

Decision No. 19626

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PAUL DERKUM and CHAS. E. SANSOME, for)
certificate of public convenience and)
necessity to operate passenger auto)
stage service and to carry express)
packages between Santa Maria, Maricopa)
and intermediate points.)

APPLICATION NO. 14359

ORIGINAL

Rollin Laird, for Applicant.

Alfred Siemon, for Kern County Trans-
portation Company and Boyd &
Mattly, Protestants.

Earl A. Bagby, for California Transit
Company, Protestant.

Mark Thompson, for American Railway
Express Company, Protestant.

BY THE COMMISSION:

O P I N I O N

Paul Derkum and Chas. E. Sansome, copartners, have made application for a certificate of public convenience and necessity to operate passenger and express transportation between Santa Maria, Maricopa and Bakersfield and all points intermediate.

A public hearing herein was conducted by Examiner Williams at Maricopa.

Applicants propose one service each way daily between Santa Maria and Bakersfield, for the transportation

of passengers and express not exceeding 100 pounds, the schedule requiring five hours each way. The distance by the route sought to be traversed is 127 miles between termini. The service is available to all points between termini, except between Conner's Station and Bakersfield, where applicants agreed to do no local business. The details of the rates, schedules and equipment are stated in Exhibits "A", "B" and "C" attached to the application. Applicants are experienced stage operators, Mr. Derkum now conducting similar service between Bakersfield and Arven, between Bakersfield and Mc Kittrick, and seasonal operation between Los Angeles and Wheeler Hot Springs. Applicant Sansome now conducts service between Mc Kittrick, Fellows, Taft and Maricopa.

Applicants propose competitive service between Bakersfield and Maricopa, a distance of 42 miles, but between Maricopa and Santa Maria, will traverse a route now without any service, through Cuyama Pass over a new highway recently constructed at an expense of approximately \$1,750,000, for a distance of 85 miles. There was no protest as to the operation of the route between Maricopa and Santa Maria, all the testimony in reference to this operation being affirmative of the need of such service. So far as this portion of the operation is concerned, the record is abundant that a service is needed, although fair consideration of the testimony justifies the admonition to applicants that the territory is not populous except at terminals, and that the business will be pioneering where applicants may expect to sustain loss in the earlier period of operation. This they testified they expected and were prepared to sustain.

Protestants appearing at the hearing objected to the establishment of a competitive service between Bakersfield and Maricopa, on the ground that there is now established between Bakersfield and Taft two operations, one by the Kern County Transportation Company and the other by Boyd & Mattly. From the testimony of Earl C. Cook, traffic manager of the Kern County Transportation Company, it appears the two operations are by alternate schedules. These schedules daily are now maintained between Bakersfield and Taft by these two established services, four of the services traversing the route via Greenfield Corners, and two by way of Panama-Old River. Mr. Cook pointed out that in 1920 the same services conducted thirteen schedules daily and transported 100 passengers daily each way. At the present time, traffic has been reduced to six schedules daily with 25 passengers each way. The equipment provided includes 11 and 12 passenger cars. Mr. Cook explained that decrease of activity in the West Side oil fields and the increasing number of private automobiles had reduced the business, there being, he said, in Taft alone one automobile for every three inhabitants. The operation, he testified, has paid no dividends in years. The schedules of these two protesting carriers connect with the service between Maricopa and McKittrick now maintained by C.E. Sansome, and in this way, direct transportation from Taft to Maricopa, a distance of approximately eight miles, has been maintained. The same connections are also made at Taft for Fellows and Mc Kittrick, according to the testimony of all parties. This connection was prompt and satisfactory until recent changes in schedules on the north and south service of the California

Transit Company through Bakersfield necessitated changes in the schedules between Bakersfield and Taft. These changes were not met by adjustment of Sansome schedules, and hence there have been complaints of delay in making connection with the eastbound stages at Taft. According to the testimony of Mr. Sansome and others, this could be improved by readjustment of the Sansome schedules.

This lack of connection is all that is adduced to show inefficiency of the present method of transportation between Bakersfield and Maricopa. Under the circumstances it does not appear justifiable to admit competition between these points. It appears rather that if a certificate is granted applicants, it should contain a restriction that no passengers are to be transported between Bakersfield and Maricopa, especially in view of the fact that the alleged inadequacy of service may be easily remedied by one of the applicants in the present proceeding adjusting his schedules properly. In addition, there is the further reason that applicants herein seek to transport passengers between Bakersfield and Maricopa at a rate of \$1.50, which is the same rate applicable between Bakersfield and Taft plus the 50% additional charge between Taft and Maricopa. If the rates now charged by the present operators are not capable of providing profit, it is doubtful if the operation at the reduced rate, although the mileage is slightly less (five miles), would be profitable. In addition, applicants provide only one service daily between these termini, while protestants are maintaining six. To adopt a rate which apparently is offered to divert traffic and later may require increase, ought not in this instance have influence for applicants.

