

ORIGINAL

Decision No. 20780

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

In the Matter of the Application  
of MOTOR COACH COMPANY, for a  
certificate of public convenience  
and necessity to operate passen-  
ger auto stage service, as a com-  
mon carrier, between Long Beach  
and Ferry Landing, East San Pedro,  
California, and to conduct said  
operation in conjunction with ap-  
plicant's existing operations.

Application No. 14990

In the Matter of the Application  
of R. S. JULIAN and JOHN L. BETTS  
for certificate of public conven-  
ience and necessity to operate auto-  
mobile passenger service between  
Long Beach and East San Pedro  
(Terminal Island ) and intermediate  
points.

Application No. 15064

In the Matter of the Application  
of HARRY DRAKE and MOTOR COACH  
COMPANY for permission to sell and  
lease certain operating rights for  
the operation of passenger auto  
stage service, as a common carrier,  
between Ferry Landing, East San  
Pedro, and Hyatt and Anaheim Streets,  
Wilmington, and intermediate points.

Application No. 15122

Sanborn, Roehl & Delancy Smith, by A. B. Roehl, and Bruce  
Mason, for Applicants in Applications Nos. 14990 and  
15122, and Protestant in Application No. 15064.

Richard T. Eddy, for Applicant in Application No. 15064  
and Protestant in Applications Nos. 14990 and 15122.

W. N. Deatherage, for Applicant in Application No. 15122.

F. F. Ball, for Board of Public Utilities & Transportation,  
City of Los Angeles, Interested Party.

K. E. Wedekind and C. A. Smith, for Pacific Electric Rail-  
way, Protestant in Applications Nos. 14990 and 15064.

Chas. A. Bland, for Long Beach Chamber of Commerce, Interest-  
ed Party favoring Application No. 14990.

J. D. Roussel, for Los Angeles & Salt Lake Railway Company,  
Interested Party.

BY THE COMMISSION:

O P I N I O N

Applicants Motor Coach Company and R. S. Julian and J. L. Betts each seek a certificate to conduct an autobus service between Long Beach and East San Pedro via Anaheim Boulevard and Badger Avenue. In connection with the application of the Motor Coach Company, Harry Drake proposes to sell, and Motor Coach Company proposes to purchase the certificate of Drake for a stage operation between Wilmington and East San Pedro, granted by Decision No. 18935 on Application No. 14005, and also operating on Anaheim Boulevard and Badger Avenue, the said sale being conditional on the granting to Motor Coach Company the right to operate between Long Beach and Terminal Island.

Public hearings herein were conducted by Examiner Williams at Long Beach.

Necessity for the service proposed between Long Beach and East San Pedro (which is also known as Terminal Island, and is the rail terminus of the Los Angeles & Salt Lake Railroad) is largely based upon the industrial activities near the dividing line between Long Beach and Los Angeles, and particularly at the Ford manufacturing and assembling plant being built partly in the City of Long Beach and partly in Los Angeles. It is estimated there will be a thousand or more employees at this plant, and that a large proportion of them will be drawn from the Long Beach industrial field, or will prefer to live in Long Beach if attracted from other points.

D. D. Bush, secretary of applicant Motor Coach Company, testified that this applicant was requested by the Long Beach Chamber of Commerce to provide a through service, in view of the application of the Los Angeles & Salt Lake Railroad to abandon its train service passing through the City of Long Beach on Ocean Avenue, which would leave Long Beach and East San Pedro without direct transportation.

Charles A. Bland, manager of the Transportation Bureau of the Long Beach Chamber of Commerce, confirmed this statement, and asserted that a cheaper method of transportation between the two points, than is now available, is needed.

This applicant proposed to take over the service established by Harry Drake between Wilmington and East San Pedro and also Drake's local operation in East San Pedro, which is exclusively within the City of Los Angeles.

