Decision No. <u>22113</u>

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PICKWICK STAGES SYSTEM, a corporation, to reroute a portion of its service between Los Angeles and San Francisco via Santa Monica, and to reroute a portion of its service between Los Angeles and San Diego via Long Beach.

) Application ) No.16189

Earl A. Bagby, for Applicant.
R. G. Brady, for Southern Pacific Company, interested party.
H. O. Marler, for Pacific Electric Railway, interested party.
F. Ball, for Board of Public Utilities, City of Los Angeles, interested party.
A. B. Roehl, for Motor Coach Company.
Hal H. Urdahl and C. A. Bland, for Long Beach Boulevard Co. Improvement Assn.
R. T. Eddy for Santa Monica Mt. Coach Line, Protestant.
H. W. Kidd and F. D. Howell, for Motor Transit Co.

LOUTTIT, Commission -

## OPINION and ORDER

This is an application by Pickwick Stages System, a corporation, engaged in the business of transporting persons, their baggage and express over the highways of California, seeking an order of the Railroad Commission authorizing it to operate

1- Between Santa Monica and Los Angeles, and

2- Between Long Beach and Los Angeles

and, further, the consolidation of the applied for operating rights with its rights between San Francisco and San Diego and, over said routes, to transport passengers and their baggage, and express, serving the termini and all intermediate points, except between Los Angeles and Los Flores and points intermediate thereto, and between Los Angeles on the one hand and Long Beach and Newport Beach and Lagung Beach and intermediate points on the other hand. It is proposed, however, to pick up and discharge passengers, their baggage and express in said restricted territories when destined to, or arriving from, points on applicant's lines not within said restricted territories.

Applicant further proposes that the service, authority for which is herein sought, shall be governed by the tariffs, rates, rules and regulations of Pickwick Stage System now on file with the Commission and applicable to its present service between Los Angeles and San Francisco and Los Angeles and San Diego, respectively, save and except as shown by the proposed tariffs annexed to the application herein and marked "Exhibit B", and that in the conduct of said operation, equipment such as is now used by applicant on its main line cervice between Los Angeles and San Francisco and Los Angeles and San Diego will be used. Service is to be given in accordance with time schedules (Exhibit 1) filed at the public hearing herein.

A public hearing was held, testimony heard, and an order of submission made. The matter is now ready for decision.

At the hearing Motor Coach Company entered an appearance as a protestant, as did Santa Monica Mountain Coach Lines, the latter, however, subsequently withdrawing from the proceedings. Motor Trancit Company, when applicant stipulated that it would not perform service between Los Angeles on the one hand and Laguna Beach on the other hand, advised it would not oppose the granting of the application.

Counsel for Motor Coach Company moved that the application be dismissed on the ground that the application did not properly present to the Commission a request for the issuance to it of a certificate of public convenience and necessity. This motion is hereby denied.

Some twelve witnesses testified in support of the appli - cation. Two company witnesses testified. The public witnesses

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represented communities along the routes proposed to be served and other points on the Pickwick System. By stipulation it was agreed that the testimony of seven other witnesses would be, in effect, the same as that offered by those appearing in person. In nearly every instance the witnesses represented civic organizations and presented for the record resolutions adopted by their organizations expressing approval of the pro posed service.

Applicant now has authority to operate an automotive passenger stage service between San Francisco and San Diego, via Los Angeles, over what has long been known as the Coast It also operates between the same terminals via the Eighwey. new Malibu (Roosevelt) highway, Santa Monica-Long Beach and the Seashore highway, south of Long Beach, the new coast route, with restrictions on the last described route as to local service between Los Flores and Long Beach and intermediate points. Applicant is also restricted as to local service between Long Beach and Los Angeles, via Santa Ana. From the north Pickwick now serves Los Angeles via Santa Paula, Fillmore and Saugus; via Moorpark and Santa Susana and via Camarillo (Conejo Pess) and Calabasas. From the South it enters Los Angeles via Sante Ana and Riverside. Granting of the instant application will give applicant authority to enter and leave Los ingeles by two new routes, namely, via Long Beach, and via Santa

Ingeles by two new routes, namely, via Long Beach, and via Santa Monica, and thus, in effect, connect the new coast highway with the old and make available to Pickwick's main line traffic in or out of Los Angeles opportunity to travel over highly scenic roads along the shore of the Facific Ocean. It will also give the thickly settled beach territory more direct communication with the main Pickwick system. It is not proposed to perform local service along the proposed new routes, but it is proposed to pick up or discharge along both routes when traffic is destined

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to or arriving from points beyond the restricted territory.

It is now possible for travelers out of Los Angeles to make connection with Pickwick Stages System stages operating over the Malibu and Seashore highways at either Santa Monica or Long Beach, but it entails a rail trip, and a change at Connections may also be made at Serra and either point. Oxnard, points some distance removed from Los Angeles. The same situation confronts the travelers from points (beyond the restricted area) on the Malibu or Seashore highways. Ios Angeles bound, they must change at Santa Monica or Long Beach. , A direct all-stage route to and from the highways named, seems to me, therefore, to be desirable. Obviously, the proposed service is not designed to meet the needs of purely local traffic, such taffic being amply served by local operators, both rail and auto.

I, therefore, find as a fact that public convenience and necessity require the operation by Pickwick Stages System of stage service between Santa Monica and Los Angeles and between Long Beach and Los Angeles, and recommend the form of order following.

Pickwick Stages System 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

The above entitled matter having been heard, an order of submission made and the Commission being fully advised, THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Pickwick Stages System of an automotive service for the transportation of passengers, baggage and express (express limited to packages weighing not more than 100 pounds each to be transported solely on passenger vehicles of applicant), between Samte Monica and Los Angeles and intermediate points over and along the following route:

> Leaving Pickwick Station at 6th and South Los Angeles Streets, out South Nos Angeles to Plaza, Sunset Boulevard to Vine, over Vine to Selma, Selma to Cahunga (where the Pickwick station is), Cahunga to Sunset, Sunset to Highland, Highland to Santa Monica Boulevard and Santa Monica Boulevard to Beverly Hills to Sawtelle to Santa Monica,

and between Long Beach and Los Angeles and intermediate points, over and along the following route:

> Leave Pickwick Stages System depot at 6th and Los Angeles Streets, thence Sixth Street to Towne Avenue; Towne Avenue to East 16th Street; East 16th Street to Compton Avenue; Compton Avenue to 38th Street; 38th Street to an extension of Compton Avenue; Compton Avenue to Florence Avenue; Florence Avenue to Iong Beach Boulevard, thence to Long Beach,

provided that over such routes no local service is to be given between Los Angeles and Los Flores and intermediate points or between Los Angeles on the one hand, and Long Beach and Newport Beach and Laguna Beach and intermediate points on the other hand, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service, and its consolidation with the operating rights of Pickwick Stages System between San Francisco and San Diego be and the same is hereby granted to Pickwick Stages System, subject to the following further pro visions:

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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 thirty (30) days from the date hereof, tariff of rates which shall be identical with the tariff attached to the application herein, or a tariff satisfactory to the Railroad Commission, and time schedules in conformity with the time schedules offered at the public hearing herein and marked Exhibit No.1, or a schedule 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 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.

The above opinion and order are hereby made the opinion and order of the Railroad Commission of the State of California.

Datod at San Francisco, California, this \_\_\_\_\_day of Fobruary, 1930.

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