

Decision No. 21671

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 PACIFIC COAST MOTOR COACH COMPANY
 for a certificate of public convenience
 and necessity to operate a passenger,
 express and baggage service between
 Santa Monica, California, and Oxnard,
 California.

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) Application
) No. 11922
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In the Matter of the Application of
 PICKWICK STAGES SYSTEM, a corporation,
 for a certificate of public convenience
 and necessity to extend and operate its
 automobile stage service as a common
 carrier of passengers and express from
 San Pedro to Oxnard, via Santa Monica,
 and to operate the same in through
 service between Santa Barbara and San
 Diego, and also for certain changes of
 routes to conform to highway con -
 struction.

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) Application
) No. 12926
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In the Matter of the Application of
 MOTOR COACH COMPANY, a corporation,
 for a certificate of public convenience
 and necessity to operate an auto stage
 line for the transportation of
 passengers and baggage, for compensation,
 and as a common carrier between Long
 Beach and San Francisco, California, and
 certain intermediate points, in con -
 junction with and as an extension and
 enlargement of its present operation of
 an auto stage line between Long Beach
 and Santa Monica, California, and inter -
 mediate points; and to consolidate the
 operative rights sought to be acquired
 hereby with its present operative
 rights and services, and to establish
 through service thereover.

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) Application
) No. 15217
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In the Matter of the Application of
 SANTA MONICA MOUNTAIN COACH LINES for
 certificate of public convenience and
 necessity to operate automobile passenger
 and express service between Santa Monica
 and Ventura and intermediate points, via
 Oxnard.

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) Application
) No. 15652
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H. W. Hobbs, for Southern Pacific Motor Transport Company, successor to Pacific Coast Motor Coach Company, applicant in Application No. 11922; for Southern Pacific Motor Transport Company, interested party as to Application No. 12928; for Southern Pacific Motor Transport Company and Southern Pacific Company, protestants in Applications Nos. 15217 and 15652.

Sanborn & Roehl and De Lancey C. Smith, for Applicant in Application No. 15217, and for Motor Coach Company, protestant in Application Nos. 11922, 12928 and 15652.

Richard T. Eddy, for Santa Monica Mountain Coach Lines, Applicant in Application No. 15652, and protestant in Application Nos. 11922, 12928 and 15217.

Libby & Sherwin, by William A. Sherwin, for Pickwick Stages System, Applicant in Application No. 12928, Interested party in Application No. 11922, and Protestant in Application Nos. 15217 and 15652.

Edward Stern, for Railway Express Agency, Inc., Interested party in Application No. 11922.

Mark Thompson and Edward Stern, for Railway Express Agency, Inc.; Protestant in Application Nos. 12928 and 15652.

Chas. A. Bland, for Long Beach Chamber of Commerce, Interested party.

E. T. Lucey, for The Atchison, Topeka & Santa Fe Railway Company, Protestant in all applications.

F. F. Ball, for Board of Public Utilities and Transportation of the City of Los Angeles, Interested party.

C. F. Reynolds, for San Diego Chamber of Commerce, Interested party in Application No. 12928.

BY THE COMMISSION -

O P I N I O N

In Application No. 11922 Southern Pacific Motor Transport Company, a corporation, as successor to Pacific Coast Motor Coach Company, a corporation, has petitioned the Railroad Commission

for an order declaring that public convenience and necessity require the operation by it of an automobile stage service as a common carrier of passengers, baggage and express between Santa Monica and Oxnard and intermediate points.

In Application No. 12928, Pickwick Stages System, a corporation, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by it of an automobile stage service as a common carrier of passengers and express between San Pedro and Oxnard, via Santa Monica, and to operate such service as a through service to be inaugurated between Santa Barbara and San Diego over the proposed new territory herein applied for and over territory between Santa Barbara and Oxnard and between San Pedro and San Diego as now operated under certificated authority. Applicant also seeks authority for a rerouting of its present operative rights between San Luis Rey and Bonsall to permit service being given over a new bridge and new highway recently constructed, and for an amendment of its route between San Diego and El Centro, via Descanso, designating the regular county and state highway between Descanso and Hipass as the regular and authorized route of the applicant.

