ORIGINAL.

Decision No. 22524.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Joe Ferrant, an individual, for certificate of public convenience and necessity, to operate common carrier service between 661 Market Street, City and County of San Francisco, State of California and the San Francisco Bay Airdrome, Alameda County, California; between the Palace Hotel on New Montgomery and Market Streets, City and County of San Fran-cisco and the Alameda Airport, Alameda County, California; between 320 Geary Street, City and County of San Fran-cisco, State of California and Oakland Municipal Airport, Alameda County, State of California; between Hotel Oakland, 14th and Harrison Streets, Oakland, Alameda County, State of California and San Francisco Bay Airdrome, Alameda County, State of California; between 1621 Broadway, Cakland, Alameda County, State of California and the Alameda Airport, Alameda County, State of California.

Application No. 16540.

Arthur A. Hyman and O'Melveny, Tuller & Myers,
by William W. Clary, for Applicant.

Sloss & Ackerman and E.D. Turner, for Yellow
Cab Company.

Brobeck, Phleger & Harrison, Chapman, Trefethen,
Richards & Chapman, by Frank S. Richards,
for Key System Transit Co.

H.W. Hobbs, for Southern Pacific Company.

A.R. Linn, for Western Air Express.

H.E. Ashton, for Peerless Stages.

Hilton J. Melvey, for Board of Port Commissioners
of Oakland.

Courtney L. Moore, for Air Ferries Limited.

I.R. Dains, for Market Street Railway Company.

DECOTO, COMMISSIONER:

<u>opinion</u>

This is an application, as amended, in which Joe Ferrant has applied for a certificate of public convenience and necessity to transport passengers and their baggage between -

- (a) 661 Market Street, San Francisco and the San Francisco Bay Airdrome, Alameda County.
- (b) The Palace Hotel at New Montgomery and Market Streets and the Alameda Airport, Alameda County.
- (c) 320 Geary Street, San Francisco and Oakland Municipal Airport, Alameda County.

Hotel Oakland, 14th and Harrison Streets, (D) Oakland and San Francisco Bay Airdrome, Alameda County, and 1621 Broadway, Oakland and the Alameda Airport, Alameda County. (e) Public hearings were held at the conclusion of which the matter was taken under submission and is now ready for a decision. Southern Pacific Company, Yellow Cab Company and Key System Transit Company, through counsel, protested the granting of this application. The Key System Transit Company withdrew its protest prior to the submission of the application. The protest of the Yellow Cab Company was a general protest while the protest of the Southern Pacific Company was as to service to the Alameda Airport only. The service offered by the applicant herein is a specialized limousine service furnishing direct transportation between the points set forth exclusively for the patrons of the various airplane transportation companies using the airports herein referred to. No other service is offered nor is any service offered as to any points intermediate to the termini. Particularly, there is no pick up service offered nor will there be such service granted in this order. Patrons of the airptransportation lines require a more specialized, convenient and exclusive ground transportation service than that offered by the protestants herein. Departures and arrivals of airplanes vary considerably depending on weather conditions and with the type of service offered herein airplane passengers will meet with no loss of time due to a faulty connection with the present means of transportation to and from the cirports as the service proposed herein will be coordinated with that of the air lines. The necessity of transfer enroute will also be obviated. -2-

It appears from the record herein that public convenience and necessity require the proposed service. Joe Ferrant 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. I recommend the following form of Order: <u>ORDER</u> Public hearings having been held on the above entitled application, the matter having been duly submitted, the Commission being now fully advised and basing its order on the findings appearing in the opinion preceding this order, THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Joe Ferrant of an automotive passenger stage service for the transportation of passengers and their baggage between (a) 651 Market Street, San Francisco and the Sam Francisco Bay Airdrome, Alameda County over the route via either the Southern Pacific Company Oakland Mole, 7th Street to Harrison Street in the City of Oakland to Webster Street in the City of Alameda, or the Southern Pacific Company Alemeda Mole, to Main Street, to Pacific Avenue to Webster Street in the City of Alemeda. The Palace Hotel at New Montgomery and Market (b) Streets and the Alameda Airport, Alameda County, over the route via either the Southern Pacific Company Oakland Mole, 7th Street to Harrison Street, in the City of Oakland, to Webster Street, to Pacific Avenue, to Main Street in the City of Alameda, or the Southern Pacific Company Alameda Mole. -3-

320 Geary Street, San Francisco and the Cakland Municipal Airport, Alameda County, over the route via either the Southern Pacific Company Cakland Mole to 7th Street to Harrison Street, (c) in the City of Oakland, to Webster Street to Central Avenue to High Street to Encinal Avenue to Post Street, to Madison Street to Peach Street to County road to Maitland Drive in the City and County of Alameda, or the Southern Pacific Company Alameda Mole to Main Street to Central Avenue continuing on the next above described route in the City and County of Alameda. (d) Hotel Oakland, 14th and Harrison Streets, Oakland and the San Francisco Bay Airdrome, Alameda County, over the route via Harrison Street in the City of Oakland to Webster Street in the City of Alameda. (e) 1821 Broadway, Oakland and the Alameda Mirport, Alameda County, over the route via 17th Street to Harrison Street, in the City of Oakland to Webster Street to Pacific Avenue to Main Street in the City of Alameda, and IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it hereby is granted to Joe Ferrant for the operation of an automotive passenger stage service as hereinbefore described Provided, however, that no service may be given except between the termini above set forth and no service may be given except to the passengers of the airplane transportation companies using the above mentioned airports and 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 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 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.

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 declared to be the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 3th day of June, 1930.

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