

Decision No. 20230

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
TANNER MOTOR LIVERY, a corporation,
and C. C. TANNER to transfer certain
operative rights held by C.C. Tanner,
doing business under the fictitious
name and style of the Tanner Motor
Tours to the Tanner Motor Livery, a
corporation.)
Application No. 15024

BY THE COMMISSION -

OPINION and ORDER

C. C. Tanner has applied to the Railroad Commission for an order approving the sale and transfer by him to Tanner Motor Livery, a corporation, of operating rights for an automotive passenger stage service between Terminal Island and Los Angeles and for an automotive sightseeing service between Los Angeles and various points in Southern California, and Tanner Motor Livery, a corporation, has asked for authority to purchase and acquire said operating rights and to hereafter operate thereunder.

No consideration is involved in the proposed transfer. Tanner is president and controlling stock owner of Tanner Motor Livery, applicant corporation, and the instant proceeding is based on a desire to establish ownership of the operating rights possessed by him as an individual in the name of the corporation, thus facilitating the keeping of records and reducing bookkeeping and other requirements entailed by the operation of two separate businesses. Tanner Motor Livery is at present operating a sightseeing service out of Los Angeles under authority of the Railroad Commission.

The Terminal Island-Los Angeles operating right herein proposed to be transferred was acquired by C. C. Tanner under authority of Railroad Commission Decision No. 16786, dated May 28, 1926, and issued on Application No. 12775. It authorizes C. C. Tanner, doing business under the firm name and style of "Tanner Motor Tours",

to operate

***** an automobile stage service for the transportation of passengers and hand baggage from the Dollar line pier on Terminal Island and the hotels in the down-town district of the City of Los Angeles, such district being more particularly described as follows:

Bounded on the north by Third Street; on the east by Los Angeles Street; on the south by Tenth Street, and on the west by Figueroa Street, and from the Biltmore and Alexandria Hotels and the city ticket office of the Dollar Steamship Line located in the Sun Finance Building, West Sixth Street, Los Angeles, to the dock of the Dollar Steamship Line at Terminal Island over and along the following route:

Leaving Los Angeles via South Park Avenue, thence via Riverside-Redondo Boulevard to Compton; thence via 'Truck Boulevard' to Terminal Island, and returning via the same route.

The service herein authorized by this declaration is to be conducted solely in connection with the arrival and departure of the Dollar Line steamers to and from the dock of said steamship company at Terminal Island and is not to be considered as authority for the establishment of a regular automobile line or for the transportation of passengers to points intermediate between Los Angeles and Terminal Island."

The operating right for sightseeing service herein proposed to be transferred was established by applicant Tanner through compliance with the Railroad Commission's General Order No.76 which reads as follows:

"Each automotive carrier who, on January 1, 1927, was operating, or during the calendar year 1926 had operated a seasonal service of not less than three consecutive months duration, sight seeing busses on a continuous sight seeing trip with one terminus only, is hereby directed to file with the Railroad Commission of the State of California on or before August 1st, 1927, its, or his, schedules of rates, fares, charges and classifications charged and collected by it, or him, in such service, and the time schedules and the routes over which such service is, or was, operated. Each such automotive carrier is hereby further directed to file with this Commission on or before August 1st, 1927, a statement, under oath, outlining in detail the extent, scope and nature of its, or his, sight seeing buss operations as conducted on July 1st, 1927, January 1, 1927, and during the calendar year 1926."

Tariffs and time schedules filed by C. C. Tanner under the name of Tanner Motor Tours established operation over the following routes:

Leaving Los Angeles via North Main Street to Mission Road, thence, Huntington Drive through South Pasadena and San Marino and then into Pasadena by Oak Knoll Section, Colorado Street to Brookside Park to Arroyo Terrace, thence Orange Grove Avenue through Busch's Gardens and returning to Los Angeles by Pasadena Avenue and North Broadway.

Leaving Los Angeles via West 7th Street and Wilshire Blvd., through the residence section into Hollywood, thence through Sherman, Beverly Hills, Sawtelle, Santa Monica, Ocean Park, Venice, Culver City and return to Los Angeles.

Leaving Los Angeles via way of Whittier Blvd., to Fullerton, East through Fullerton to Placentia, Santa Ana Canyon, Corona and into Riverside; returning through Riverside via the way of Valley Blvd., Euclid Avenue and Foothill Blvd. through Arcadia and San Gabriel, into Los Angeles.

Leaving Los Angeles by way of Avalon Blvd., Redondo-Riverside Blvd., Long Beach Blvd. to Long Beach thence coast highway through Seal Beach, Huntington Beach, Newport, Balboa, Laguna, Serra, San Clemente, Ocean Side, Carlsbad, Cardiff, Del Mar, La Jolla, San Diego to International Border, returning through Coronado to San Diego, visiting all points of interest in and around San Diego and returning via Coast Highway as far as Serra, thence through San Juan Capistrano, Tustin, Santa Ana, Buena Park, Norwalk, Santa Fe Springs, returning to the City of Los Angeles.

Leaving Los Angeles through Hollywood, Girard by way of Ventura Blvd. Ventura, into Santa Barbara, returning via Saugus and San Fernando into Los Angeles.

Leaving Los Angeles by way of Avalon Blvd., Redondo-Riverside Blvd., Long Beach Blvd., to Long Beach, thence Coast Highway through Seal Beach, Huntington Beach, Newport, Balboa, Laguna, Serra, San Clemente, Oceanside, Carlsbad, Cardiff, Del Mar, La Jolla, San Diego to International Border returning through Coronado to San Diego visiting all points of interest in and around San Diego, leaving San Diego returning by way of inland route through Escondido, Bonsall, Fall Brook, Temecula, Murrietta, Elsinore, Perris, through Riverside by way of Valley Blvd., Euclid Avenue and Foothill Blvd., through Arcadia and San Gabriel into Los Angeles.

We are of the opinion that this is a matter in which a public hearing is not necessary and that the application should be granted.

Tanner Motor Livery, a corporation, 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.

IT IS HEREBY ORDERED that the above entitled application be, and the same is hereby granted, subject to the following conditions:

1- The consideration to be paid for the property herein authorized to be transferred shall never be urged before this Commission or any other rate fixing body as a measure of value of said property for rate fixing, or any purpose other than the transfer herein authorized.

2- Applicant C. C. Tanner shall immediately unite with applicant Tanner Motor Livery, a corporation, in common supplement to the tariffs on file with the Commission, applicant C. C. Tanner on the one hand withdrawing, and applicant Tanner Motor Livery on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3- Applicant C. C. Tanner shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicant Tanner Motor Livery shall immediately file, in duplicate, in its own name time schedules covering service heretofore given by applicant C. C. Tanner, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant C. C. Tanner or time schedules satisfactory to the Railroad Commission.

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

5- No vehicle may be operated by applicant Tanner Motor Livery 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.

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

Leon O'Connell
Al Seamy
James J. [unclear]
Thos. J. [unclear]

COMMISSIONERS.