

ORIGINAL

Decision No. 19469

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of GOLDEN GATE STAGES, (formerly known as Santa Rosa, Petaluma, & Sausalito Auto Stage Company), a corporation, for a certificate of public convenience and necessity to operate a limited package and express service between Santa Rosa and Calistoga; to establish certain new rules and regulations governing the transportation of persons and baggage; and to operate an automobile stage service for the transportation of passengers and baggage, as a common carrier, between Santa Rosa and San Francisco as an extension of applicant's present service between Santa Rosa and Sausalito.

Application No. 13362.

In the Matter of the Application of PICKWICK STAGES SYSTEM, a corporation, for a certificate of public convenience and necessity to extend and operate its automobile stage service as a common carrier of passengers and express between San Francisco and Santa Rosa and intermediate points and to connect such operations with its operations from San Francisco north to Eureka via Redwood Highway, and to sell through tickets to and from the points herein applied for to and from points south of San Francisco.

Application No. 13447.

Wallace L. Ware and Frank B. Austin, for  
Golden Gate Stages, Applicant.

Warren E. Libby and Frank B. Austin, for  
Pickwick Stages System, Applicant.

Goodfellow, Eells and Orrick, by R. W. Palmer  
and S. W. Gardner, for Northwestern  
Pacific Railroad Company, Protestant.

Edward Stern, for American Railway Express Co.,  
Protestant.

BY THE COMMISSION:

O P I N I O N

In Application No. 13352, as amended, Golden Gate Stages (heretofore known and designated as Santa Rosa, Petaluma and Sausalito Auto Stage Company) petitions the Railroad Commission for a certificate of public convenience and necessity to operate an automobile stage service for the transportation of passengers and baggage, as a common carrier, between Santa Rosa and San Francisco and intermediate points as an extension of applicant's present service between Santa Rosa and Sausalito; also, to operate a limited package and express service between Santa Rosa and Calistoga and intermediate points; also, to establish certain new rules and regulations governing the transportation of persons and baggage.

In Application No. 13447, as amended, Pickwick Stages System petitions the Railroad Commission for an order declaring that public convenience and necessity require the extension by applicant of its present service between San Francisco and Eureka so as to enable it to transport express matter in packages not exceeding 100 pounds each in weight between San Francisco and points north of Santa Rosa and from points intermediate between San Francisco and Santa Rosa and points north of Santa Rosa, and the consolidation of such extension with the operations now conducted by applicant under authorization of this Commission.

Public hearings were conducted by Examiner Cannon at San Francisco and Santa Rosa, the matters were consolidated for the purpose of receiving evidence and having been duly submitted are now ready for decision.

In discussing the evidence we shall consider each application separately.

Applicant Golden Gate Stages at present operates a passenger service between Santa Rosa and Sausalito and intermediate points and between Santa Rosa and Calistoga and intermediate points, in addition to service between Santa Rosa and Monte Rio and intermediate points. The testimony with respect to express service on the Santa Rosa-Calistoga operative right constitutes only a minor portion of the record and will be later adverted to.

As justification for the granting of a certificate of public convenience and necessity authorizing the proposed extension of passenger service between Santa Rosa and San Francisco applicant alleges (1) that there is now no direct transportation service by stage or railroad between Santa Rosa and Sausalito and intermediate points on the one hand, and San Francisco on the other hand, passengers being required to transfer at Sausalito to or from ferry boats operating between Sausalito and San Francisco; (2) that there is a large volume of travel over applicant's lines destined to or originating at Sausalito, of which a large proportion ultimately is destined to or originates at San Francisco; that such passengers are now obliged to change their means of transportation at Sausalito and at San Francisco, thereby suffering great inconvenience, annoyance and delay in respect to the transfer of such passengers and their baggage; (3) that there is a large volume of travel by persons and a demand for transportation of baggage between San Francisco and Santa Rosa and intermediate points by persons who do not desire to change means of transportation, but desire through transportation

for themselves and their baggage; (4) that there is a large volume of travel by persons and demand for transportation of baggage between San Francisco and Santa Rosa and points intermediate, to points south of San Francisco.

Accompanying the application are the proposed tariff of fares, time schedules and a description of the equipment to be used.