In Application No. 15217, Motor Coach Company, a corporation, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation of an auto stage line as a common carrier of passengers and baggage between Long Beach and San Francisco, via Santa Monica, in conjunction with and as an extension and enlargement of applicant's present authorized operative rights between Long Beach and Santa Monica and intermediate points, and to establish through service over the consolidated route.

In Application No. 15653, Santa Monica Mountain Coach Lines, a corporation, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by it, of an automotive transportation service as a common carrier of passengers and express between Santa Monica and Ventura and intermediate points, via Oxnard and the Malibu Highway.

Public hearings on these applications, which were consolidated for the receiving of testimony and for decision, were conducted by Examiner Handford at Los Angeles, the matters were duly submitted upon the filing of briefs by counsel, and are now ready for decision.

Southern Pacific Motor Transport Company, as successor to applicant in Application No. 11922 proposes rates in accordance with amended exhibit "AA" as filed at the hearing; two round trips daily, / and one round trip, daily except Sunday, serving as intermediate points Pacific Palisades, Castellamare, Malibu La Costa, Malibu Creek, Escondido Beach, Malibu Trading Post, and Point Mugu, using as equipment 21 or 25 passenger parlor car busses of the Company's standard type.

Applicants relies as justification for the granting of the certificate upon the following alleged facts:

1- That the opening of the Malibu Highway has reduced the distance passengers are required to travel between Santa Monica and Oxnard in accordance with the following tabulation:

From Santa Monica to Oxnard via Pacific Electric Railway to Los Angeles, thence via Southern Pacific Company	86 miles
Via Pacific Electric Railway to Los Angeles, thence via Pickwick Stages System	82 miles
Via applicant's proposed line	50 miles

2- That a population of approximately 100,000 people now permanently residing in the Santa Monica Bay territory will be benefited by the proposed service in their travel between Oxnard, and points north thereof, and Santa Monica.

3- That the proposed service eliminates the travel hazard and inconvenience of transfer between stations in the congested business district of Los Angeles.

4- That the public desiring to travel between Santa Monica and Oxnard, and points north of Oxnard, will be able to save from one to three hours by the use of the proposed service over the elapsed time now required by the use of existing public transportation, either rail or stage.

5- That the proposed service will be more convenient for the traveling public than that of existing public transportation, by reason of economy of time and money and by avoiding traffic congestion in the City of Los Angeles, applicant proposing to establish joint rates with connecting carriers and to handle such traffic, including baggage and express, in an expeditious manner.

In Application No. 12928, Pickwick Stages System proposes rates in accordance with Exhibit No. 8 filed at the hearing; to operate two round trips daily; using as equipment the standard now operated on its various lines with seating capacities adequate for the traffic operating.

This applicant relies as justification for the granting of the application on the following alleged facts:

1- That there is a great demand for the transportation of passengers, baggage and express from along the line of applicant between Oxnard and Santa Barbara to and from the beach resorts between Santa Monica and Long Beach and intermediate points, such passengers not desiring to travel through the City of Los Angeles and the traffic incidental to such route.

2- That there is a considerable demand for the transportation of passengers, baggage and express between points north of Oxnard to and including Santa Barbara on the lines of applicant to and from points south of Santa Ana and as far south as San Diego.

3- That applicant proposes to operate through service over the route herein proposed without change of cars, thereby meeting the requirements of the public desiring through service between Santa Barbara and San Diego and eliminating the traffic congestion existing in passing through the City of Los Angeles.

4- That the service at present rendered by the available methods of transportation is not adequate to serve the traveling public to and from points between Santa Monica and Long Beach, both points inclusive, and between points north of Oxnard and south of Santa Ana for the reason that all transportation must come into Los Angeles and change cars at such point.

In Application No. 15217, Motor Coach Company proposes to charge rates in accordance with Exhibit No. 13 as filed at the hearing; to operate two round trips daily between San Francisco and Long Beach; and to use as equipment 29 passenger capacity motor stages of parlor-car design and of standard make.

