

Decision No. 20350

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of PACIFIC COAST MOTOR COACH COMPANY, a California corporation, for a certificate of public convenience and necessity for permission to reroute its service between Capistrano Beach Junction and San Juan Capistrano, Cal., via Serra instead of via McKinley Ave; and to extend its passenger and baggage service from Newport Beach to Long Beach, Cal.

ORIGINAL

APPLICATION NO. 14492.

In the Matter of the Application of PICKWICK STAGES SYSTEM, a corporation, for a certificate of public convenience and necessity to extend its automobile stage service as a common carrier of passengers, baggage and express between Long Beach and San Diego, and intermediate points, via the Sea Shore and Coast routes, and to consolidate and merge the same with its existing operations.

APPLICATION NO. 14553.

Norman H. Robotham, for Applicant in Application No. 14492 and Protestant in Application No. 14553.

Warren E. Libby and Frank B. Austin, for Applicant in Application No. 14553 and Protestant in Application No. 14492.

Frank Karr, O. A. Smith and R. E. Wedekind, for Pacific Electric Railway Company, Pacific Coast Motor Coach Company, American Railway Express and Laguna Beach Short Line, Protestants.

H. W. Beck, for The Atchison, Topeka & Santa Fe Railroad Company, Interested Party.

Charles A. Bland and John K. Hull, for Long Beach Chamber of Commerce, Interested Party.

M. Thompson, for American Railway Express, Protestant in Application No. 14553.

Kidd, Schell & Delamer, by H. W. Kidd, for Motor Transit Company, Interested Party in both Applications.

BY THE COMMISSION:

O P I N I O N

Pacific Coast Motor Coach Company has made application to the Railroad Commission for a certificate of public convenience and necessity to extend its service for passengers and baggage between Newport Beach and San Juan Capistrano via Laguna Beach to Long Beach, and also to re-route its service between Laguna Beach and San Juan Capistrano, and to merge same with its existing operations.

Pickwick Stages System has made application for a certificate of public convenience and necessity to extend its automobile passenger, baggage and express service between Long Beach and San Diego by rerouting a through service via Newport Beach, Laguna Beach and Serra, and to merge the same with its existing operations.

Public hearings herein were conducted by Examiner Williams at Newport Beach, San Diego and Long Beach. By stipulation of all parties, the two applications were consolidated for hearing and decision.

At the beginning of the hearings the applications presented direct conflict in the fact that applicant Pickwick Stages System proposed to do a local business between Huntington Beach and Serra competitive with the established business of Pacific Coast Motor Coach Company. However, at the second hearing, Pickwick Stages System withdrew its request for any local or intermediate operation between Long Beach and Serra, limiting its business to pick-up and discharge between these points. 2

At the opening of the hearings both applicants stipulated with protestant Motor Transit Company that no local or intermediate service would be given between Long Beach and Huntington Beach; also, Pickwick Stages System stipulated that no passengers would be carried whose origin or destination was Los Angeles, except from points south of Serra.

Protestant Pacific Electric Railway Company, while protesting the granting of the application of Pickwick Stages System, did not enter any protest to the extension sought by Pacific Coast Motor Coach Company into Long Beach, although Pacific Electric Railway maintains rail service between Long Beach and Huntington Beach and Newport Beach. This protestant did join with Pacific Coast Motor Coach Company and the Santa Fe Railway Company, conducting jointly a service known as "Laguna Beach Short Line" between Long Beach and San Diego, as protestants against Pickwick Stages System.

