Decision No. 23348

REFORE THE RAILROAD COMMISSION OF THE STATE OF CALLIFORNIA

In the Matter of the Application of CALIFORNIA PARLOR CAR TOURS COMPANY, a corporation, for a certificate of public convenience and necessity declaring its existing operative rights within the State of California in lieu of all previously existing certificates, and concolidating its operations into one complete system; also for certain minor service changes relating to tariffs and restrictions.

Application No. 17095.

Earl A. Bagby for applicant.

Mc Cutcheon, Olney, Mannon & Greene by Carl I. Wheat for Tanner Motor Livery Tanner Motor Tours Ltd. and Gray Line Motor Tours Co.

STEVENOT, Commissioner -

OPINION

In this proceeding California Parlor Car Tours Company, a corporation, operating under authority of this Commission a two-day and a three-day auto tour between San Francisco and Los Angeles asks for an order of the Railroad Commission authorizing the consolidation of the two operating rights, under which the service is performed, the elimination of conflicting restrictions, a minor change in routing, authority to publish a tariff containing a uniform set of rules and regulations and for a change in its fare set up so as to permit either collection of a charge for transportation only or a charge for service including transportation and hotel accommodations enroute. Finally applicant asks that the Commission issue a certificate covering both rights as consolidated and changed, said certificate to be in lieu of the existing rights.

A public hearing in the matter was held at San Francisco, testimony heard and an order of submission made. No one appeared in opposition to the granting of the application.

Company officials and employees testified in the matter, their testimony, in the main, being corroborative of the statements set forth in the application. It appears that applicant is operating under authority of the Commission what may be described as a special or particular type of automotive passenger stage service between San Francisco and los Angeles, one of the services being described as a three day tour, with certain stopover privileges, but with no right to serve between intermediate points. The other is a two-day tour, both services, with the exception of the time consumed enroute and certain equipment and stopover privileges, being practically alike.

The evidence herein and the records of the Commission show that the service performed by applicant is of a type designed to meet the needs of travelers who desire to travel between San Francisco and Los Angeles more leisurely than is possible under the ordinary common carrier highway transportation service. It is somewhat in the nature of a de luxe service, closely approaching a sightseeing service, the major difference being that a sightseeing service is operated on a round trip basis, with a single terminus, while the service involved herein permits of one way fares and service between two mterminals. The one way fare by regular auto stage is \$10:00 without stopovers; with stopovers \$11.85, as against fares of \$18.00 and \$27.50 to be charged for the special service herein proposed. Most of the traffic enjoying the tours is booked in the eastern states, Europe and the Orient and it is to facilitate the work of booking agents, and to avoid the confusion to travelers caused by conflicting restrictions on tours that are identical except for the time consumed that authority is sought to perform a uniform service on both tours. The request for authority to segregate the charges is the result, it appears, of many requests from travelers for the privilege of selecting

-2-

their own lodging and eating places enroute.

I am convinced, after a careful review of the evidence, and find as a fact, that public convenience and necessity require the changes proposed and the granting of a single in lieu certificate authorizing the operation of both tours under uniform rules and regulations; also the publication by applicant of the tariffs submitted with the application herein in lieu of the tariffs now on file with the Railroad Commission covering the tours involved herein.

California Parlor Car: Tours Company, a corporation, 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.

The following form of order is recommended:

<u>ORDER</u>

A public hearing having been hold in the above entitled matter, testimony heard and an order of submission made,

IT IS HERMEY ORDERED that the application of California Parlor Car Tours Company, a corporation, for an order of the Railroad Commission authorizing it to consolidate operating rights heretofore granted by the Railroad Commission authorizing two-day and three-day tours between Los Angeles and San Francisco, to re-route said tours, to segregate its charges, to use equipment as required by traffic demands, to give stopover privileges at Atascadero, and to cancel scheduled trips unless six (6) or more passengers present themselves for transportation, be and the same