At the hearing a number of witnesses were produced by applicant in support of the necessity for the proposed service.

A representative of the California Transit Company, who had made a survey of the situation, testified that of the ten to sixteen thousand passengers using the Golden Gate Stages at least sixty percent of them are destined to or emanate from San Francisco, the remaining forty percent being passengers between Sausalito and Santa Rosa and intermediate points.

The general manager and superintendent of a large ranch at Cotati, who had been thus engaged for 16 years, testified that he employed many men and that the present service is inadequate in that it does not deliver the discharged employees at destination, with resultant confusion and loss to them.

A number of witnesses from points north of Sausalito in the course of their testimony gave expression to a growing dissatisfaction over alleged discrimination against applicant company in that Pickwick Stages are permitted to operate from the north over the route here involved and through to San Francisco. This line cannot, however, pick up any local passengers south of Windsor destined to San Francisco.

The proprietor of a hotel at Petaluma testified as to the inconvenience to passengers who desired to ride from that city to stage points south and east of San Francisco. For example, seven separate and distinct operations were necessary for a passenger desiring to travel by stage from Petaluma to San Jose with the various attendant annoyances involved in changing from stage to ferry boat, to street car, and finally to another stage.

The proprietor of a large garage at Petaluma employing from 15 to 30 men testified that he found it difficult to hire and retain mechanics from San Francisco on account of the inconvenience of getting to their destination with their luggage and mechanics' tools. Witness also had heard complaints daily from the general travelling public of present incomplete and unsatisfactory service.

The secretary of the Civic League of San Francisco, an improvement club composed of over a thousand individual members and some 60 civic organizations, testified as to the inadequacy of the present service. A passenger may take a through stage from San Francisco to points north of Santa Rosa, but when destined to points south he is required to make the usual changes from ferry to stage or train.

The secretary of the Santa Rosa Chamber of Commerce, with a membership of 325, testified that this organization had passed a resolution petitioning the Railroad Commission to grant to applicant the certificate herein sought and that such extension of service "would be a great public convenience and a real necessity to the travelling public and citizens of Santa Rosa." This witness also testified

that the Chamber of Commerce passed said resolution upon the assumption that the increased service would not necessarily produce any diminution of the present rail service.

The president of one of the largest banks in Santa Rosa, who is also president of the Chamber of Commerce, testified that the proposed extension of service would be for the best interests of the community and tend to build up that particular section of the state.

The proprietor of the largest wholesale automotive replacement parts store in Sonoma county offered testimony as to the necessity for the establishment of the proposed service. He believed the dissatisfaction with the present service was caused by (1) alleged discrimination against Golden Gate Stages in not being permitted to run their stages across the bay to San Francisco (2) inconvenience and annoyance of changing from and to ferry boats and stages at Sausalito (3) inability to get a late service out of San Francisco to Santa Rosa (4) inconvenience of procuring two tickets and transferring at Sausalito. He did not believe the granting of this certificate would injure the rail company to any appreciable extent.

A real estate dealer of Petaluma testified that it is impossible at the present time for residents of that community to go to San Francisco to attend a theatre in the evening without being compelled to leave before the conclusion of the performance in order to make the proper connections and reach home the same night. Witness believed that a stage leaving Fifth and Mission Streets at 11:10 p.m. as proposed by applicant, would fulfill that requirement.

Applicant called as one of its witnesses the vice president of Golden Gate Stages, whose testimony covered

a wide range, but in substance was a reiteration of all that had been testified to by preceding witnesses. First, there was the annoyance and inconvenience to passengers, especially those with children and baggage, attendant upon their transfer at Sausalito. There also was the problem of automobile congestion on the highways which, in the judgment of witness, might be materially reduced, especially over week ends, by increased auto stage service. He held the opinion that many persons now using private automobiles in going from points north of Sausalito to San Francisco would be glad to avoid the unpleasant traffic congestion on the highway over week ends by availing themselves of through stage service. This company is carrying an ever-increasing number of automobiles on its ferry boats and the witness stated that over 8000 motor cars were transported by it on the Sunday preceding the date of his testimony. As to the demand for the proposed service, the witness stated that the company has from 10 to 15 telephone calls per day inquiring as to service and connections and that as a result of said inquiries prospective passengers exhibit a dissatisfaction with existing traffic arrangements at Sausalito. A careful test had been made of the time consumed in operating the stage from applicant's ferry terminal at the foot of Hyde Street to Fifth and Mission Streets, which showed an average running time of 14 minutes over the best route. Concluding his testimony witness declared he had estimated the distance from the Golden Gate ferry landing at Sausalito to the Northwestern Pacific train bound for Santa Rosa at 900 feet, which would be approximately the distance a passenger would be required to walk in using that method of transportation on a trip to points north of Sausalito.