The main service proposed by applicant is the transportation of persons and express between the south San Joaquin Valley, particularly that portion included in Kern County, to Santa Maria where many rail and stage connections may be made for points north and south of Santa Maria, but particularly to San Luis Obispo, Pismo Beach and Santa Barbara and the oil fields in the Santa Maria region. This service, as explained by State Senator J. I. Wagy, of Bakersfield, former supervisor of Kern County, is by the shortest route over a newly constructed road that was intended to facilitate vehicular traffic to points between San Luis Obispo and Santa Barbara. It is also useful in the interchange of labor between the oil fields of Kern County and those over the range on the coast. Mr. Wagy testified there are now but fourteen miles of unpaved road between Bakersfield and Maricopa over the route chosen by applicants, and that the route through Cuyama is a high grade, well kept mountain road with minimum grades. It has been taken over by the State Highway Department and two camps are maintained to keep it in first class condition.

Outside of the testimony of applicants as to the investigations made as to the practicability of operation and the patronage to be expected, the need of a service is affirmatively shown by the testimony of Mr. Wagy, Mr. J. R. Blanco, manager of the Caliente and Cuyama ranches; Mr. L. B. Nourse, Secretary of the Kern County Chamber of Commerce; E. L. Johnson, a rancher in the Cuyama Valley; Sam Kennedy, editor of the West Side Chronicle at Maricopa; C. A. Wixon, Secretary of the Pismo Beach Chamber of Commerce, and Sam G. Whittlesy, civil engineer of Pismo Beach. In addition, a telegram from J. A. Chambers, Secretary of the Santa Maria Chamber of Commerce, was offered in evidence endorsing the proposed service in behalf of nineteen business men of Santa Maria who had expected to attend the hearing.

As to the service of points intermediate between Bakersfield and Maricopa, applicants produced George J. Ferster, conducting meat and vegetable establishments at Bakersfield and Maricopa, Eugene Schimpff, operating the Petrolia lease about two miles east of Maricopa, and W. H. Wathen who testified. As protestants did not oppose service to the intermediate points for passengers, it appears that if a service be established, it should be made available to all who now have no service, and this includes all points between Conner's Station and Maricopa.

The application was opposed by the Kern County Transportation Company operating between Bakersfield and Paso Robles via Lost Hills, on the ground that this line now made a connection at Paso Robles for Santa Maria; that any new service would impair their ability to continue this service; that protestants also operate a weekly service from Taft to Lost Hills furnishing a connection by this means to Paso Robles, and from there to Santa Maria. According to the testimony of W. H. Neill, auditor of Kern County Transportation Company, from April, 1927, to February, 1928, but five tickets were sold from Taft to Santa Maria, three via Lost Hills and two via Bakersfield. Only nineteen tickets were sold at Bakersfield during the same period. It appears from this fact that if there is to be traffic of any volume between West Side oil fields and Santa Maria, it will be traffic to be developed by more direct and cheaper transportation, such as applicants offer herein.

According to Thomas Lyle, ticket agent at the Taft Union Stage Station, he has only six inquiries each week for coast points. He also testified that as Sansome does not sell tickets over his line, there is no way to measure his traffic as to region or destination.

It appears from the testimony of these witnesses, however, that residents of Taft, Maricopa and other west side points would have to make the journey to Bakersfield and thence by way of Saugus or by way of Paso Robles to reach points between Santa Barbara and San Luis Obispo or the northern resorts or cities, and this would involve high cost and an unusually long journey. The only other means is the weekly connection at Lost Hills. The same journey proposed by applicants would reduce the distance between west side points via Bakersfield to Santa Maria from 296 miles by way of Castaic, and from 222 miles by way of Paso Robles, to 127 miles via Maricopa. There would also be a proportionate reduction in fares.

Applicants' request for authority to transport express matter between Bakersfield and Maricopa was opposed by the American Railway Express Company whose rates are materially less than those offered by applicants, and whose service consists of one train each day carrying express, leaving Bakersfield at 9:30 A.M., arriving at Maricopa at 1:35 P.M., and returning at 2:05 P.M., arriving at Bakersfield at 4:30 P.M. Free delivery service is maintained by American Railway Express in Maricopa, Taft and Bakersfield. This protestant also showed by an exhibit that its gross express shipments between Bakersfield and Maricopa in both directions during October, 1927, aggregated only 4458 pounds. As applicants' service is no improvement upon this service, and as the testimony of

witnesses is not satisfactory that there is a real need for a new express service between these points, the order should contain the same restriction as to express service as to passenger service, and should be granted as thus restricted.

O R D E R

Paul Derkum and Charles E. Sansome, copartners, having made application for a certificate of public convenience and necessity to establish automobile service for passengers and express between Santa Maria and Bakersfield, via Maricopa, a public hearing having been 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 require the establishment of automobile service for passengers and express as proposed by applicants between Santa Maria and Bakersfield, via Maricopa, and all intermediates, provided, however, that no passengers or express may be transported between Bakersfield and Conner's Station and points intermediate, nor between Bakersfield and Maricopa, over the following route:

West on Nineteenth Street, south on Oak Street, west on Panama-Greenfield Road to Old River, south on Conner's road, and west on Maricopa Flat road to Maricopa, thence west on the State Highway via Cuyama to Santa Maria, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and the same hereby is granted, subject to the following conditions:

1. Applicants shall file their written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof.
2. Applicants 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 applicants herein unless such vehicle is owned by said applicants or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes, the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 18th
day of April, 1928.

Leon White

C. Deane

Thos. J. ...

W. A. ...

Commissioners