other hand, and in all other respects denied. Applicant's operating authority will be restated in the form of a new certificate which does not in any way exceed the geographical scope of the proposed operation as published in the Federal Register.

Acme Drayage is 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. 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 Acme Drayage, a corporation, authorizing it to operate as a highway common carrier, as defined in Section 213 of the Public Utilities Code, between the points set forth in Appendix A of this decision.

2. In providing service pursuant to the authority granted by this order, applicant shall comply with the following service regulations. Failure so to do may result in cancellation of the authority.

- (a) Within thirty days after the effective date of this order, applicant shall file a written acceptance of the certificate granted. Applicant is placed on notice that if it accepts the certificate it will be required, among other things, to comply with the safety rules administered by 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 of this order, applicant shall establish the authorized service and amend or 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 authorized service.
- (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 the applicant elects not to transport collect on delivery shipments, it shall make the appropriate tariff filings as required by the General Order.

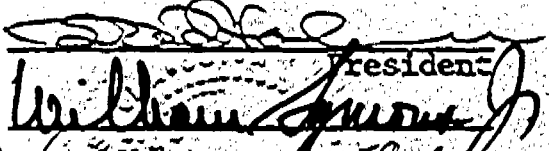
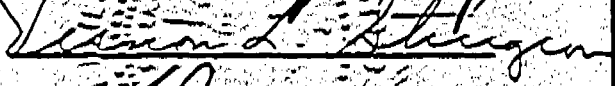


3. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede the certificate of public convenience and necessity granted by Decision No. 82199 in Application No. 54031, which certificate is revoked effective concurrently with the effective date of the tariff filings required by paragraph 2(b).

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4. In all other respects, Application No. 55165 is hereby denied.

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

Dated at San Francisco, California, this 18th
day of NOVEMBER, 1975.


President



Commissioners

Acme Drayage, a California corporation, 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:

1. Between all points and places in the San Francisco Territory as described in Note A herein.
2. From all points and places on U.S. Highway 101 between San Francisco and San Jose inclusive on the one hand to all points and places on or within a 15 mile lateral of the following routes on the other hand.
 - a. From San Francisco to Rocklin inclusive via Interstate Highway 80 and Taylor Road (formerly U.S. Highway 40).
 - b. From San Francisco to Folsom inclusive via Interstate Highways 580 and 5, U.S. Highway 50 and Folsom Road.
 - c. From Pinole to Stockton inclusive via State Highway 4.
 - d. From Woodland to Fresno via Interstate Highway 5, and State Highway 99.
 - e. From Stockton to the intersection of Interstate Highway 5 and State Highway 152 west of Los Banos inclusive, via Interstate Highway 5.
 - f. From Vallejo to San Jose inclusive via Interstate Highway 680.
 - g. From San Rafael to Soledad inclusive via U.S. Highway 101.
 - h. From San Rafael to Santa Cruz, inclusive via State Highway 17.

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1. From Santa Cruz to Carmel inclusive via State Highway 1.
2. From Watsonville to intersection of State Highway 152 and State Highway 99 inclusive via State Highway 152.

Except that pursuant to the authority herein granted 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 salesmen's hand sample cases, suitcases, overnight or boston bags, brief cases, hat boxes, valises, traveling bags, trunks, lift vans, barrels, boxes, cartons, crates, cases, baskets, pails, kits, tubs, drums, bags (jute, cotton, burlap or gunny) or bundles (completely wrapped in jute, cotton, burlap, gunny, fibreboard, or straw matting).
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.: 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-type trucks or trailers or in hopper-type trucks or trailers.
6. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.

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7. Portland or similar cements, in bulk or packages, when loaded substantially to capacity of motor vehicle.
8. Logs.
9. Articles of extraordinary value.
10. Trailer coaches and campers, including integral parts and contents when the contents are within the trailer coach or camper.
11. Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerator equipment.
12. Explosives subject to U. S. Department of Transportation Regulations governing the Transportation of Hazardous Materials.
13. Fresh Fruits or Vegetables.

In performing the service herein authorized, carrier may make use of any and all streets, roads, highways and bridges necessary or convenient for the performance of said service.

NOTE A

SAN FRANCISCO TERRITORY

San Francisco Territory includes all the City of San Jose and that area embraced by the following boundary: Beginning at the point the San Francisco-San Mateo County Line meets the Pacific Ocean; thence easterly along said County Line to a point one mile west of State Highway 82; southerly along an imaginary line one mile west of and paralleling State Highway 82 to its intersection with Southern Pacific Company right-of-way at Arastradero Road; southeasterly along the Southern Pacific Company right-of-way to Pollard Road, including industries served by the Southern Pacific Company spur line extending approximately two miles southwest from Simla to Permanente; easterly along Pollard Road to W. Parr Avenue; easterly along W. Parr Avenue to Capri Drive; southerly along Capri Drive to Division Street; easterly along Division Street to the Southern Pacific Company right-of-way; southerly along the Southern Pacific right-of-way to the Campbell-Los Gatos City Limits; easterly along said limits and the prolongation thereof to South Bascom Avenue (formerly San Jose-Los Gatos Road); northeasterly along South Bascom Avenue to Foxworthy Avenue; easterly along Foxworthy Avenue to Almaden Road; southerly along

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Almaden Road to Hillsdale Avenue; easterly along Hillsdale Avenue to State Highway 82; northwesterly along State Highway 82 to Tully Road; northeasterly along Tully Road and the prolongation thereof to White Road; northwesterly along White Road to McKee Road; southwesterly along McKee Road to Capitol Avenue; northwesterly along Capitol Avenue to State Highway 238 (Oakland Road); northerly along State Highway 238 to Warm Springs; northerly along State Highway 238 (Mission Blvd.) via Mission San Jose and Niles to Hayward; northerly along Foothill Blvd. and MacArthur Blvd. to Seminary Avenue; easterly along Seminary Avenue to Mountain Blvd.; northerly along Mountain Blvd. to Warren Blvd. (State Highway 13); northerly along Warren Blvd. to Broadway Terrace; westerly along Broadway Terrace to College Avenue; northerly along College Avenue to Dwight Way; easterly along Dwight Way to the Berkeley-Oakland Boundary Line; northerly along said boundary line to the Campus Boundary of the University of California; westerly, northerly and easterly along the campus boundary to Euclid Avenue; northerly along Euclid Avenue to Marin Avenue; westerly along Marin Avenue to Arlington Avenue; northerly along Arlington Avenue to San Pablo Avenue (State Highway 123); northerly along San Pablo Avenue to and including the City of Richmond to Point Richmond; southerly along an imaginary line from Point Richmond to the San Francisco waterfront at the foot of Market Street; westerly along said waterfront and shoreline to the Pacific Ocean; southerly along the shoreline of the Pacific Ocean to point of beginning.

(END OF APPENDIX A)

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