

RHM

Decision No. 21960

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
D. B. MAURICE for a certificate of
public convenience and necessity
authorizing him (1) to extend his
present automobile stage lines a
distance of approximately three miles
easterly along Rosecrans Avenue from
its intersection with Highland Drive
in Manhattan Beach, California, to
its intersection with Hawthorne
Blvd. in Lawndale, California, and
(2) to operate said extension of
line in conjunction with applicant's
existing stage lines for the trans-
portation of passengers.

Application No. 15573.

Kidd, Schell & Delamer, by W. H. Kidd, for Applicant,
Vernon P. Spencer for Inglewood Transit Company,
Protestant,
H. G. Weeks for Los Angeles Railway Corporation,
an interested party.

BY THE COMMISSION:

O P I N I O N

D. B. Maurice, doing business under the fictitious name of West Coast Rapid Transit Company, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by him of an automobile stage line as a common carrier of passengers between the intersection of Rosecrans Avenue and Highland Drive in Manhattan Beach, California, in a general easterly direction along Rosecrans Avenue, a distance of about four miles, to the intersection of Third Street and Rosecrans Avenue at Lawndale; thence south on Third Street to Market

Street in Lawndale; thence east on Market Street to Hawthorne Boulevard in Lawndale as an extension of his present stage operations between Redondo Beach and Manhattan Beach and between Redondo Beach and Inglewood.

A public hearing on this application was conducted before Examiner Satterwhite at Redondo Beach, the matter was submitted and is now ready for decision.

Applicant proposes to charge rates in accordance with amended Exhibit "B" attached to said application and to operate on a time schedule in accordance with Exhibit "C" attached thereto and over and along the route as shown on map marked Applicant's Exhibit No. 16.

C. R. Carpenter, who operates a stage line between Manhattan Beach and Inglewood via Inglewood Avenue, protested the granting of said application.

Applicant called a large number of witnesses in support of his proposed extended service.

The record shows that applicant now furnishes both a through and local service to Redondo Beach and Hermosa Beach and Manhattan Beach, on the one hand, and to and from Inglewood on the other hand, and also serves the intermediate points along said route; but his present operations between Hermosa Beach and Manhattan Beach do not connect with his bus line over and along Hawthorne Boulevard.

Applicant testified to the effect that he has had for many months last past constant and increasing demands from a large number of people in the municipalities along his route to establish the proposed extension along Rosecrans Avenue. It is unnecessary to set out at any great length the testimony of the numerous witnesses appearing at the hearing in support

of the application. The record shows, however, that practically all the municipalities, Chambers of Commerce and public bodies in the territory now served by applicant have endorsed the proposed service and several officials representing these various organizations testified at the hearing to the public need and demand for this bus line extension.

Hawthorne is an incorporated community of 8000 people; Lawndale has a population of about 3000, but it is not incorporated. Manhattan Beach is an incorporated seaside resort with a permanent population of about 4000 and a summer population of from 8000 to 10,000. Rosecrans Avenue is a major highway about four miles long running directly from Manhattan Beach to Lawndale. There are about 200 houses along Rosecrans Avenue and within one mile on either side thereof between Lawndale and Highland Drive in Manhattan Beach. Most of these houses are inhabited and the people residing in them have no direct or convenient means of transportation to and from Manhattan Beach and points south served by applicant or from their homes to Lawndale, Hawthorne or Inglewood. At Inglewood passengers travelling to Los Angeles from the above points can change to the street cars or busses of the Los Angeles Railway Company for the down-town portions of Los Angeles; convenient connections can also be made with the stage lines of the El Segundo Transit Company for El Segundo and points between Inglewood and El Segundo. It appears that the proposed connection with El Segundo Transit Company will prove of great convenience to many students who will attend the University of California from Redondo Beach, Hawthorne, Lawndale and other points along the route of applicant.

Mr. Loren Howe, Secretary and Manager of the Chamber of Commerce of Hawthorne, testified to the need and widespread demand at Hawthorne for the proposed service. This demand is based on the fact that the proposed extension will furnish a direct route, not only to the large northern portion of Manhattan Beach, but to all the beach resorts and communities served by applicant. At the present time the nearest means of transportation for the people of Hawthorne is over the Pacific Electric Railway via Redondo Beach, thence to Hermosa Beach or over the West Coast Transit Company line. A new beach park has just been established on the ocean front near the intersection of Rosecrans Avenue and Highland Drive which can be reached directly by the extended service.