During the progress of the hearings applicant Pacific Coast Motor Coach Company offered an amendment to its application providing for an extension from San Juan Capistrano to San Diego, but the amendment was rejected at the San Diego hearing on the ground that it proposed an entirely new and separate service and should be secured by separate application, of which all adverse parties should be given due notice. This applicant also proposed to amend its operation between Long Beach and Huntington Beach to give certain local service, but no formal amendment was tendered during the hearing and such amendment is not actually of record; in addition, such amendment would have been repugnant to this applicant's prior stipulation with Motor Transit Company. As a result of the mod-

ifications in the applications during the progress of the hearings, final submission found Pickwick Stages System asking for practically a rerouting of its through service from San Pedro, Wilmington, Long Beach and Seal Beach, now conducted via Westminster and Santa Ana, to a new route along the Seashore Highway via Newport Beach, Laguna Beach and Serra. It also left applicant Pacific Coast Motor Coach Company seeking only the extension of its service from Long Beach to Newport Beach and points intermediate to San Juan Capistrano, except for the further stipulation of this applicant that it would not carry passengers between Serra and San Juan Capistrano, this stipulation removing certain objections of protestant Santa Fe Railroad. It is now upon the requests of these two carriers as modified that the Commission must pass, and the two applications will be considered in the order of their seniority.

Pacific Coast Motor Coach Company now operates service between Newport Beach and San Juan Capistrano via Laguna Beach, serving all intermediate points by way of what is known as the Shore Line Highway, to Dana Point, and thence over McKinley Road, an unimproved highway through a hilly ranch region, to San Juan Capistrano. This applicant proposes to abandon McKinley Road and continue on the Seashore Highway to its junction with the Coast State Highway at Serra, and thence over the State Highway from Serra to San Juan Capistrano. No objection was made to this proposed rerouting, except by the Santa Fe Railroad, which was satisfied with the stipulation entered into. The testimony as to the patronage and physical aspects of both operations justifies the granting of this re-

quest, especially as the new operation will carry the routing through the underpass of the Santa Fe railroad at Serra and free the operation from railroad crossing dangers.

The other request of this applicant is for an extension to Long Beach by which it may receive at Long Beach and all points intermediate to Newport Beach, passengers destined to points south of Newport Beach as far as San Juan Capistrano, and reverse. In support of this, applicant urges that for two years it has conducted, in conjunction with the Pacific Electric and the Santa Fe, a joint through service from Long Beach to San Diego, passengers being transported by Pacific Electric rail line to Newport Beach and thence by busses of this applicant to San Juan Capistrano, where they board the trains of the Santa Fe railroad; that during this period the applicant has received numerous requests for a through service between San Juan Capistrano and Long Beach, in order to eliminate the transfers from the Pacific Electric cars to the stage.

The extension asked for is one of twenty miles and is over the Seashore Highway the entire distance. It is also urged that various civic bodies and community leaders have requested this extension as necessary for the benefit of the territory in and about Laguna Beach, Serra and San Juan Capistrano. While the probable effect of such an operation would be to divert traffic from the rail line of the Pacific Electric Railway, this carrier made no protest to its establishment. The rail service to Newport Beach is conducted by transfer at Seal Beach or North Long Beach, and because of these additional transfers, has not been as direct as bus service would be. Two through services are maintained daily in con-

junction with the joint route to San Diego. Applicant proposes to make its terminal at Pacific Electric depot at Long Beach, but had made no arrangements for station facilities, except to pick up passengers at the curb.

Applicant proposes three schedules daily between Long Beach and Newport Beach, the earliest leaving Long Beach at 9:10 a. m. and the last at 6:30 p. m. Two schedules in each direction are to operate to and from the grounds of the Pacific-Southwest Exposition during its progress, starting July 27, 1928. Applicant proposes fares to and from all points between Newport Beach and Capistrano from and to all points between Long Beach and Newport on the same basis as its present structure - 2 cents per mile.

Norman E. Robothan, general manager, testifying on behalf of this applicant, stated that it was the intention to use 33-passenger vehicles of a new type manufactured by the American Car & Foundry Company, or Yellow Cab vehicles of the same capacity, and that arrangements for such vehicles had been made. In support of this application, the applicant produced many witnesses from Long Beach, Laguna Beach and San Juan Capistrano, together with a number of questionnaire cards sent through the mails by it to apartment house keepers in Long Beach. The signers of these cards simply state they favor through service between Long Beach and Laguna Beach. Testimony produced by Pickwick Stages System in part also showed a need for a service between the same points, but this testimony was more particularly directed to through service to San Diego, and the testimony as to the need between Long Beach

and Laguna Beach was incidental to the Pickwick Stages application prior to its withdrawal of its intention to do local business between Long Beach and Serra. In all, applicant Pacific Coast Motor Coach Company produced 25 witnesses, principally from Laguna Beach, Newport Beach and San Juan Capistrano, and a number from Long Beach.

