

Decision No. 14476

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Auto Transit Company, a corporation,)
to operate passenger and express ser-) Application No. 9725
vice between Santa Cruz and City and)
County of San Francisco, California.)

In the Matter of the Application of)
Coastside Transportation Company to)
operate auto stage truck service be-) Application No. 9785
tween San Francisco and Half Moon Bay)
California.)

In the Matter of the Application of)
William Azevedo to operate auto stage)
line between Half Moon Bay and San) Application No. 9805
Francisco, California.)

Jerome Politzer, for Applicant in App. No. 9725,
Harry A. Encell and James A. Miller for
Coastside Transp. Co., protestant in App. "
Edward Stern for American Ry Express
Company, protestant in Application No. 9725
E. Shillingsburg, for Southern Pacific
Company, protestant in Application No. 9725
Douglas Brookman, for South Port
Company, protestant in Application No. 9725.

Harry A. Encell and James A. Miller for
applicant in Application No. 9785
J. E. McCurdy, for William Azevedo,
protestant in Application No. 9785
Jerome Politzer, for Auto Transit Co.,
protestant in Application No. 9785.

J. E. McCurdy, for applicant in App. No. 9805
Harry A. Encell and James A. Miller for
Coastside Transp. Co., protestant in App. No. 9805
E. Shillingsburg, for Southern Pacific
Company, protestant in Application No. 9805.

BY THE COMMISSION:

OPINION

Auto Transit Company, a corporation, has petitioned
the Railroad Commission for an order declaring that public con-
venience and necessity require the operation by it of an auto
stage line as a common carrier of passengers between San Francisco

and Santa Cruz over the "Skyline Boulevard" and of express matter between San Francisco and Santa Cruz over the "Skyline Boulevard" and also over the "Peninsula Highway," and the "Los Gatos to Santa Cruz Highway," provided however that the proposed passenger and express operation by way of said "Skyline Boulevard" shall serve all intermediate points, and that the proposed express operation by way of the "Peninsula Highway" and "Los Gatos to Santa Cruz Highway" shall serve all points only between Cupertino and Santa Cruz.

Applicant proposes to charge rates and to operate on a time schedule, in accordance with amended Exhibit "A" and Exhibit "B" and to use the equipment described in Exhibit "C."

Auto Transit Company now operates an authorized passenger service between San Francisco and Santa Cruz over the "Peninsula Highway" and the "Los Gatos to Santa Cruz Highway." Applicant also has been given permission to carry newspapers only between San Francisco and Santa Cruz and we are of the opinion that public convenience and necessity requires that this privilege should be continued and the order herein will so provide.

William Azevedo has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by him of an auto stage line as a common carrier of passengers and express between Half Moon Bay and San Francisco via San Mateo, provided that no passengers or express matter shall be carried locally between San Mateo and San Francisco and intermediate points.

This applicant now operates a passenger service under authority of this Commission between Half Moon Bay and

San Mateo.

Applicant proposes to charge rates and to operate upon a time schedule, in accordance with Exhibits "A" and "B" attached to said application and to use the equipment described in paragraph six of said application.

Coastside Transportation Company, a corporation, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by it of an automobile stage line as a common carrier of passengers, freight and express between San Francisco, Half Moon Bay and intermediate points via the Coast route, "Skyline Boulevard" and the "San Mateo Mountain Highway," in conjunction with and as a part of its existing operative rights between San Francisco and Pescadero.

This applicant now operates an authorized passenger freight and express service between San Francisco and Pescadero and intermediate points by way of "Pedro Mountain Highway," and also a freight and express service between San Mateo and Half Moon Bay in conjunction with its service between San Francisco and Pescadero.

Applicant proposes to charge rates and to operate on time schedules in accordance with Exhibits "B," "C," "D," "E," and "F" and to use the equipment now used in its present service.

Public hearings were held at San Francisco and Santa Cruz on the foregoing applications, which were consolidated for the purpose of receiving evidence and for decision; the matters were submitted and are now ready for decision.

The Coastside Transportation Company protested the granting of applications Nos. 9725 and 9805. The Southern Pacific, the American Railway Express Company protested the

granting of Applications Nos. 9725 and 9805; William Azevedo protested the granting of Application No. 9785; and Auto Transit Company protested the granting of Application No. 9785.

