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Decision No. 20902.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application
of MOTOR TRANSIT COMPANY for an
order authorizing applicant
(1) to transport baggage and ex-
press over the stage lines formerly
operated by J. Hatch Lord, and
(2) authorizing a consolidation and
merger of said stage lines formerly
operated by J. Hatch Lord with
applicant's stage lines operating
between Pomona, La Verne and San
Dimas, and
(3) for authority to conduct said
operation in conjunction with
applicant's Eastern and Southern
Divisions.

Application No. 15372.

ORIGINAL

Kidd, Schell and Delamer,
by H. W. Kidd, for Applicant.

BY THE COMMISSION:

O P I N I O N

In this proceeding, applicant Motor Transit Company seeks the authority of the Commission (1) to transport baggage and express over the stage line formerly operated by J. Hatch Lord, (2) authorizing a consolidation and merger of said stage line formerly operated by J. Hatch Lord with applicant's stage line operating between Pomona, La Verne and San Dimas, and (3) to conduct said operation in conjunction with and as a part of applicant's Eastern and Southern Divisions.

A public hearing was held by Examiner Gannon at Los Angeles, the matter was submitted and is now ready for decision. The application was unopposed.

By Decision No. 20652 on Application No. 15289

this Commission, on January 7, 1929, authorized the sale and transfer by J. Hatch Lord to applicant of the operating right for an automobile service for the transportation of persons between Pasadena and Pomona and intermediate points. This line was known as the Pasadena-Pomona Stage Line and for a period of several years preceding the transfer, and apparently under a misapprehension, had been transporting express and baggage as a part of its regular service. It was pointed out in the decision above referred to that Lord had no authority for the transportation of packages and this service was never rendered by applicant company since its acquisition of Lord's operating rights.

The record contains ample evidence to justify the restoration of express service over the route involved herein. Several witnesses were called who testified they had used the Lord express service, were inconvenienced by its discontinuance, and desired that it be re-established. Representatives of five Pasadena business houses testified of their need for the service into the various towns between Pasadena and Pomona, and, on the other hand, witnesses from four of these towns testified that the service would be a great convenience in that it would insure delivery of telephone orders on the same day such orders were placed. The application was endorsed by the Pasadena and Monrovia Chambers of Commerce and by the Monrovia Merchants' Association.

The record undoubtedly shows a public need for the restoration of this service and our order will so provide. Applicant will also be authorized to transport baggage under the same conditions and limits prevailing

on other parts of its system, as shown in Motor Transit tariffs on file with the Railroad Commission.

Applicant further requests authority to merge and consolidate its Pasadena-Pomona line, with which we have been concerned above, with its local line between Pomona, La Verne and San Dimas, formerly known as the City Transit Line. The latter line is being operated as a separate unit, independent of the Pasadena-Pomona line, notwithstanding that between San Dimas, La Verne and Pomona both lines traverse the same route. Under Decision No. 20652 Motor Transit Company was precluded, in the operation of its Pasadena-Pomona line, from rendering any local service between San Dimas, La Verne and Pomona, as a protection for City Transit Line, which was subsequently acquired by Motor Transit Company. Since both these lines are now owned and operated by applicant no reason exists for the continuation of such restriction, and the order will provide for the consolidation of these two routes, thus eliminating the necessity of maintaining two separate services over the line between San Dimas, La Verne and Pomona.

Applicant finally requests the authority of the Commission to conduct all of said operations in conjunction with and as a part of its Eastern and Southern Divisions. It seems clear from the record that the interests of the travelling public would best be served by a consolidation of the routes here involved with applicant's Eastern and Southern Divisions thereby effecting a through and more expeditious service from points on one part of the system to all other points on such system.

We have given consideration to the evidence in this proceeding and are of the opinion and so find that public convenience and necessity require that applicant Motor Transit Company be authorized:

(1) To conduct an express and baggage service over its Pasadena-Pomona line, in passenger stages, express packages not to exceed 100 pounds in weight each, and baggage not to exceed 150 pounds in weight.

(2) To merge and consolidate its said Pasadena-Pomona stage line with its local line between Pomona, La Verne and San Dimas, formerly known as City Transit Company, and

(3) To consolidate all of its said operations with its Eastern and Southern Divisions and to operate such consolidated system as one unit, save and except such branch or main lines as are not now a portion of said consolidated system.

Motor Transit 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.

ORDER

A public hearing having been had in the above entitled proceeding and the matter having been submitted,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity require

(1) The operation by Motor Transit Company of an express and baggage service over its Pasadena-Pomona Stage line, express packages not to exceed 100 pounds each in weight and baggage not to exceed 150 pounds, all to be transported in passenger stages.

(2) The consolidation of the Pasadena-Pomona Stage

line of Motor Transit Company with its local line between Pomona, La Verne and San Dimas, formerly known as City Transit Company, and

(3) The consolidation of its Pasadena-Pomona line and its local Pomona-La Verne-San Dimas line, with its Eastern and Southern Divisions, said divisions being fully described in Railroad Commission Decision No. 13454 issued on Application No. 8454, and the operation of such units as part of a single co-ordinated system.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity authorizing the above service and consolidation be and the same is hereby granted to Motor Transit Company subject to the conditions which follow; provided that said order of consolidation shall not be construed as authority to operate any lesser service than that heretofore and herein authorized.

(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 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.

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 22nd day
March, 1929.

Thos. J. L. [Signature]

[Signature]

[Signature]

[Signature]
Commissioners.