Most of the witnesses introduced testified they had used the service of this applicant, that it was entirely satisfactory, and that the through service was needed because of the transfer necessary to the rail line at Newport Beach, and that sometimes there was a delay in making transfers. Some of these witnesses also introduced resolutions of civic bodies supporting the proposed through service, including the City Council, Chamber of Commerce, Merchants' Association and Realty Board of Laguna Beach; San Juan Capistrano Chamber of Commerce, Huntington Beach Chamber of Commerce, and Newport Beach Chamber of Commerce, and others, all to the general effect that the service would be a benefit to the communities and is needed. As to a through service between Long Beach and San Juan Capistrano, S. L. Pancoast, manager of the Mission in that community, stated that 88,000 persons visited the Mission during 1927, and that of this number approximately 10% came from Long Beach, and the great majority in their own cars. It was the opinion of Mr. Pancoast, from experience with these travelers, that a through routing without change of cars was necessary for them in order to make the journey more attractive, and that the service proposed by Pacific Coast Motor Coach Company would be of distinct fitness. He also pointed out that the difference in fares would be a big incentive to travel by this routing, and that

the journey through the picturesque Laguna Beach district would be an added advantage. Most of the witnesses based their opinion that the service would be beneficial and would be used on the fact that there are now changes and transfers to be made by either route between these points, and that continuous travel is more desired than the broken form. On the whole, the testimony of these witnesses was affirmative of the need of the service as proposed by this applicant.

Pickwick Stages System now possesses a certificate originally granted to Motor Transit Company to conduct a through service between San Pedro, Wilmington, Long Beach and Seal Beach to San Diego, but is restricted from serving any point south of Seal Beach and points north of Tustin. This restriction was imposed to protect the former operation of Crown Stages between Long Beach and Santa Ana, which operation has since passed to Motor Transit Company. The difference in mileage of the two routes is very slight, the route by way of Laguna Beach being possibly five or six miles shorter, according to the testimony of difference witnesses.

This applicant produced in its behalf 41 witnesses from San Diego, Laguna Beach District and Long Beach, whose testimony in general was to the effect that a through service without transfer was much preferred to the through service now given by way of Santa Ana and also the connecting service at

that point between various carriers. Many of the witnesses produced by this applicant were actual users of the stage service, and many of them complained of the transfer by stage over this applicant's lines at Santa Ana. Inquiry by protestants into this feature of the operation disclosed that while applicant Pickwick Stages possesses a right to through service via Santa Ana, through service has not always been given. Many of the passengers have been delivered at Santa Ana by or to Motor Transit Company or by shuttle cars of the applicant, and have been transferred to or from the stages of the Los Angeles - San Diego division of this applicant to continue their journey. It appears from the testimony of Mr. Howard Morgan, traffic manager of Pickwick Stages System, that it is the practice not to send a car through from Long Beach to San Diego unless it contains a sufficient number of passengers to fill a 26- or 33-passenger vehicle, but that the practice is to shuttle the passengers to Santa Ana and there provide through cars out of Los Angeles for them.

It appears from the testimony of Mr. Morgan that the through service now authorized to be conducted by this applicant has only been conducted when and as there was sufficient patronage to move one vehicle through; and that for the remainder of the time the traffic has been accommodated by transfer to Pickwick stages from Los Angeles, and this, in spite of the fact that Pickwick schedules call for two ^{through} schedules daily.

