

Decision No. 13970

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

E. W. Kemp, et al.,  
Complainant. }

vs. }

W. H. Miller,  
Defendant. }

CASE NO. 2003.

Keith C. Eversole, for Complainant  
Mannon & Mannon, by Chas.M.Mannon, for Defendants

BY THE COMMISSION:

O P I N I O N

The complaint in this case, which states three grounds of action, was filed April 24, 1924 by E.W.Kemp and 23 other interested parties.

The defendant operates a stage line between Ukiah and Upper Lake for a distance of 28 miles, serving Blue Lakes, Camp Inis, Laurel Dell, Saratoga, Witter Springs, Upper Lake and the intermediate points, and has been in the stage and mail carrying business for some 33 years, in early days conducting the service with horse-drawn vehicles and gradually changing to motor conveyances until at the present time the entire service is rendered

by automobiles. The equipment consists of some ten machines, carried in the Annual Report of 1923 at a valuation of \$5,000., although the testimony of the owner of the line was to the effect that the vehicles originally cost some \$20,000.

The first ground of complaint is that the passenger fares between Ukiah and Upper Lake and way stations are exorbitant, unreasonable and in excess of the value of the service rendered; the second that baggage is not properly handled and no checks issued; the third that no depot facilities are provided at Ukiah.

The answer was filed May 14, 1924. With reference to the fares it alleges they are reasonable; denies that the stage line has not established a proper system for handling baggage, and denies that passengers are not accorded a satisfactory waiting room at Ukiah.

A hearing in this matter was held in the city of Ukiah on August 5, before Examiner Geary, and the case having been duly submitted is now ready for an opinion and order.

The complainants, through a number of witnesses, testified that there are some thirty or forty farms located along the Stage route, also a number of resorts. It was shown, however, that in practically every situation the farmers owned automobiles and make use of the Stage line at very infrequent intervals. It was frankly admitted that where the farmer or his family could arrange for transportation in automobiles of their own or through the courtesy of others, they do not use the Stage. Testimony was further to the effect that in most instances two or more passengers making the trip to Ukiah could travel more cheaply in the privately owned machines, and the contention of most of the witnesses was that if the fares were materially reduced they would sometimes find it to their

advantage to employ the Stage Line.

The testimony of the resort owners was that practically all of their patronage arrived in privately owned conveyances and a very small percentage used the common carrier Stage Lines. One witness stated he paid no attention to arrivals by Stage, that his place is generally filled to capacity by the patrons coming in their own vehicles.

At the present time the fare is \$2.75 one way from Ukiah to all of the resort points Blue Lakes to Upper Lake, the distance from Ukiah to Blue Lakes being 19 miles and to Upper Lake 28 miles, thus creating a blanket rate over the entire 9 miles. In addition to the one way fare there is a \$5.00 round trip ticket sold. There are also fares graded as to mileage to cover the short haul between intermediate points.

As heretofore stated, the proprietor of this line has performed the service for some thirty years, during most of that time and at present having the mail contract.

Complainants called attention to the fact that the charge for the round trip of \$5.00, involving a haul of 56 miles, is greater than the charge assessed by the Northwestern Pacific Railroad Company of \$4.60, where the round trip from San Francisco to Ukiah involves a haul of 228 miles. The \$4.60 referred to, however, is not the published round trip fare between San Francisco and Ukiah, but is the proportion accruing to the rail carrier out of a through round trip rate from San Francisco to Upper Lake of \$9.35, the divisions being \$4.60 to the rail carrier and \$4.75 to the Stage line; in other words, both carriers shrink their normal fares in order to create a rate attractive to the traveling public. This practice is common among all carriers throughout

the United States and is intended to stimulate vacation trips, which would not be secured were the standard rates assessed. The comparison, therefore, is of but little value in an adjustment of this kind.

The annual reports filed by the defendant for the years 1921, 1922 and 1923 fail to show a reasonable return upon the equipment necessary to render a complete and satisfactory service. The average yearly receipts for the transportation of the U.S. mail are \$3200.00, and it is apparent from the reports and the testimony of the defendant that the line could not continue in operation without the mail contract. Defendant employs no regular drivers and the expense for labor is represented by the one employee who assists in handling the traffic at Ukiah at \$50.00 per month. The automobile stages are driven either by W.E. Miller or by his wife and the reports indicate that the operations are conducted as economically as possible.

The testimony indicated that while in the past there may have been some cause for complaint with reference to the handling of passengers at Ukiah on the going trip, this condition has been remedied by an arrangement whereby passengers are taken to a hotel where they may remain for the forty minutes between the time the train arrives and the hour the Stage departs.

As to the handling of baggage, it was shown that the same is taken care of in the manner usually employed by Stage companies throughout the State of California, which is to place it on the Stage with the passengers, to be claimed at destination points and while in some isolated cases baggage has been delayed it would appear that every effort is made to perform a proper service.

The Stage leaves Ukiah about 1 p.m. and leaves Upper Lake, on the return trip, at 8:30 the following morning; it is therefore necessary to maintain accommodations at the two ends of the line. With the exception of the summer months the travel is very meager, many of the trips being operated without a single passenger. The defendant opposed any reduction in the present fares, taking the position that lower fares would not attract additional business, but would only result in further reductions of needed gross revenue.

The reports show that the total number of passengers carried in the year 1923 were less than in the year 1921 and that for the year 1924 to date the showing is worse than for the year 1923. This situation is attributable to the fact that the summer resorts, travel to which was formerly the principal source of revenue, are now securing practically all of their vacation parties in connection with privately owned automobiles.

After giving consideration to all of the testimony and the reports, we are of the opinion and find that the passenger fares, under the conditions existing in this particular territory, are not excessive and unreasonable; also that the allegations of the complainants with reference to improper handling of baggage and failure to give proper accommodations at Ukiah to outgoing passengers, have not been sustained.

The complaint will be dismissed.

#### O R D E R

This case being at issue upon complaint and answer on file, and having been duly heard and submitted by the parties, and

full investigation of the matters and things involved having been had, and the Commission having, on the date hereof, made and filed a report containing its findings of fact and conclusions thereon, which said report is hereby referred to and made a part hereof:

IT IS ORDERED, that the complaint in this proceeding be, and it is hereby, dismissed.

Dated at San Francisco, California, this 27th day of August, 1924.

C. L. Seaver

H. K. Boudige

Irving Martin

Gerlon Shore

J. T. Whitney

Commissioners.