This applicant relies as justification for the granting of the desired certificate upon the following alleged facts:

1- That there is no direct, through service between any point north of El Rio and any point south thereof, and that the proposed line will furnish a through, direct and convenient service.

2- That the territory now served by this applicant's presently operated lines contains a population in excess of 300,000 people who have no direct means of transportation to or from points north of El Rio and that there is a demand for such proposed service.

In Application No. 15652, applicant Santa Monica Mountain Coach Lines proposes to charge rates in accordance with Exhibits A and B-1 as attached to the application; to operate eight round trips daily; and to use as equipment two Studebaker parlor car type motor busses, each having a seating capacity of 25 passengers.

Applicant relies as justification for the granting of the desired certificate upon the following alleged facts:

1- That the opening to public travel of the Malibu Highway has shortened the highway distance between Santa Monica and Ventura from 73 to 55 miles; that the new route is one of great scenic beauty; and that the grades are practically level when contrasted with the grades encountered over the former routes of public travel.

2- That at the present time the only common carrier service available to the public over the Malibu Highway is that now operated by Francis Brunner between Santa Monica and Los Flores Canyon, a distance of approximately nine miles, and that due to the opening of the new high-

way there is demand for the continuation of service to Ventura and to all points intermediate between Santa Monica and Ventura.

At the hearings the following amendments were made regarding the respective applications:

1- Santa Monica Mountain Coach Lines.

Reducing service during period September 8th to June 14th to 4 round trips daily between Santa Monica and Ventura; service during remaining portion of the year to be at the rate of 8 round trip schedules daily as originally proposed by the application.

2- Pickwick Stages System .

Eliminating request for local business between San Pedro and Los Flores Canyon. Eliminating portion of application requesting rerouting of certain operative lines, same having been heretofore authorized in other proceedings.

3- Motor Coach Company.

Eliminating the handling of passengers originating at Santa Monica whose destination may be to points north of Santa Monica to and including Ventura, and no passengers at Ventura destined to points intermediate between Ventura and Santa Monica.

The following stipulations were made at the hearings:

1- By Motor Coach Company that no right is sought for the transportation of local business between San Francisco and El Rio and intermediate points.

2- That no local service was proposed by Santa Monica Mountain Coach Lines between Ventura and Oxnard.

3- That no right for the transportation of express was sought by Santa Monica Mountain Coach Lines between the terminals of Santa Monica and Oxnard or between Santa Monica and Ventura, reserving the right to transport express from terminals to intermediate points between Santa Monica and Oxnard.

4- Stipulated by all applicants that public convenience and necessity require the operation of an auto stage service as a common carrier of passengers, baggage and express locally between Santa Monica and Oxnard and intermediate points, the carriage of express being limited to service between terminals and intermediate points but not including service between the terminal at Santa Monica and the terminal at Oxnard.

The amendments and stipulations hereinabove referred to result in two of the applicants applying for a local service, one between Ventura and Santa Monica and intermediate points,

the other between Oxnard and Santa Monica and intermediate points. The remaining two applicants, while operating over the newly constructed Malibu Highway, are seeking through service, one between San Francisco and Santa Monica, connecting at the latter point with its presently authorized line to Long Beach; the other from Santa Barbara to San Pedro connecting with applicant's presently authorized line to San Diego via Santa Ana.

Considering first the local service between Oxnard and Santa Monica, the record shows a demand on the part of the public for the establishment of a service over the new Malibu Highway to enable residents of the Santa Monica area to travel to and from that district without the necessity of passing through the congested traffic at Los Angeles, the new route affording economies in time and expense and eliminating the present necessity for transfer between connecting carriers at Los Angeles. Not only is the proposed service endorsed by the testimony of witnesses, and by resolutions of the Board of Directors of the Ventura Chamber of Commerce and the City Council of the City of San Buenaventura, but no protest was made regarding the granting of such authority between Oxnard and Santa Monica and intermediate points. In addition to the testimony and exhibits, all applicants stipulate to the necessity for such service. We find, however, no necessity for the operation of such local service between Ventura and Oxnard, the traffic being limited between such points and apparently now being adequately cared for by the service now rendered by the trains of the Southern Pacific Company and the stages of the Pickwick Stages System.