A large portion of the traffic moving between Los Angeles harbor at San Pedro and Wilmington to San Diego is composed of members of the United States Navy moving from one base

to the other, and in support of the necessity for continuous through service, applicant introduced Commander John S. Higgins of the Supply Corps of the United States Navy. Commander Higgins testified there are movements in both directions over the stage lines, and that the San Diego base transfers at least 400 enlisted men a month between there and San Pedro; that it is far preferable to have a through service, as it keeps the groups intact during transit and minimizes difficulties of transportation. He further testified that many men who were stationed on battleships at San Pedro had their homes in San Diego and made frequent trips in both directions. He stated that frequently, when emergencies existed, large numbers of men were shipped in special busses via the Laguna Beach route, and that he much preferred it, as it saved transfer at Santa Ana.

The routing sought by both applicants between Long Beach and Serra is the new State highway, following very closely the shore line of the ocean between termini, and known as the Sea Shore Highway. It connects with the main coast line of the State highway system at Serra and follows this route to San Diego. The route is paved with concrete between Long Beach and Newport Beach and for a portion of the way beyond Newport Beach. South of Corona Del Mar the highway has been graded and preliminary paving installed. At Laguna Beach about two miles of concrete pavement has been installed. Beyond Laguna Beach the highway is graded and is in excellent condition, the work of the State Highway Commission having removed some severe grades; and the route now connects by a new bridge over the San Juan river through an underpass of the

Santa Fe railroad to the Coast Highway at Serra.

According to its present operative rights, assuming that applicant Pickwick Stages System conducts through service required of it via Santa Ana, this applicant is restricted from doing any local business between Seal Beach and any point north of Tustin, which is the first community south of Santa Ana, but is permitted to receive and discharge passengers to or from points in the forbidden zone when destined to or originating beyond Tustin. Should the certificate herein applied for be granted, Pickwick Stages will have an additional routing, similarly restricted.

Opposition to the Pickwick rerouting was expressed by the Pacific Coast Motor Coach Company and Pacific Electric Railway, although the latter introduced no testimony in support of its protest. From the record it appears that Pacific Electric Railway favors the granting of the Pacific Coast Motor Coach application and expects to make connection with this applicant's service at Long Beach for passengers over its lines from Los Angeles and elsewhere to Laguna Beach or San Juan Capistrano. This protestant already has a direct line operating from Los Angeles via North Long Beach and Seal Beach, giving through service to Newport Beach and Balboa and connecting with Pacific Coast Motor Coach Company at Newport Beach for Laguna Beach and San Juan Capistrano. We

cannot find from the record that this protestant requires any better delivery of passengers from points north of North Long Beach to Newport Beach than its present arrangement of through service to Newport Beach and connections with the stage. Only for traffic from San Pedro and Wilmington would the extended service of applicant Pacific Coast Motor Coach Company be useful to this protestant. The service maintained by Pacific Electric Railway between Long Beach and Newport Beach is largely by transfer, except two schedules daily and three on Sunday, which operate through by a cross-over at Belmont Shores and make direct connection with stages of Pacific Coast Motor Coach Company at Newport Beach. This protestant also uses the same schedules for its connection with the Laguna Beach Short Line on the tri-party joint rate with the Santa Fe to San Diego.

If applicant Pacific Coast Motor Coach Company is permitted to extend its service to Long Beach, it appears probable that a portion of the traffic now handled over the Pacific Electric will be diverted to this carrier, and the carrier intends to make the Pacific Electric station at Long Beach its terminal, apparently with the acquiescence of this protestant. For these reasons it appears that the only unrestricted carrier between Long Beach and Newport Beach does not object to the establishment of the service proposed by applicant Pacific Coast Motor Coach Company, and for which we think the record shows affirmatively a need. The other carrier, Motor Transit Company, by its stipulation has waived objection.

Laguna Beach Short Line is an operating name given

to a combination service furnished by the Pacific Electric Railway from Long Beach to Newport Beach by through cars, and by Pacific Coast Motor Coach Company, to Laguna Beach and San Juan Capistrano, where connection is made with the Santa Fe railroad to San Diego. This service has been maintained by concurrence of all the parties since November, 1926, and gives approximately a four-hour and five-minute service between Long Beach and San Diego. The testimony of Mr. Robotham is that no connection has ever been missed.