3

is hereby granted, and THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HERMEY DECLARES that public convenience and necessity require the operation by California Parlor Card Tours Company, a corporation, of an automotive stage service for the transportation of passengers and their baggage between San Francisco and Los Angeles, over and along the following routes: <u>ROUTE NO. 1</u> <u>NORTEEOUND</u> From 711 Decatur Street, Ios Angeles, along Seventh Street to Hill Street; along Hill Street to Fifth Street; along Fifth Street to Sixth Street; along Sixth Street to Parkview Street; along Parkview Street to Wilshire Boulevard, west on Wilshire Boule-vard to Rossmore Avenue, north on Rossmore Avenue to Vine Street, north on Vine Street to Hollywood Boulevard; or when necessary to serve Pacific Greyhound Lines depot in Hollywood, deviating from Vine Street to Selma Street to Cahuenga Avenue to depot at 1627 Cahuenga Avenue, thence to Selma Street to Cahuenga Avenue to Hollywood Boulevard; thence west on Hollywood Boulevard to Laurel Avenue, south on Laurel Avenue to Sunset Bouler vard, west on Sunset Boulevard through Beverly Mills, continuing westerly on Beverly Boulevard to the Pacific Ocean, thence northerly on Malibu Highway to Oxmard, and along Coast Highway to Ventura, thence via the main Coast Highway through Santa Barbara, Paso Robles, Del Monte, "Seventeen Mile Drive", Santa Cruz, Big Trees and Palo Alto and the Bay Shore Highway to San Francisco. SOUTHBOUND By a reversal of the foregoing route, except when necessary to serve Pacific Greyhound Lines depot in Hollywood, deviating from Hollywood Boulevard to Cahuenga Avenue to company depot at 1627 Cahuenga Avenue, thence to Selma Street to Vine Street. Or optionally ROUTE NO. 2 NORTHBOUND From 711 Decatur Street, Los Angeles, along Seventh Street to Hill Street; along Hill Street to Fifth Street; along Fifth Street to Sixth Street; along Sixth Street to Parkview Street; along Parkview Street to Wilshire Boulevard, west on Wilshire Boulevard to Rossmore Avenue, north on Rossmore Avenue to Vine Street, north on Vine Street to Hollywood Boulevard; or when necessary to serve Pacific Greyhound -4Lines depot in Hellywood, deviating from Vine Street to Selma Street to Cahuenga Avenue to depot at 1627 Cahuenga Avenue, thence to Selma Street to Cahuenga Avenue to Hellywood Boulevard; thence west on Hellywood Boulevard to Cahuenga Avenue, northerly on Cahuenga Avenue to Ventura Boulevard, thence in a general westerly and northerly direction along Ventura Boulevard through Girard, Calabasas and Camarillo to Ventura, thence via the main Coast Highway through Santa Barbara, Paso Robles, Del Monte, "Seventeen Mile Drive", Santa Cruz, Big Trees and Palo Alto and the Bay Shore Highway to San Francisco.

SOUTHEOUND

By a reversal of the foregoing route, except when necessary to serve Pacific Greyhound Lines depot in Hollywood, deviating from Hollywood Boulevard to Cahuenga Avenue to company depot at 1627 Cahuenga Avenue, thence to Solma Street to Vine Street.

provided that the service shall be operated as follows:

- (a) Three Day Tour which tour shall require in its operation in elther direction between the ultimate termini above specified, a period of approximately three days.
- (b) Two Day Tour which tour shall require in its operation, in either direction, between the ultimate termini above specified, a period of approximately two days.

Venience and necessity for such a service be and the same is hereby granted to California Parlor Car Tours Company, a corporation, said certificate to be in lieu of and not in addition to certificates heretofore granted to California Parlor Car Tours Company or its predecessors in interest, authorizing a similar service, which existing certificates are hereby revoked and annualled, and

IT IS HYPERY FURTHER CRIMPED that the operating rights granted herein are granted subject to the following conditions and restrictions:

1- No service may be rendered to or from any intermediate points between the ultimate termini. 2- No stopover privileges shall be granted, except at Del Monte, Atascadero and Santa Barbara. 3- Unloss six or more passengers present themselves for transportation on any schoduled trip, such trip may be canceled, provided that this privilege shall not relieve the operator of the duty of furnishing necessary transportation to any stopover passengers at Del Monte, Atascadero or Santa Barbara, in accordance with the tariff rules and regulations hereby approved. IT IS HEREEY FURTHER ORDERED that for the general operation of the tours described herein, on relocation or reconstruction of highways not affecting stopover points to which stopover service may be rendered, applicant may follow such relocated or reconstructed highways provided that applicant shall first advise the Railroad Commission, in writing, of said highway change, said notice to be accompanied by a sketch or map showing highways involved. IT IS HEREBY FURTHER ORDERED that the cortificate herein granted is issued subject to the following further conditions: 1- Applicant shall file its written acceptance of the cortificate herein granted within a period of not to exceed fifteen (15) days from date hereof, said acceptance to contain the statement that the certificate herein granted is accepted in lieu of, and not a certificate in addition to the certificates and rights heretofore granted to applicant or its predecessors in interest. 2- Applicant shall file in duplicate and make effective within a period of not to exceed thirty (30) days from the date hereof a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the rates and rules shown in Exhibit "C", as amended at the hearing, attached to the application horein insofar as they conform to the certificate herein granted. 3- Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof time schedules, covering the service herein authorized, in a form satisfactory to the Railroad Commission.

4- The rights and privileges herein authorized may not be discontinued, ∞ ld, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.

5- 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 approved and ordered adopted as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this Zuc Cay of

1931.