

Decision No. 23457.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of
TANNER MOTOR TOURS, LTD., a corpora-
tion, for a certificate of public
convenience and necessity to operate
certain sightseeing tours, with the
City of Riverside as point of origin
and termination.

ORIGINAL

Application No. 17132.

McCutchen, Olney, Mannon & Greene,
by Carl I. Wheat, for applicant.

BY THE COMMISSION:

OPINION

Tanner Motor Tours, Ltd., the applicant herein, operates a number of sightseeing tours in the State of California. The present application seeks authorization for three additional such tours, all starting from and returning to the City of Riverside.

A public hearing was held by Examiner Gannon at Riverside and the matter was submitted. No one appeared to oppose the granting of the application.

The tours for which a certificate of public convenience and necessity is requested are as follows:

Tour No. 101, referred to as the Riverside Tour,
Tour No. 102, referred to as the Riverside-Redlands-
San Bernardino Tour,
Tour No. 103, referred to as the Riverside-Redlands-
Palm Springs Tour.

The particular routes to be followed on the respective tours are more fully described in the application, and appear also in the order following this opinion. Rates of fare are

set forth in the body of the application. The equipment to be used will be the same as is generally used by the applicant in the conduct of its other tours. By amendment offered at the hearing applicant desires to reserve the right, by appropriate rule to be filed with the Railroad Commission, to operate any of these tours in limousines at times when operation by means of sightseeing busses may be inconvenient or inexpedient. It is proposed to operate the additional tours, so far as practicable, under the rules and regulations of applicant now on file with the Railroad Commission.

D. N. Booher, manager of Tanner Motor Tours, Ltd., testified that his company has had a constant demand from eastern booking agencies for the proposed tours, which will operate in and through territory which is widely advertised in tourist literature, and is generally of absorbing interest to the sightseeing public. The company maintains representatives in various eastern cities who make bookings for all of its tours. Experienced operators are employed who are competent to intelligently describe the points of interest on each tour.

Owen E. Coffman, manager of the Desert Inn at Palm Springs, testified that there are several thousand tourists in Palm Springs at the peak of the season and that 70% of such business is from the eastern states. The season extends from November first to May first. As many as five thousand cars visit the resort each week-end during the season. The Pacific Greyhound Line operates one bus schedule each way daily through Palm Springs, but that service does not afford tourists

an opportunity to see the resort and return to Riverside on the same day. In other words, the eastbound schedule arrives an hour and a half after the westbound schedule has departed. The witness believed that there is a substantial demand for the proposed service.

Mrs. Alice Richardson, Manager of the Mission Inn at Riverside, testified that she had had frequent requests for all of the proposed tours, which demand had become more insistent of late years with a growing interest in the various beauties and attractions of the desert.

Company employees at Riverside and Palm Springs testified that they had had numerous inquiries for tours such as are proposed by applicant.

Letters from leading eastern booking agencies, approving of the three tours, were offered in evidence. The purport of these communications appears to be that there is a strong popular demand for tours operated on a "per capita" basis rather than a "per car" basis.

Pacific Electric Railway Company, Pacific Greyhound Lines, and several local Riverside limousine and taxi services filed letters with the Commission stating that they offered no objection to the granting of the certificate as prayed for.

We are satisfied from a consideration of the evidence herein that public convenience and necessity will be served by the establishment and operation of the sightseeing tours proposed, and that the application should be granted.

Tanner Motor Tours 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 and the matter having been submitted,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Tanner Motor Tours, Ltd. of an automobile sightseeing service originating and terminating in the City of Riverside over and along the following routes:

Tour No. 101

Starting from the Mission Inn in Riverside, south along Victoria Avenue to Arlington, thence north to and through the grounds of the Sherman Indian School operated by the United States Government, thence north via Magnolia Avenue to Riverside, thence to the summit of Mount Roubidoux, thence to the northwesterly portion of the City of Riverside through Fairmont Park, thence to the point of beginning, or vice versa.

Tour No. 102

Starting from Riverside to Loma Linda, thence to and through Redlands, including Smiley Heights, Prospect Park and Smiley Park, thence to San Bernardino, thence to Riverside and south to Arlington, thence return to Riverside, with detour to the summit of Mount Roubidoux, and return to the point of beginning, or vice versa.

Tour No. 103

Leaving Riverside by the way of Box Springs Grade, March Field, Moreno, Jack Rabbit Trail, Beaumont, Banning, Palm Springs, Palm Springs Canyon, returning via Banning, Beaumont and Redlands to Riverside, or vice versa.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such service be and the same is hereby granted to Tanner Motor Tours, Ltd., a corporation, subject to the following conditions:

1. Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.
2. Applicant shall, within thirty (30) days from the date hereof, file such supplements to the tariffs and time schedules now on file in its name with the Railroad Commission as are required by the Commission's General Order No. 79 to cover the service herein authorized to be performed, such supplements, in form and substance, to fully conform with the terms of the certificate herein granted.
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.

Dated at San Francisco, California, this 1st day of March, 1931.

C. C. Seaman
Leon Whitney
M. J. Van
W. B. Harris
Fred G. Stewart
Commissioners.