In our opinion the service proposed by Southern Pacific Motor Transport Company and the financial responsibility of said applicant will insure the public a more reliable and dependable service than that proposed by Santa Monica Mountain Coach Lines. The latter applicant has not progressed beyond the

stage of incorporation, and while its president has been engaged in the operation of local lines from Santa Monica to Los Flores and Topanga Canyons, and it is the intention, in the event of the granting of the desired certificate, to include such operations within the activities of the new corporation, the service and character of operation available by an established operator with its experience and large volume of available equipment, promise reliable and satisfactory service for the public. We are of the opinion that the service proposed by applicant Santa Monica Mountain Coach Lines is of greater frequency than would be justified by the prospective volume of local travel and that its proposal, as set forth by the record herein, is not as advantageous to the public as that of the Southern Pacific Motor Transport Company.

With regard to the through service proposed by Pickwick Stages System between Santa Barbara and San Diego via the Malibu Highway and Santa Ana, and the Motor Coach Company between San Francisco and Long Beach via the Malibu Highway from Oxnard:

The record shows the testimony of agents of Pickwick Stages System regarding inquiries received at San Diego for through direct transportation to the territory between San Pedro and Santa Monica, and frequent inquiries at Santa Barbara for direct through transportation to the territory between Santa Monica and Long Beach.

T. E. Moody, a member of Santa Monica Chamber of Commerce; Frank Miratti, a hotel proprietor of Santa Barbara; John B. Wallace, Secretary, Ventura Chamber of Commerce; T. H. Dudley, a banker of Santa Monica; and C.F. Reynolds, Traffic Manager of the San Diego Chamber of Commerce, testified as to the need for through direct transportation between San Diego and the

beach section between Long Beach, the Santa Monica area, and along the Malibu Highway to Oxnard and points north thereof. The desire for through direct service and the elimination of the presently required changes at Los Angeles for through passengers were the points stressed by these witnesses.

Witnesses for Motor Coach Company, employed as ticket agents at various points, testified regarding inquiries received for through direct transportation. These inquiries show daily requests at Santa Monica for direct transportation to San Francisco, and four or five daily to points between Santa Monica and San Francisco; three or four inquiries daily at San Pedro for San Francisco, and additional inquiries to points north of San Francisco; and four or five inquiries weekly at Ocean Park for San Francisco. A record kept for a period of ten days by the ticket agent of the Safeway Stages at Long Beach showed a total of 89 inquiries for through direct stage service to San Francisco and 22 inquiries to intermediate points.

F. J. Heidlebaugh, operating the Safeway Stages between Dallas, Texas, and Long Beach, testified that his service operating three times weekly carried 4 to 5 passengers on each trip who were destined to points north of Long Beach that would be served by applicant's proposed line.

The granting of the application of Motor Coach Company is supported by the testimony of T. T. Moody, Manager of the Ardmore Hotel and Apartments, Long Beach; Mrs. J. A. Swartz, operating the Brooks Hotel at Long Beach; Bradley Knocke, operating the Savoy Hotel at Long Beach; J. C. Dick, a hotel proprietor of Long Beach; C. L. Sivila, in the hotel business at Wilmington; and F. J. Davis, Manager of the Federal Hotel at Long Beach. All these witnesses testified regarding the frequent inquiries received for direct through stage transportation to San Francisco and points intermediate as proposed to be served by applicant's proposed line, and as to complaints

received as regarding the necessity of traveling via Los Angeles with the necessity of changing to the service of carriers operating out of such city.

The application of Motor Coach Company is supported and endorsed by resolutions introduced as exhibits from the following:

Advisory Board of Venice Branch of Los Angeles Chamber of Commerce

San Pedro Chamber of Commerce

Board of Directors of Chamber of Commerce of Wilmington

Long Beach Apartment House Association

Lomita Chamber of Commerce

Hermosa Beach Chamber of Commerce

Torrance Chamber of Commerce

Chamber of Commerce of Redondo Beach

Hotelmen's Association of Long Beach

Public Affairs Association of Santa Monica.

The granting of the application for through service between Long Beach and San Francisco is opposed by the Southern Pacific Company, Pickwick Stages System and Atchison, Topeka & Santa Fe Railway.