The auditor of applicant company testified that 90 percent of their northbound passengers originate in San Francisco and he held the same ratio to prevail with respect to traffic coming toward San Francisco, the large majority of such passengers originating at points north of San Rafael. He introduced in evidence an exhibit purporting to be a travel study for several months during the past two years which indicated a downward trend of travel over the stage line. Another exhibit, setting forth the comparative passenger rates of stage and rail lines between San Francisco and Santa Rosa and intermediate points, showed the stage rates to be lower in practically all cases.

The record is replete with the testimony of many additional witnesses testifying to the need for the service here prayed for. It can serve no useful purpose to further analyze this testimony, all of which is of a more or less cumulative character.

Various exhibits were introduced in evidence by applicant, among them being copies of resolutions passed by county boards of supervisors, chambers of commerce, city councils and sundry civic organizations, all endorsing the proposed extension of service. Applicant also introduced an exhibit consisting of several hundred questionnaires signed by its patrons and all tending to indicate a demand for the proposed service.

The portion of the application dealing with an extension of passenger service between Santa Rosa and San Francisco was protested by the Northwestern Pacific Railroad Company, and seven witnesses were called in support of such protest, two of these being employees of the rail line.

A retail druggist of Santa Rosa, and former mayor of



that city, opposed the granting of a certificate to applicant on the ground that the community did not require the additional service and that the extension of stage service through to San Francisco would take business away from Santa Rosa. This in substance was also the testimony of the assistant vice president of a Santa Rosa bank.

An exporter of hops, with headquarters in Santa Rosa, would oppose the extension of service unless it could be shown that such extension would not effect a substantial impairment of present rail service.

A retail lumber dealer of Santa Rosa expressed the belief that present available means of transportation between the points involved were adequate and that he would oppose any method of transportation which would detract from or impair the earnings of an established railroad.

Another witness called by this protestant was engaged in the insurance business and also president of a pickling and preserving establishment. He believed there was a serious hazard involved in carrying the loaded stages across the bay on ferry boats, and, in any event, that the present service answered all the requirements of adequacy and convenience.

The Assistant General Freight and Passenger Agent of the Northwestern Pacific Railroad Company testified as to the probable effect of the granting of this certificate upon the railroad's business, due to the competition of private automobiles. There has been a constantly increasing loss in rail operating revenues which, he thought, would be further aggravated by the establishment of additional stage service. He had made numerous inquiries and had ascertained that there existed no demand for the proposed service.

The final witness called by protestant rail line was its general freight and passenger agent who introduced in evidence three exhibits. The first of these was a statement of revenues and expenses for a period of six years ending in 1926. This showed a decrease in passenger revenue over the period of \$842,000. and a shrinking of the net income from a surplus of \$204,156. to a deficit of \$172,730. Another one of these exhibits was a comparative statement of passenger travel between San Francisco and Santa Rosa for the years 1920 to 1923, inclusive and for 1926. This indicated a decrease of approximately 30 percent in 1926, as against 1920, due, as alleged by witness, to the competition of privately owned automobiles and stage lines.

We have given careful consideration to this portion of applicant's proposal. The record unquestionably shows that present connections are unsatisfactory to the public and that there is a preponderating demand for the service proposed. Passengers boarding the stage at Santa Rosa and points south, with San Francisco as their destination, have a right in this day and age to expect transportation free from the aggravations and annoyances now attending their transfer at Sausalito from stage to ferry boat, and from ferry boat to street car at San Francisco. Many of the witnesses looked upon the present methods of transportation as extremely burdensome, if not archaic, and the record discloses a widespread and insistent demand for direct stage service into the heart of San Francisco. Applicant offers fourteen round trips daily, at intervals of one hour, with a late stage leaving Fifth and Mission at 11:10 p.m. to accommodate theatre-goers, as against

six round trips now offered by the railroad company. The record contains considerable testimony regarding the relative merits of the ferry building and Fifth and Mission streets as terminal stations, but practically every witness for the applicant testified that Fifth and Mission would be a more convenient terminal, answering all the requirements of a central location. The convenience to the public involved in the additional service here asked for clearly outweighs the objections of protestants.