C. W. Heath, a witness for this applicant, testified he was employed to make a check on the traffic on Salt Lake trains giving local service in Long Beach, connecting with East San Pedro. Witness counted the passengers on the train at Long Beach on October 21 and found fifty-three passengers, of whom fifty went to East San Pedro points. Similarly on October 29 fifty-eight passengers were transported, of whom fifty-four went to East San Pedro points. In the opposite direction, on October 3 forty-three passengers boarded the train in East San Pedro, and on October 22 thirty-three. All these passengers remained aboard until the train reached Long Beach. The witness also testified that on October 19, only five passengers boarded or left the cars at intermediate

points on one train, and only four on the other. The testimony introduced as to the Union Pacific Company operation was intended to show that the routing via Anaheim Boulevard, while considerably longer, did not affect any volume of intermediate traffic.

At the termination of this case, this applicant moved to dismiss Application No. 15122 by which it intended to acquire the certificate under which Harry Drake conducts his operations, stipulating that it would do no local business between Avalon and Anaheim Streets, Wilmington and Ferry Landing, East San Pedro.

In behalf of applicants Julian & Betts, R. S. Julian testified that he had personally investigated the need for service, and was satisfied to undertake it with the schedule of hourly service from 7 a.m. to 7:30 p.m., as provided in his Exhibit "B", using 29-passenger vehicles of the safety type, and that, in his opinion, the line could be built up to a profitable basis within six months. He stipulated that he would transport no passengers between the Bascule Bridge and East San Pedro, this stipulation being intended to remove objections of Drake to such service.

John H. Betts, a relative of one of the applicants, testified that he would supply the vehicles for the operation, but had not made any definite arrangements with applicants therefor. Mr. Betts formerly conducted an extensive system of transportation at Long Beach, known as the B. & H. Transportation Company, and Mr. Julian, one of the applicants, was his manager. This operation was acquired by applicant Motor Coach Company more than

a year ago. Betts and Julian had eight years experience in this operation, but J. L. Betts has not been engaged in the transportation business.

In support of the application of Julian & Betts, Marie Canning, Augusta Rosingus, Mary Kiff, Evelyn F. Beyer and Marie Woolsey testified that a direct through bus service between East San Pedro and Long Beach would be used by them with some frequency, and that they believed such a service would be needed. This opinion was based on the present necessity of a ferry ride to San Pedro and a long journey by Pacific Electric through Wilmington to Long Beach, or by one of the two daily schedules operated by Protestant Drake to Anaheim Boulevard where connection may be made with other stages of the Motor Coach Company, or trains of the Pacific Electric Railway. The round-about journey and the transfer were objected to by these witnesses.

Protestant Drake now maintains service between the ferry line at East San Pedro and Avalon Street in Wilmington, by way of Badger Avenue and Anaheim Boulevard. The service was authorized more than a year ago under proof by various industrial bodies and individuals that the Ford plant was to be immediately an active industry. However, change of plans as to car models by the Ford Company suspended all efforts in this direction, and only within the last sixty days has the Ford Company indicated to the Los Angeles Chamber of Commerce its purpose to go ahead with its buildings and establish the industry for which it purchased a large area of Long Beach harbor frontage. In the meantime, for over a year, Drake has

maintained the service authorized by the Commission, at a considerable loss to himself, due to lack of patronage, and the maintenance of this service has been made possible by the profits of his local operation in East San Pedro. Witnesses from East San Pedro uniformly testified to their satisfaction with the Drake service, and urged that it not be injured in any way so far as its local operations are concerned.

In this proceeding, there is a lack of an affirmative showing of necessity for the establishment of the service proposed by either applicant. Applicant Motor Coach Company provides for three schedules daily, and the service is intended to supplant the rail service heretofore given by the Salt Lake Railroad along the Ocean shore. This applicant not only maintains a large transportation system in the City of Long Beach, but has other large operations under the control of this Commission, and, in making the application, was seeking to establish a service at the request of civic interests in Long Beach, as an alternative to the service by rail.