Southern Pacific Company, through a witness, presented its schedules and rates, and contends that its present service offers adequate accommodation for all through patronage between San Francisco and the Santa Monica-Long Beach area.

Pickwick Stages System protests the granting of the Motor Coach Company's application on the basis that Pickwick Stages System now furnishes satisfactory and adequate service between San Francisco and Los Angeles and intermediate points, and between Los Angeles and San Diego and intermediate points.

The Atchison, Topeka & Santa Fe Railway Company protests the application of Motor Coach Company on the basis that any additional transportation service authorized will injure their present passenger patronage between San Diego and Los Angeles by the diversion of passengers who now use the rail line between San Diego and Los Angeles as a part of their through trips to points proposed to be served by applicant.

There is no evidence herein which indicates that the patronage of the Southern Pacific Company will be affected by the proposal of the applicant and the same causes that make such protestant a supporter of the application of Southern Pacific Motor Transport Company as regards the service between Oxnard and Santa Monica to relieve the expense and inconvenience caused by a transfer through Los Angeles apply with equal effect to the proposal of Motor Coach Company to serve by through direct service the territory between Santa Monica and Long Beach.

Pickwick Stages System has for some years possessed operative rights allowing through service between Santa Barbara and San Diego via Los Angeles and Santa Ana.

This company has not seen fit to establish such service and does not in this proceeding present evidence that such service is desired by the public over such route.

From a careful consideration and analysis of all the evidence and exhibits regarding the matter of through stage service as requested in these proceedings, we are of the opinion and hereby find the following facts:

- 1- That public convenience and necessity require the establishment of through direct automobile service between Long Beach and San Francisco via Santa Monica and the Malibu and Coast Highways, thereby avoiding the inconvenience and delay experienced by the public in transfers now required at Los Angeles.
- 2- That the applicant, Motor Coach Company, by its proposal and by competent evidence, has established the fact that it is financially able and best fitted to undertake the service proposed by its application.

3- That the establishment of the service herein proposed by applicant Motor Coach Company will not divert, to any appreciable degree, from the patronage now enjoyed by protestants Southern Pacific Company, Atchison, Topeka & Santa Fe Railway Company, and Pickwick Stages System, the service demanded by the public being through direct stage transportation without change enroute or transfer at intermediate points, and which service could have heretofore been available by the Pickwick Stages System between San Francisco and San Diego, or between Santa Barbara and San Diego, the demand for same having been present and apparently ignored by this protestant.

O R D E R

Public hearings having been held on the above entitled proceedings, the matters having been consolidated for the purpose of receiving evidence and for decision, the matter having been duly submitted following the filing of briefs, the Commission having given full consideration to all the evidence and exhibits herein and being now fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Southern Pacific Motor Transport Company, a corporation, of an auto stage service as a common carrier of passengers, baggage and express between Oxnard and Santa Monica and intermediate points over the following described route:

.- From the terminal at Ocean Park to Main Street, thence on Main Street to Pico Street, thence on Pico Street to Ocean Avenue, thence on Ocean Avenue to Broadway, thence on Broadway to Second Street, thence on Second Street to Santa Monica Boulevard, thence on Santa Monica Boulevard to Fifth Street, thence on Fifth Street to Wilshire Boulevard, thence on Wilshire Boulevard to Ocean Avenue, thence on Ocean Avenue to the Malibu Highway and along the Malibu Highway to Wooley Road, thence on Wooley Road to "C" Street, Oxnard, thence on "C" Street to Fifth Street, thence on Fifth Street to the Southern Pacific Station in the City of Oxnard.
Returning via the reverse of the foregoing route.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same hereby is granted to Southern Pacific Motor Transport Company, a corporation, for the operation of an auto stage line, as a common carrier of passengers, express and baggage between Santa Monica and Oxnard and intermediate points over the hereinabove described route, provided, however, that the express right herein conferred shall not include the transportation of express between the terminals of Santa Monica and Oxnard but shall include the transportation of express from both terminals to intermediate points or locally between intermediate points.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY FURTHER DECLARES that public convenience and necessity do not require the establishment by Santa Monica Mountain Coach Lines, a corporation, of an automobile stage service as a common carrier of passengers, baggage and express between Santa Monica and Ventura, via Oxnard, and