The evidence of Auto Transit Company shows that the "Skyline Boulevard" is completed only to Crystal Springs Lake, distant twenty-one miles from San Francisco, and that its proposed service over this boulevard to Santa Cruz cannot be operated for several years or until the completion of the highway, but in the meantime/^{applicant} desires to operate a temporary schedule under its proposed service to the end of the constructed highway at Crystal Springs. It was shown that the only patrons of this temporary service over the unfinished highway would be members of two golf clubs adjacent to the boulevard and probably a few tourists who from time to time might patronize the service as a scenic trip. This "Skyline" route when completed will traverse a farming district in the mountain territory westward from Los Gatos, Alma and Saratoga and it was shown that several farmers in this section would avail themselves of this service.

This applicant called, in support of its express service several witnesses, both at San Francisco and Santa Cruz, who are engaged in the business of selling respectively optical goods, printing materials, automobile parts, tires, newspapers and similar merchandise. These merchants endorsed the proposed express service primarily upon the basis that various emergency shipments, consisting of small parts or packages, weighing generally from 5 to 25 pounds could be transported more expeditiously than over the protesting rail lines.

The American Railway Express Company, protestant, offered in evidence several exhibits showing its train service between San Francisco and Santa Cruz via the Coast Line

and via Oakland Pier, and also its charges on commodities between points served as compared with proposed charges of Auto Transit Company.

A study of these exhibits shows that there are daily five south-bound trains and seven north-bound trains between San Francisco and Santa Cruz upon which express shipments can and are being carried; and the record shows that on arrival of all express shipments at the rail terminals prompt delivery is made to consignees who also have the privilege within approximately one-half hour before train departure or train arrival of shipping and receiving express matter at this protestant's depots which are open twenty-four hours each day at the terminals.

Southern Pacific Company also offered in evidence its rate and time schedules and called several witnesses who testified to the adequacy of the service of this rail carrier. Santa Cruz Chamber of Commerce offered in evidence its resolution, opposing the application of the Auto Transit Company on the grounds that the Southern Pacific Company is rendering a very satisfactory service to the City of Santa Cruz and that no need exists for any additional service by any stage line.

William Azevedo testified in his own behalf and called about fifteen witnesses in support of his application.

Half Moon Bay has a population of about 1500 people with no immediate prospects of any material growth. The residents of and visitors to this community have had available for some years past the stage services of both this applicant and the Coastside Transportation Company in trav-

eling to and from San Francisco.

Witnesses residing at Half Moon Bay testified for applicant to the effect that they have patronized both stage lines from time to time and while most of them admitted that the service of the Coastside Transportation Company has been in the main satisfactory they had patronized more frequently the local stage service of William Azevedo to San Mateo and there transferred to the bus lines to San Francisco and returned by the same means. These patrons of this applicant desire his proposed through passenger service, primarily on the basis of the inconvenience of the transfer at San Mateo and the inability to always secure seats in the San Francisco busses.

With reference to the proposed express service, the record shows that applicant has been carrying parcels and considerable express matter from and to San Mateo for some time for various merchants and others at Half Moon Bay. This express matter has consisted of bread, confectionery, meats, groceries, perishables, auto parts, and accessories, and general merchandise packages, weighing on an average under 100 pounds. The proposed through express service from San Francisco is now desired by these merchants on the basis that it would in many instances be more expeditious, and that emergency shipments could be handled more satisfactorily. The freight service of the Coastside Transportation Company was admitted to be satisfactory by many witnesses of applicant, but some testified to occasional delays in the handling of express matter from San Francisco by this protesting stage line.

Coastside Transportation Company, protestant, offered in evidence a large number of exhibits, as well as oral

testimony, showing the character and quality of its entire service.

A study of this protestant's exhibits shows that the total value of its assets as of January 31st, 1924, was \$145,896.65, representing among other properties, Automobile Passenger cars, valued at : \$25,662.71, Automobile Freight Trucks, valued at 42,045.43, Shop equipment and tools, " " 6,740.07, Buildings, " " 25,000.00, Land, " " 7,040.00,

Among its liabilities as of January 31st, 1924, were:

Accounts payable	19,810.04.
Notes payable	6,350.20
Mortgage	9,000.00
Unpaid salaries	4,201.29

The value on April 16, 1923, of its passenger equipment was \$14,434.00 and within ten months thereafter it had increased the value of this equipment, as indicated above, to \$26,662.71.

The trucking equipment of this protestant within the same period was increased from \$12,228.71 to \$42,045.43.

The total number of through passengers carried to and from Half Moon Bay for this period of about ten months was slightly over 3500 passengers, and the evidence shows that the stage equipment of this carrier has a capacity to carry a far greater number, and in fact it appears that there were many vacant seats available on most inbound and outbound stages to and from San Francisco.