According to H. W. Beck, a witness for the Santa Fe Railroad, since the establishment of this service 1640 tickets have been sold during a period of sixteen months, or an average of three and one-third per day, the total sales including north and south movements. Of these, approximately two passengers per day were southbound and one northbound. Mr. Beck stated that the sales had been disappointing, although there had been no complaint of the service rendered. He further testified that the Santa Fe had been asked by Pacific Electric Railway to join with the Pacific Coast Motor Coach Company in a joint arrangement for the proposed extension of bus service to Long Beach as herein considered, but that the executive officers of the Santa Fe had not yet reached a decision. Mr. Beck explained that the readjustment of rates of the Pacific Electric, together with the establishment of rates from Long Beach as proposed by Pacific Coast Motor Coach Company, would result in a fare of \$5.70 by any route, to the disadvantage of the participation of the Santa Fe. This witness indicated that the Santa Fe preferred to handle traffic in the future from Long Beach by way of Los Angeles, rather than by any other

arrangement, in order to gain the long-haul revenue.

Applicant Pacific Coast Motor Coach Company urged a serious need of protection for the service which this Company has maintained, for the reason that it has never, since its establishment in 1924, made its out-of-pocket cost, except in 1927, when it earned \$3.25 which is available for dividends. The service was established under adverse conditions, with poor roads, and has suffered continuously from the detours and interruptions for the construction of the State highway for a distance of almost twenty miles. It now possesses as equipment two White 21-passenger stages and one Moreland stage of smaller capacity, also an express car, applicant having authority from this Commission to use additional equipment for the transportation of express matter. Applicant testified that if the certificate is granted for the extension from Newport Beach to Long Beach, it will equip the service with either Yellow or A. C. F. motor busses of large capacity, and with the additional schedules involved in the extension, will acquire sixty miles additional operation daily at a cost of from only \$12.00 to \$14.00 daily, by reason of the fact that the extension will require no additional overhead for drivers, as the drivers now have idle time between schedules which would care for the additional operation. This applicant, by its through arrangement with the Pacific Electric between Los Angeles and Laguna Beach and between Long Beach and Laguna Beach, exchanged 10,344 passengers at Newport Beach in 1927, and the testimony indicates that the connections and transfers were made promptly and without delay. This service, if established, would operate for a distance of 42½ miles between

Long Beach and San Juan Capistrano, including the extension.

Mr. Robotham, manager of this applicant corporation, testified that the accrued deficit in the entire period of operation now amounts to \$9,213.00, being a deficit on out-of-pocket cost. Notwithstanding these losses, Mr. Robotham testified that the stock of the corporation is equally owned by himself and F. W. Conkey, that each is ready, willing and able to supply additional money for the extension of the business and its continuation, and for the purchase of equipment, that they believe the period of pioneering has ended and that the future will provide traffic sufficient to recover the losses already sustained. On cross-examination as to how new capital was to be provided, Mr. Robotham testified that Mr. Conkey has landed interests in excess of \$100,000, and that he himself has assets of approximately \$12,000; and that, if necessary, land would be sold by either or both of them to finance the purchase of new equipment.

Pickwick Stages System, by its amended time table (Exhibit #15), proposes two through services daily between Long Beach and San Diego via Laguna Beach, in addition to two schedules by the other through service via Santa Ana. Mr. Howard Morgan, traffic manager of this applicant corporation, testified that he thought the volume of business justified a third schedule via Laguna Beach, but that this had not been included in the present set-up and depended upon verification of this need by established traffic flow. In addition, this applicant has connections with Motor Transit Company at Santa Ana, by which other schedules from Los Ange-

les will be available for traffic moving between these points.

The schedules as proposed and as now in effect show two through schedules, one leaving Long Beach at 3:00 P.M. via Laguna Beach, and the other leaving Long Beach at 3:30 P.M. via Santa Ana. Mr. Morgan indicated in his testimony that it was expected to arrange the schedules after the movement of traffic was established and its needs better understood.