Julian & Betts proposed to establish a service on an hourly basis.

It was the testimony of James Vinton, a resident of Terminal Island for many years and formerly operating the local service now owned by Drake, that there was no business to support an hourly service, or, in his opinion, any service. Mr. Vinton testified that the population of East San Pedro is approximately 3,000, of which probably 2,000 are Japanese and about 500 Mexican and Filipinos. The remaining population is American.

Some testimony was given by Mary K. Walker, John W. Griffith and J. T. Cherry, all residents of the district, who testified that they knew of no need for a service to Long Beach, it being their opinion that most of the population used the ferry across to San Pedro for shipping or other purposes, or to take transportation to points other than Long Beach.

The distance between East San Pedro and Long Beach is approximately seven and one-half miles by the Badger Avenue-Anaheim Boulevard route, and a running time of approximately thirty minutes is adopted by both applicants. At present, the journey may be made by crossing the harbor channel from East San Pedro to San Pedro, and there taking a Pacific Electric car which makes the journey of some miles greater length around the harbor, through Wilmington and thence to Long Beach. Another method is to use the Drake stage (morning or evening) over Badger Avenue to Anaheim Boulevard and there transfer to vehicles of the Motor Coach Company or cars of the Pacific Electric.

Admittedly a direct through service would be more convenient and less costly than either of the methods now prevailing. Heretofore the Salt Lake Railroad has operated two schedules in each direction daily by much shorter route along the ocean shore. If this service is to be abandoned, it appears that the proper bus route would be parallel with the abandoned railroad service, the only impediment to that being that there is no vehicle bridge across the channel between Long Beach and Los Angeles. It is the testimony, however, that the City of

Long Beach is arranging a contract with the Salt Lake Railroad, which maintains a bascule bridge over the channel, by which an addition to the bridge would provide for vehicular and pedestrian traffic. Such a route of operation would be of public benefit more than the long route provided by applicants herein which, however, is the only present feasible route.

In the absence of an affirmative showing of the necessity for the establishment of a new service, it is our opinion that adequate transportation is present in the field, if it is co-ordinated and made useful for the benefit of all participating. Protestant Drake has, from month to month, maintained a service at considerable loss along Badger Avenue which can be made ample for the peak load traffic going to and from the Ford plant, until the route along the shore is available. It is quite certain, from the testimony of applicants, that there is no volume of business in sight which would justify the operation of the schedules as proposed. Without such affirmative showing, we do not believe the Commission is justified in granting a certificate which would impose upon the operators apparently a financial loss and serve only a very small fraction of the public.

For these reasons we find as a fact, upon the re-



cord herein, that public necessity and convenience do not require the service as proposed by either applicant, and an order denying both applications will be entered.

O R D E R

Motor Coach Company, a corporation, and Julian and Betts, a co-partnership, having each separately made application to the Railroad Commission for certificate of public convenience and necessity to operate automobile passenger service between Long Beach and East San Pedro (City of Los Angeles) via Anaheim Boulevard and Badger Avenue, public hearings having been held in the above entitled proceedings, the matters 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 do not require this service, as proposed by applicants herein, and

IT IS HEREBY ORDERED that each of the applications herein be and the same hereby is denied.

Harry Drake having made application to sell and Motor Coach Company having made application to buy certificate of public convenience and necessity heretofore granted Harry Drake by Decision No. 18935 on Application No. 14005 for an automotive passenger service between Wilmington (City of Los Angeles) and East San Pedro; and, whereas, at the time

of hearing on such application both parties stipulated dismissal of the same,

IT IS HEREBY ORDERED that the application herein be and the same hereby is dismissed.

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

Dated at San Francisco, California, this 11<sup>th</sup> day of February, 1929.

Thos. L. Lott  
Chas. J. ...  
Edward ...  
Leon ...  
M. ...  
Commissioners.