

Decision No. 13770

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application)
of A. B. BLAND for certificate)
of public convenience and necess-)
ity to operate passenger auto) Application No. 9589
stage service between Alamo Store,)
Bond's Corner, Calexico and in-)
termediate points.)

Richard T. Eddy, for applicant.

C. W. Runge, for Southern Pacific Railway, protestant.

BY THE COMMISSION:-

O P I N I O N

A. B. Bland has made application to the Railroad Commission for a certificate of public convenience and necessity to operate passenger automobile and package service between Calexico and the west end of the bridge over the Colorado River at Yuma. Originally this application provided for service only between Calexico and Bond's Corner via Alamo Store but before the hearing applicant filed an amended application extending the operation from Bond's Corner to the Yuma Bridge.

A public hearing herein was conducted by Examiner Williams at El Centro.

Applicant proposes to establish service between termini as shown by the amended application using one seven passenger vehicle making a round trip from Calexico each day.

Between termini applicant proposes to serve all intermediate points including Bond's Corner, Alamo Store, Gray's Well, Araz and a detour from Araz to Andrade, two miles south, returning to Araz and proceeding to Yuma, Arizona. A schedule of fares is set out in Exhibit "A". Applicant proposes to carry packages not in excess of 200 pounds at the rate of one cent per pound with a minimum charge of twenty-five cents for packages 5 pounds or under and fifty cents for packages over 5 pounds.

In support of his application applicant produced H. H. Clark, president of the Calexico Chamber of Commerce and president of the Cotton Growers' Association, who testified that a service of the kind proposed between Yuma and Calexico was desirable as there was a shifting of labor used in cotton and agricultural districts and for the further reason that the stage service then possible required a trip from Calexico to El Centro and change of cars to Holtville and then another change at Holtville over a line then operating to Yuma under certificate possessed by applicant Bland. This witness had not investigated any need for this service but said applicant had presented such an operation to the Calexico Chamber of Commerce which gave its endorsement because it believed such a connection a desirable commercial service for Calexico. He further testified there are between eleven thousand and twelve thousand people in Calexico and Mexicali, which are separated only by the international border line, and that the only interest to the Chamber of Commerce was in a through service to Yuma.

Another witness produced by applicant was George M. Gage, secretary of the Calexico Chamber of Commerce who testified that

the organization had endorsed a through line between Yuma and Calexico as a commercial advantage to Calexico. He further testified that frequent inquiries were made for stage service between Calexico and Yuma but very rarely to intermediate points. T. J. Worthington, a merchant of Calexico, testified as to similar inquiries mostly from travelling salesmen. This witness also has a store at Winterhaven, an intermediate point on the proposed service, and testified he would use the proposed package service. Similar testimony was given by S. T. Taylor of Calexico who believed Calexico and Yuma should have such transportation connection.

From intermediate points applicant produced R.W.Maddox and E. F. Collins of Bond's Corner who testified as to the frequent inquiries made at their places of business for transportation to Calexico, principally laborers. They testified further that there were about one hundred fifty farmers in vicinity of Bond's Corner who have frequent need of transportation to Calexico. Applicant also produced Leo. E. Mayer who conducts a general store at Alamo Store who testified of similar inquiries for transportation to Calexico.

Virgil N. Sams of Yuma who, at that time, was operating a stage between Holtville and Yuma under the certificate granted to applicant Bland testified as to daily inquiries at his stage terminal in Yuma, mostly from Mexican laborers, for stage transportation from Yuma to Calexico. Applicant at the time of the hearing possessed a certificate from this Commission to operate a stage service between Holtville and Yuma Bridge which service was conducted by Virgil N. Sams of Yuma. At that time applicant had responded to an order of this Commission citing him to

Showcause why the certificate for this operation should not be cancelled and heretofore by Decision No. 13568 on Case. No.1972, dated May 17th, 1924 said certificate was revoked and annulled for the reason that the certificate holder, Bland, had not operated any service but had permitted said Sams to operate a vehicle from Yuma to Holtville under illegal conditions of operation. In this proceeding it was shown that Sams in conducting this operation for several months had met a loss of approximately \$200.00 a month, the period of operation including the most favorable portion of the year. Applicant Bland, as a witness in his own behalf, testified that he believed both services could be operated at a profit and that he was willing to maintain the service proposed herein even if it meant a loss. Applicant further testified that he had changed his original application herein to extend the service from Alamo Store to Yuma, an additional distance of forty four miles, at the request of the Calexico Chamber of Commerce.

Applicant by Decision No. 7601 on Application No.5549 dated May 18, 1920 was authorized to conduct a service between Calexico and Alamo Store but declined to accept the certificate because only intermediate operation, without through service between terminals, was granted. This certificate was revoked by Decision No. 13568 on Case No. 1972.

The record in this matter indicates that there is some demand for transportation between the termini fixed but that there is very little demand for service between intermediate points. The route traverses a sparsely settled arid country and the road conditions are not attractive and the operation

presents itself as one without any assurance of ultimate profit and some assurance of immediate losses. If the operation between Holtville and Yuma, which this applicant was authorized to give, involved a loss of approximately \$200.00 a month for over eight months and between termini showing a larger demand for service it seems quite sure that the demand shown in this proceeding would be wholly insufficient to maintain an operation without great loss. Assurance of Bland's financial ability to maintain the operation is not present in this proceeding, except by the testimony of Frank Oswald, an automobile dealer of El Centro who said he would furnish vehicles to Bland on his credit.

The application was opposed by the Southern Pacific Railway Company which operates three trains between Calexico and Yuma daily over the Inter-California Railway south of the Mexican border. The fare between termini is \$3.70. That proposed by applicant is \$3.25. Protestant, however, maintains a second class rate of \$2.30 on one train each way daily between termini and this service has been established at the rate stated for the benefit of Mexican labor shifting between districts and seasons of employment. Witnesses for applicant even admitted that this rate and service seems satisfactory to that class of passengers.

Upon the whole record, as presented herein, we find as a fact that the service proposed by applicant herein is not required by public convenience and necessity and that the application herein should be denied.

ORDER

A. B. Bland having made application to the Railroad Commission for certificate of public convenience and necessity to operate passenger auto stage service between Alamo Store, Bond's Corner, Calexico and intermediate points, public hearing held, the matter having been duly submitted and now being ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA
HEREBY DECLARES that public convenience and necessity do not require the service proposed by applicant herein and that the application be and the same hereby is denied.

Dated at San Francisco, California this 2nd
day of July, 1924.

C. Seaver
H. B. Sandigo
Irving Martin

Commissioners.