According to the testimony of Mr. Morgan (Exhibit #16), Pickwick sold, during the year 1927, 11,409 tickets from San Diego to Long Beach, San Pedro and Wilmington, of which 8412 tickets were direct to Long Beach. The tickets sold from the same points to San Diego by the Pickwick Stages System aggregated 4719, of which 1980 were from Long Beach and 2448 from San Pedro. Mr. Morgan explained the discrepancy in the sales from the northern terminals by the fact that the other tickets were sold by Motor Transit Company and were not on the records of the Pickwick Stages. He further testified that the movement in both directions is approximately the same, which indicates a volume of traffic of 23,000 passengers in both directions. As elsewhere indicated, very little of this traffic was handled on through cars, but was handled on a car serving San Pedro, Wilmington, Long Beach and Seal Beach, and transferring the passengers at Santa Ana, or by the more frequent stages of the Motor Transit Company. This statement is fully borne out by the testimony of Mr. Morgan and by the statement of Mr. Libby, counsel for applicant, that under the order of this Commission merging and consolidating all operations of applicant, it had the option to transfer at Santa Ana or run through cars. We cannot subscribe to this attitude on the part of applicant Pickwick. Clearly the order of the Commission provides for a through service between San

Pedro and Wilmington and San Diego. The records of the Commission show that Pickwick acquired the operating right between Wilmington and San Pedro and San Diego from Motor Transit Company. The right was granted to Motor Transit by Decision No.12436, dated August 2, 1923, and issued on Application No.9151. The order in Decision No.12436 authorizes operation of automotive passenger stage service

"between San Pedro, Wilmington and Long Beach as an extension of its present operative right between Long Beach and San Diego, and that public convenience and necessity require the transportation of passengers and baggage between Seal Beach and the community of Tustin and points south thereof on its regularly authorized line between Long Beach and San Diego, and that a certificate of public convenience and necessity hereby issues for the extension of line as herein applied for, subject to the following conditions:

The extension of service herein authorized does not include the carriage of passengers or baggage locally between San Pedro and Long Beach and intermediate points, nor between Seal Beach and points north of Tustin. The service hereby authorized between San Pedro and Long Beach includes only the transportation of through passengers when destined to or originating at Wilmington or San Pedro and originating at or destined to points on the Long Beach-San Diego line of applicant at Tustin or points south thereof to and including San Diego."

In its order adjudicating the rights of Motor Transit (Decision No.13454, dated August 22, 1924, and issued on Application No.8454) the Commission described this particular right as follows:

"Passenger and baggage service from Los Angeles to San Diego, via Long Beach, restricted as to local business between Los Angeles and Long Beach, including passenger and baggage service between San Pedro, Wilmington and Long Beach as an extension of the route between Long Beach and San Diego with the restriction that no passengers or baggage should be carried locally between San Pedro and Long Beach and intermediate points, nor between Seal Beach and points north of Tustin. The operative rights for the Long Beach-San Pedro extension of service were those authorized in this Commission's Decision No.12436, of August 2, 1923, on Application No.9151, said decision having been rendered subsequent to the filing of the application of Motor Company herein."

Transferring this right to Pickwick Stages System by Decision No.16725, dated May 23, 1926, and issued on Application No.12812, the Commission authorized its consolidation with existing Los Angeles-San Diego right of Pickwick, but declared, among the provisions contained in the order that -

"The authority herein granted shall in no way be considered as granting to applicants any authority for the enlargement of any operating rights which are to be transferred as a result of the order herein nor shall it be considered as authority to make any changes in service or rates, rules or regulations other than the changes specifically provided for in the order herein."

Under the record before us, it appears, and we hereby find as a fact, that public convenience and necessity does not require the service proposed by applicant Pickwick but does require the service proposed by Pacific Coast Motor Coach Company and the certificate applied for by that company will be issued provided more modern and efficient equipment than is now used by that company in the operation between Newport Beach and Laguna Beach is placed in service. Applicant has declared that it would procure 29 to 33-passenger vehicles of up-to-date manufacture for the service. Therefore, a condition of the order following this decision will be that the certificate is not to become effective until such equipment has been procured and is ready for operation.