IT IS HEREBY ORDERED that Application No. 15652 be and the same hereby is denied.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Motor Coach Company, a corporation, of an automobile stage line as a common carrier of passengers and baggage between San Francisco and Long Beach via the Coast and Malibu Highways and the presently authorized lines of applicant between Long Beach and Santa Monica, over the following described route:

Northerly from Long Beach to the intersection of Avalon Boulevard and Anaheim Street in Wilmington, thence on Anaheim Street to "B" Street, thence on "B" Street to Wilmington Boulevard, thence on Wilmington Boulevard to Harbor Boulevard, thence on Harbor Boulevard to Front Street, San Pedro, thence on Front Street to Fifth Street, thence on Fifth Street to Pacific Avenue, thence on Pacific Avenue and Harbor Boulevard to Gaffey Road, thence on Gaffey Road to Anaheim Street, thence via the direct road to Redondo Beach, entering Redondo Beach via the Esplanade to Pacific Avenue, thence over the Long Beach-Santa Monica route through Hermosa Beach, Manhattan Beach, through the town of El Segundo, through Del Rey, entering Venice

via the Speedway, traversing Venice and Ocean Park via the Speedway to Pier Avenue, thence via Pier Avenue to Main Street, thence on Main Street to Pico Street, thence on Pico Street to Santa Monica Boulevard, thence on Santa Monica Boulevard to Seventh Street, thence on Seventh Street to Arizona Street, thence on Arizona Street to Eighth Street (or Lincoln Boulevard), thence on Eighth Street (or Lincoln Boulevard) to Santa Monica Boulevard, thence on Santa Monica Boulevard to Ocean Avenue, thence on Ocean Avenue to the Malibu Highway, thence via the Malibu Highway to Oxnard, thence north to El Rio and via the Coast Highway to San Francisco.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same hereby is granted to Motor Coach Company, a corporation, for the operation of an auto stage system as a common carrier of passengers and baggage between San Francisco and Long Beach via Oxnard and Santa Monica and over the hereinabove described route, provided, however, that this certificate does not authorize the carriage of passengers and baggage locally between San Francisco and El Rio or any point intermediate between said San Francisco and El Rio, or between Santa Monica and points north of Santa Monica to and including Ventura. Passengers and baggage originating at or destined to points between El Rio and San Francisco on the one hand, and points Santa Monica to and including Long Beach on the other hand, may be carried, as may also passengers originating at or destined to points south of Santa Monica (not including Santa Monica), on the one hand, and points north of Santa Monica to and including El Rio on the other hand.

The authorization herein granted to Motor Coach Company, a corporation, includes the consolidation of the route and service as hereinabove described with the present operative rights of said Motor Coach Company between Santa Monica and Long Beach over the route hereinabove specified.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity do not require the operation by Pickwick Stages System, a corporation, of an automobile stage line as a common carrier of passengers, baggage

and express, between Santa Barbara and San Diego via the Malibu Highway, Santa Monica, San Pedro, Long Beach and Santa Ana, thence via the Coast Highway and

IT IS HEREBY ORDERED that such portion of Application No.12928 be and the same hereby is denied.

IT IS HEREBY FURTHER ORDERED that the portion of Application No.12928 which requests re-routing of portions of presently operated lines of applicant, Pickwick Stages System, be and the same is hereby dismissed.

The rights and privileges hereby granted to Southern Pacific Motor Transport Company, a corporation, and Motor Coach Company, a corporation, are subject to the following conditions:

1- Applicants shall file their written acceptances of the certificates 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 thirty (30) 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.

Southern Pacific Motor Transport Company, a corporation, and Motor Coach Company, a corporation, are each 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.

The effective date of this order is hereby fixed as twenty (20) days from the date hereof.

Dated at San Francisco, California, this 15th day of October, 1929.

John S. Gutter

Cl. Seaman

Leon O'Connell

W. A. Cline
COMMISSIONERS.