That portion of the application praying for an extension of service for the transportation of passengers and baggage between Santa Rosa and San Francisco will therefore be granted and the order will so show.

Applicant also requests a certificate of public convenience and necessity to operate a limited package and express service between Santa Rosa and Calistoga and intermediate points. The weight of such packages is to be limited to 100 pounds each and such property is to be transported only on the regular schedules operated in its passenger service and not otherwise. Three or four witnesses were called in support of this phase of the application and all testified to the present unsatisfactory express service. The evidence would seem to indicate an average service of two days for express parcels between Santa Rosa and Calistoga, a distance of 20 miles. This part of the application was unopposed and there appearing good and sufficient reasons for the establishment of the service the order will show that this feature of the application is granted.

Applicant is also hereby authorized to amend its rules and regulations governing the transportation of passengers, baggage and express in accordance with exhibits attached to its amended and supplemental application.

We now come to a discussion of the evidence presented in Application No. 13447. By its amended application Pickwick Stages System seeks the authority of this Commission to transport express packages of limited weight between San Francisco and points north of Santa Rosa, and from points intermediate between San Francisco and Santa Rosa, both inclusive, and points north of Santa Rosa and to consolidate such service with the authorized operations now conducted by applicant under Decision No. 17078.

Briefly, applicant's present operative rights include authority to transport passengers, baggage and express from Santa Rosa north to Crescent City and intermediate points over the so-called Redwood Highway route, with the right to pick up and discharge passengers in the territory between Santa Rosa and San Francisco, inclusive, and intermediate points when such passengers are destined to or originate from Windsor and points north. In other words, it is desired to establish express rights co-extensive with the passenger rights. Applicant proposes to operate such service over its present route and upon its present passenger stages and not to carry packages in excess of 100 pounds each in weight.

Tariff of rates to be charged for said service and time schedules between the points to be served accompany the amended application.

It is alleged by applicant that there is a large volume of express to be so transported and that it has had repeated and urgent requests for the establishment of such service.

At the hearings witnesses were produced by applicant in support of the necessity for the proposed service. Many of these witnesses were agents and employees of the applicant

company and their testimony related to demands at the various stations now maintained by applicant, as well as from individuals, pointing out the inconvenience of present rail facilities.

The application was protested by American Railway Express Company who introduced in evidence a written agreement between Pickwick Stages System and American Railway Express Company whereby it was agreed that the stage company should at stated times call at the express company's offices at Ukiah, Willits and Eureka and receive all freight packages consigned to addressees on the route of the stage company and deliver same to consignees. It was testified to by the express company's agent at Willits that there had been no complaint from shippers against this interchange service, and that shipments were received by the stage company at Willits and delivered to consignees at Hartsooks within two days and at Benbows within one day. This testimony, however, was not in entire harmony with that of a former agent of the stage company at Willits.

The demand for improved express service for points north of Santa Rosa was most insistent from resort owners and managers along the line of the Redwood Highway. It is unnecessary to consider in detail the testimony of these agents. The record shows that there is a large number of these resorts along the route of the Redwood Highway, all remote from the rail line. As being typical, we refer to the testimony of the owner and manager of Hartsooks resort, situated 67 miles north of Willits on the highway. Most of their supplies come from San Francisco by rail to Willits or Eureka and thence by truck. Perishables are shipped to Eureka and then brought by auto truck to Garberville, ten

miles distant, and from that point to destination by private truck. The average time required to get delivery of such shipments is three days. With stage service out of San Francisco at 6:40 at night delivery would be made early the following morning. This resort has frequently sent its own cars into San Francisco, 209 miles distant, for perishable goods. Witnesses testified that present service was most unsatisfactory and that a through stage service would avoid inconvenience and loss due to transfer of shipments from rail to stage and then possibly to a third conveyance, especially for fresh vegetables, meats and fruit.

