EHM Decision No. 19380 BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA In the Matter of the Application of DAVIS AUTO TOURS, INC., for certificate of public convenience and neces-Application No. 14317. sity to operate a sight-seeing pas- . senger service as a common carrier from Santa Barbara to points in vicinity thereof and return to Santa Barbara. Richard T. Eddy, for Applicant. BY THE COMMISSION: OPINION In the above application to the Commission, the Davis Auto Tours, Inc. seeks a certificate to operate an automobile sight-seeing service in and about the city of Santa Barbara. A public hearing was held thereon at Santa Barbara before Examiner Rowell on February 1, 1928. No protests were made to the granting of such certificate. Four distinct tours are proposed by applicant, described as follows: Tour No. 1, Garden Tour De Luxe, which will include the business and residential sections of Santa Barbara and a comprehensive suburban drive in the districts north and east of the city; Tour No. 2, Scenic Tour, a drive in the suburban section to the north and west of Santa Barbara; Tour No. 3, Ojai Valley Tour, a trip to the Ojai Valley to the east of Santa Barbara l.

by way of Ventura and Santa Paula; and Tour No. 4, San Marcos Pass and Santa Ynez Valley Tour, which is westward through the Santa Ynez Valley to Buellton and return along the Pacific Highway.

Mr. Davis, the President of the applicant corporation, has for a number of years personally conducted each of the above tours, and at the hearing testified that he has provided such service in response to the demand from many hotels and travel bureaus. A number of witnesses testified that there was a public need for a sight-seeing service of the nature proposed. No other carrier is now rendering such service.

Tour No. 1 is to be a daily service, whereas the others will be upon demand only, when four or more persons shall present themselves for transportation. The transportation charge for each tour shall cover the entire trip over the respective route, and no one-way or intermediate service is contemplated. Short stops are provided for at Santa Barbara Mission and other points of interest. Applicant proposes to charge fares in accordance with Exhibit "A" attached to the application, and to operate in accordance with the schedules and with the equipment as shown in Exhibits "B" and "C." It is hereby found, therefore, that public convenience and necessity require such service and an order will be entered accordingly.

Applicant is hereby placed upon notice that "Operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state which is not

in any respect limited to the number of rights which may be given.

ORDER

Davis Auto Tours, Inc. having filed its application to operate an automotive sight-seeing passenger service as a common carrier from Santa Barbara to points in the vicinity thereof and return to Santa Barbara, a public hearing thereon having been held, the matter having been duly submitted and being now ready for decision,

THE RATIROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity require the operation by Davis Auto Tours, Inc. of an automotive sight-seeing passenger service from Santa Barbara to points in the vicinity thereof, having one terminus, namely, Santa Barbara, over and along the following routes, which routes are distinct and separate one from the other but which together shall constitute one operative right:

Tour No. 1. From Santa Barbara to points in the vicinity thereof and return, via Santa Barbara Mission, Mission Ridge Drive, McAdoo Drive, Eucalyptus Hill Drive, Montecito, East Valley Road, Sheffield Drive, Pacific Highway, Channel Drive and East Boulevard.

Tour No. 2. From Santa Barbara to points in the vicinity thereof and return, via Mesa Drive, Cliff Drive, Hope Ranch Estates, Modoc Road, Mission Canyon Drive, Rattlesnake Canyon Drive and McAdoo Drive.

Tour No. 3. From Santa Barbara to Santa Paula and return, Pacific Highway, via Carpinteria, Ventura, Ojai and

Casitas Pass.

Tour No. 4. From Santa Barbara to Buellton and return via Pacific Highway, Goleta, San Marcos Pass, Santa Ynez, Los Olivas, Slovang, Buellton, Gaviota Pass, and Naples.

The service described as Tour No. 1 shall be rendered daily if any person shall present himself for transportation.

The service described as Tours Nos. 2, 3 and 4 shall be upon demand only, when four or more persons shall present themselves for transportation.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same is hereby granted to Davis Auto Tours, Inc. for such operations as a common carrier, subject to the following conditions:

- 1. Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof.
- 2. Applicant shall file, in duplicate, within a period of not to exceed twenty (20) days from the date hereof, tariff of rates and time schedules, such tariffs of rates and time schedules to be identical with those attached to the application herein, or rates and time schedules satisfactory to the Railroad Commission, and shall commence operation of said service within a period of not to exceed sixty (60) days from the date hereof.
- 3. 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.
- 4. 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.

The effective date of this order shall be twenty (20) days from the date herein.

Dated at San Francisco, California, this ///day of

February, 1928.

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