The freight and express traffic handled by this protesting carrier consists largely of farm products of various kinds northbound to San Francisco and San Mateo, and we are

not unmindful of the fact, as disclosed by the record, that the volume of this particular freight has been materially reduced by certain carriers who are not under the regulation of this Commission by virtue of amendments to the Auto Stage and Truck Transportation Act, passed by the Legislature at its session of 1923. It was shown by this protestant that its trucking and express equipment is more than ample to handle all business offered all along its route and over its entire system.

Edward Serretto, President of the Coastside Transportation Company, testified to the effect that this protestant renders an adequate and satisfactory service in every respect and is able and willing to furnish all necessary equipment and maintain the time schedules suitable to its patrons and the general public. The record shows that this carrier has always from its earliest operations made large investments and incurred heavy obligations for the purchase of high-class and proper equipment and other properties useful in its service, amounting in the aggregate to \$145,896.65 as of January 31, 1924.

This Commission has noted that the record discloses that each of said applicants, Auto Transit Company and William Azevedo have been carrying, without any authority from this Commission for some time past, express matter for compensation over their respective routes and have actually continued to carry express matter for compensation during the course of these proceedings and persisted in so doing after a request from this Commission to cease such operations. The Commission views with much disfavor such unlawful operations and practices and if such willful violation of the law is continued proper steps will be taken to stop it.

Coastside Transportation Company, in support of its application to operate a passenger and freight service via the "Skyline Boulevard," introduced some evidence to the effect that that portion of its present route over the Pedro Mountain Highway is dangerous by reason of the fact that there are several sharp or "hairpin" turns as well as some narrow places where only two automobiles can barely pass each other. The record shows that this mountain route, however, has been traveled for many years by this applicant, as well as by previous stage lines, that thousands of passengers have been transported without serious accident, with one exception, and nothing appears in the record to indicate that the alleged dangerous character of this highway was responsible for the one serious accident. It appears that the "Skyline Boulevard" is being built primarily as a scenic highway and this Commission is not disposed to congest a new scenic highway with any stage or truck lines unless the public necessity is clearly and affirmatively shown for such a service over this character of highway.

This Commission has repeatedly held on applications for certificates of public convenience and necessity, particularly where an additional or extended service is proposed which will virtually parallel existing carriers, that a clear, conclusive and affirmative showing must be made that the existing transportation facilities are inadequate or unsatisfactory. Auto Transit Company and William Azevedo have failed to make such required showing during the course of these proceedings.

After a careful consideration of all the evidence in these proceedings, we are of the opinion and hereby find as a fact, that neither the Auto Transit Company, a corporation, nor William Azevedo has offered sufficient or substan-

tial evidence to show that the public convenience and necessity require the proposed passenger and express service alleged and sought in their respective applications, and each of said applications should be denied.

After a careful consideration of all the evidence, we are of the opinion and hereby find as a fact that Coastside Transportation Company, a corporation, has offered no evidence to justify the granting of its proposed passenger and freight service over the "Skyline Boulevard" and said application should also be denied.

O R D E R

Public hearings having been held in the above entitled applications, which were consolidated for the purpose of receiving evidence, and said matters having been submitted and being now ready for decision,

IT IS HEREBY ORDERED that the application of William Azevedo be and the same is hereby denied.

IT IS HEREBY ORDERED that the application of Coastside Transportation Company be and the same is hereby denied.

IT IS HEREBY ORDERED that the application of Auto Transit Company, a corporation, be and the same is hereby denied.

The Railroad Commission hereby declares that public convenience and necessity require the transportation of newspapers by said Auto Transit Company, a corporation, between San Francisco and Santa Cruz and between Cupertino and intermediate points to Santa Cruz. No authority is hereby granted for the transportation of newspapers locally between San Francisco and Cupertino or intermediate points.

IT IS HEREBY ORDERED that applicant, Auto Transit Company, a corporation, be and it is hereby authorized to transport newspapers between San Francisco and Santa Cruz and between Cupertino and intermediate points to Santa Cruz,

provided, however, no authority is hereby granted for the transportation of newspapers locally between San Francisco and Cuertino or intermediate points. This privilege is granted, not as a new and separate certificate right, but as a part of and in addition to its present authorized passenger operative rights between San Francisco and Santa Cruz and subject to the following conditions:

1. Applicant shall file his written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof; shall file, in duplicate, tariff of rates and time schedules identical with those filed as Exhibits "A" and "B" attached to the application herein within a period of not to exceed twenty (20) days from date hereof; and shall commence operation of the service herein authorized within a period of not to exceed thirty (30) days from date hereof.

2. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.

3. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

Dated at San Francisco, California, this 27th day
of January, 1925.

W. H. Dinsmore
C. A. Seavey
Egerton Shaw
George D. Squires
Frank D. Smith
Commissioners.