Application No.14553 will be denied. Pickwick already has, as has been shown, a right for through service between San Pedro, Wilmington and San Diego, and the public is entitled to and must be given through service in accordance with the requirements of the certificate under which such service was established. The orders of the Commission contain no warrant for the shuttle service described nor do they grant authority for the loaded-car restrictions imposed by applicant.

Pacific Coast Motor Coach Company 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.

O R D E R

Pacific Coast Motor Coach Company, a corporation, having made application to the Railroad Commission for permission to re-route its service between Capistrano Beach Junction and San Juan Capistrano via Serra instead of via Mc Kinley Avenue, and to extend its passenger and baggage service from Newport Beach to Long Beach, public hearings 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 and operation by applicant Pacific Coast Motor Coach Company, a corporation, of automotive through-car service for the transportation of passengers and their baggage between Long Beach and Newport Beach, Laguna Beach, Serra and San Juan Capistrano provided, that no local service may be conducted between Long Beach and Newport Beach, nor shall passengers be transported from Serra to San Juan Capistrano, but passengers may be transported from points intermediate thereto, over and along the following route:

From San Juan Capistrano to Serra via Coast State Highway; from Serra to Long Beach via Sea Shore State Highway to Newport Beach, and via Coast State Highway to Long Beach, and over Second Street, Livingston Drive and Ocean Boulevard in the city of Long Beach to terminal at Pacific Electric station or to grounds of the Pacific Southwest Exposition; and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such operation be and the same is hereby granted to applicant Pacific Coast Motor Coach Company, a corporation, subject to the following conditions:

1- The certificate herein granted shall not become effective unless and until applicant has acquired and provided equipment of the type and kind of 29 or 33-passenger coaches as offered by applicant herein.

2- Applicant shall file with this Commission, within a period of not to exceed ten (10) days from date hereof, its written acceptance of the certificate herein granted as an extension and enlargement of its present operating rights, and not as a new or separate right.

3- Applicant shall file, in duplicate, within a period of not to exceed twenty (20) days from date hereof, tariff of rates and time schedules, such tariff 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 the service herein authorized within a period of not to exceed sixty (60) days from date hereof.

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 herein under the authority hereby granted unless such vehicle is owned by applicant or is leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission.

6- The order herein shall not be construed as authority to enlarge the express rights now owned by applicant.

IT IS HEREBY FURTHER ORDERED that authority to merge and unite the operation hereby authorized with the present operations of applicant, as defined in Decision No.13689 on Application No.9219, Decision No.14793 on Application No.10466, and Decision No.17429 on Application No.11737, be and the same is hereby granted; and

IT IS HEREBY FURTHER ORDERED that applicant herein be and it is hereby authorized to abandon all service between Dana Point and San Juan Capistrano via Mc Kinley Avenue, as heretofore authorized by Decision No. 14793 on Application No. 10466.

IT IS HEREBY FURTHER ORDERED that Application No. 14553 by Pickwick Stages System, a corporation, for authority to extend its automobile stage service as a common carrier of passengers, baggage and express between Long Beach and San Diego and intermediate points, via the Sea Shore and Coast routes, and to consolidate and merge the same with its existing operations, be and the same is hereby denied.

For all purposes except as hereinbefore specified the effective date of this order shall be twenty (20) days from and after the date hereof.

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

Leon Whittell

C. J. Sweeney

Thos. J. Sweeney

COMMISSIONERS.

CONCURRING OPINION

I concur in the order. As I interpret the opinion, Pickwick Stages System is being denied a certificate because it has violated the terms of its existing certificates to serve, via the Santa Ana Route, the terminals here involved. When this Company has gotten itself into a position to comply with the existing orders of the Commission it will be time to consider whether it should be given further rights. The disposition of applicant to observe or disregard decisions of the Commission is a fact pertinent to the question of whether public convenience and necessity justify extending its territory - particularly when the public highway over which certification is sought is already occupied by one stage line.

M. J. Cunn
Commissioner.

Edmund Cunn
Commissioner