T. J. Oberer, President of the Chamber of Commerce of Lawndale, testified that this organization had, by resolution, strongly endorsed the extended service upon the grounds that the residents of Lawndale almost to a unit desire the service for the reason that considerable community interest exists between the residents of Manhattan Beach, Lawndale, Inglewood and intermediate points and that the bus extension along Rosecrans Avenue would afford a direct, satisfactory and more frequent service between these communities. Under the proposed time schedule of applicant a half hour service will be practically available over the alternative routes between the terminals of applicant.

G. H. Lindsey, President of the School Board at Manhattan Beach, testified that during the past year he had talked to and interviewed nearly 500 residents of Manhattan Beach, nearly all of whom had expressed a desire to have established the direct service now sought by applicant.

Mr. E. L. Camp, who operates a mercantile establishment at Rosecrans Avenue and Highland Drive in Manhattan Beach, testified that for more than a year last past he has had constant and frequent inquiries for direct bus service to Inglewood and Los Angeles and that he has heard frequent discussions and numerous complaints by the residents along Rosecrans Avenue and in North Manhattan Beach about the lack of and the need for a direct service as proposed by applicant.

During the course of these proceedings, for the purpose of expedition, a stipulation was made by interested parties to the effect that 15 residents of Lawndale in attendance at the hearing as witnesses, if called, would testify substantially the same as Mr. Oberer, President of the Chamber of Commerce of Lawndale, to the effect that a widespread demand for the proposed direct service exists at Lawndale, Hawthorne, Manhattan Beach and way points by reason of the community interest existing between these communities.

The evidence shows that the people residing along Rosecrans Ave. and North Manhattan Beach are now compelled to walk from one-half mile to a mile or more to reach the terminal of the protesting bus line at Center Street and Manhattan Avenue, causing considerable inconvenience and much delay in reaching points along the route served by applicant.

T. R. Carpenter, protestant, introduced little or no testimony in support of his protest. Carpenter operates a passenger stage service between Inglewood and a point slightly south of Manhattan Beach. His line traverses Inglewood Avenue south from Inglewood, paralleling Hawthorne Boulevard, a distance of one-half mile and turns west on Center Street to the intersection of Manhattan Beach.

The evidence in this proceeding shows that the proposed extension of applicant will not offer any serious or injurious competition to the line of Carpenter. Applicant's proposed operations along Rosecrans Avenue will be distant approximately one and one-fifth miles from Carpenter's line, running east and west along Center Street and will also cross the line of Carpenter at the intersection of Inglewood Avenue and Rosecrans Avenue, at which point Carpenter's line crosses in a northerly and southerly direction the lines of applicant in said proposed operation.

We are of the opinion that the operations of Carpenter's line can be fairly and adequately protected by imposing certain limitations and restrictions upon the extended service of applicant by establishing a definite zone at the terminal of Carpenter's line near Manhattan Beach within which applicant will be denied the right to pick up passengers destined to Inglewood and way-points destined to any point within a radius of three blocks of Highland Drive and Center Street.

After a careful consideration of all the evidence in this proceeding, we are of the opinion that the proposed extended service of D. B. Maurice should be authorized, subject to the restrictions hereinafter indicated.

D. B. Maurice 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

A public hearing having been held in the above entitled proceeding, the matter having been submitted, and being now ready for submission,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity require the operation by D. B. Maurice, doing business under the fictitious name of West Coast Transit Company, of an automobile stage line as a common carrier of passengers between the intersection of Rosecrans Avenue and Highland Drive in Manhattan Beach, California, in a general easterly direction along Rosecrans Avenue, a distance of about four miles to the intersection of Third Street and Rosecrans Avenue at Lawndale; thence south on Third Street to Market Street in Lawndale; thence east on Market Street to Hawthorne Boulevard in Lawndale as an extension of his present stage operations between Redondo and Manhattan Beach and between Redondo Beach and Inglewood, provided, that applicant shall not pick up any passengers destined to Inglewood and way points within a radius of three blocks of the intersection of Center Street and Highland Drive, nor pick up any passengers at Inglewood and way points destined to any point within a radius of three blocks of the intersection of Highland Drive and Center Street; and provided further that no passengers shall be picked up along Rosecrans Avenue within one-quarter of a mile east or west of Inglewood Avenue.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service be and the same is hereby granted to D. B. Maurice for the operation of service hereinabove described, subject to the following conditions:

1. Applicant shall file his 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 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 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 him under a contract or agreement on a basis satisfactory to the Railroad Commission.

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

Dated at San Francisco, California, this 28th day of December, 1929,

Thos. D. Lott
Cl. Seaver
Ernest J. Coe
Leon Whittell
H. J. Linn
Commissioners.