The Pickwick agent at Ukiah testified that he had had many requests for improved express service out of San Francisco, especially shipments such as automobile parts.

The manager of Triangle Parts Company of San Francisco testified that they shipped from four to ten packages per day, all emergency shipments, to points north of Santa Rosa and that there was considerable complaint over the delay in receiving such shipments.

The ticket agent of the Pickwick Stages System at San Francisco likewise testified as to the frequency of demand for better service from consignors of various types of shipments. Exhibits introduced in evidence by applicant Pickwick Stages shows two express services per day on passenger schedules to points north of Santa Rosa on the Redwood Highway, one leaving at 7:10 a.m. and the other at 6:40 p.m.

The route agent of protestant American Railway Express Company in charge of the district from San Francisco north to Korbelt testified that he knew of no complaints as to service

in this territory. He also made a comparison of certain rates showing schedules of the Pickwick Company to be greater than those of the express company and that the latter service included pick-up and delivery.

From a review of the evidence in this matter, we are convinced that there exists a public need for the service here proposed. The territory along the route of the Redwood Highway is destined to become one of the outstanding pleasure grounds of California whither go every year thousands of tourists and where the number of resorts remote from the railroad is constantly increasing. For the convenience of these pleasure-seekers and others the present available service cannot be said to meet the requirements and the record clearly indicates its total inadequacy.

The application will therefore be granted, and authority will also be given applicant to effect a consolidation of operative rights herein granted with those granted pursuant to Decision No. 17078.

Upon full consideration of the evidence in the above entitled proceedings, we are of the opinion and hereby find as facts:

1. That public convenience and necessity require the operation by Golden Gate Stages of an automobile stage service for the transportation of passengers and baggage, as a common carrier, between Santa Rosa and San Francisco and intermediate points as an extension of applicant's present service between Santa Rosa and Sausalito; also, to operate a limited package and express service between Santa Rosa and Calistoga; also, to establish certain new rules and regulations governing the transportation of persons and baggage.

2. That public convenience and necessity require the extension by Pickwick Stages System of its present service between San Francisco and Eureka so as to enable it to transport express matter in packages not exceeding 100 pounds each in weight, on its passenger cars between San Francisco and points north of Santa Rosa, and from points intermediate between San Francisco and Santa Rosa and points north of Santa Rosa and the consolidation of such extension with the operations now conducted by applicant under authorization of this Commission.

An order will be entered accordingly.

#### O R D E R

Public hearings having been held in the above entitled applications, the matters having been duly consolidated and submitted, the Commission being now fully advised and basing its order on the findings of fact which appear in the foregoing opinion:

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity require the operation by Golden Gate Stages of an automobile stage service for the transportation of passengers and baggage, as a common carrier, between Santa Rosa and San Francisco and intermediate points, as an extension of applicant's present service between Santa Rosa and Sausalito, with no local service between San Francisco and Sausalito; also, to operate an express service between Santa Rosa and Calistoga, and intermediate points, in packages not exceeding 100 pounds each in weight, such packages to be transported only on regular schedules operated in its passenger service and in none other than passenger-carrying vehicles; also,



to establish certain new rules and regulations governing the transportation of persons and baggage.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for the foregoing service be and the same is hereby granted to Golden Gate Stages, 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 it under a contract or agreement on a basis satisfactory to the Railroad Commission.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby further declares that public convenience and necessity require the extension by Pickwick Stages System of its present service between San Francisco and Eureka so as to enable it to transport express matter in packages not exceeding 100 pounds each in weight between San Francisco and points north of Santa Rosa, and from points intermediate between San Francisco and Santa Rosa and points north of Santa Rosa, with no local service between San Francisco and Santa Rosa and intermediate points, and the consolidation of such extension with the operations now conducted by applicant under authorization of this Commission in

Decision No. 17078. Such service is to be conducted over applicant's present route and upon its present passenger stages and schedules.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for the foregoing service be and the same is hereby granted to Pickwick Stages System, 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 it 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 hereof.

Dated at San Francisco, California, this 12<sup>th</sup> day of March, 1928.

Leon Whitell  
Chairman  
Thomas J. Quinn  
Commissioners.