

Decision No. 24096.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application  
of J. S. BROWN for a certificate  
of public convenience and necessity  
to operate an automobile stage and  
truck service as a common carrier  
between Redlands and Valley of the  
Falls, California.

Application No. 17442.

R. E. Wedekind, for Applicant.

**ORIGINAL**

BY THE COMMISSION:

O P I N I O N

J. S. Brown has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by him of an automobile stage and truck service as a common carrier of passengers, baggage and property between Redlands and Valley of the Falls, in the State of California.

A public hearing on this application was conducted by Examiner Handford at Los Angeles, the matter was duly submitted and is now ready for decision.

Applicant proposes to charge rates and fares in accordance with a schedule marked Exhibit A as attached to the application; to operate one round trip daily between Redlands and Valley of the Falls; and to use as equipment one seven passenger Packard automobile and one one-ton Ford or Dodge Truck together with such additional equipment as may be required by the demands of traffic.

Applicant relies as justification for the granting of this application on the following alleged facts: that Motor Transit Company is now operating over the proposed route; that said Motor Transit Company has applied for permission to abandon said service; that there is a public demand for the continuation of service as herein proposed by applicant; and that applicant is

of the opinion that he can successfully conduct the service proposed and any other that may offer over said route in the future without loss, applicant proposing to himself act as driver of the regular passenger equipment and to employ his son to drive the freight equipment.

F. D. Howell, Vice-President and General Manager of Motor Transit Company, testified that his company now operates freight and passenger service under the jurisdiction of the Commission between Redlands and Valley of the Falls as a portion of the service rendered by said Motor Transit Company to the San Bernardino Mountain area; that the service was not remunerative for the class of equipment operated by the Motor Transit Company and for such reason the company had made application (Application No. 17441) to discontinue said service from Igo's Store to the Valley of the Falls. Witness further stated that there were between 400 and 500 summer cottages to be served, especially during the vacation and summer months. While the occupants of these cottages use their own cars to a considerable extent, they are dependant upon a regular service for the transportation of milk, bread and other household necessities from Redlands or other points. Witness is of the opinion that the operation of smaller equipment may result in the line being successfully operated, or will at least return wages to an individual operator who would himself act as a driver and who was subjected to a minimum of expense by operating small cars of a touring car type.

J. S. Brown, applicant herein, testified that he had formerly been employed for some time as agent for Motor Transport Company, and was located at Redlands for about a year. Witness proposes to operate at the same rates and under the same time schedule now in effect by the Motor Transit Company. Witness proposes to regularly use a seven passenger automobile for passengers, which he will personally drive, and to procure a truck for the trans-

portation of property, same to be driven by his son. Witness will use the Redlands terminal of the Motor Transit Company and has made arrangements for the leasing of satisfactory equipment from such company to care for additional traffic which may be received. Witness proposes to himself act as driver of the passenger stage, to employ his son to drive the freight equipment and to purchase gas and oil from the Motor Transit Company, thereby eliminating all possible excess expense. Witness has investigated existing conditions and finds a demand for his proposed service. He feels confident that the operation of the line, as proposed, will be a financial success and will, at least, meet the necessary expenses of the limited operation herein proposed.

J. A. Roulette, residing one and one-half miles above Forest Home testified that he was a postmaster and resort proprietor. Although witness has his own car for his personal use, he receives freight from Redlands for his resort and would use the proposed service of applicant for such transportation believing it to be a necessity.

Emmett Osborne, residing in Redlands, testified that he is the manager of the Model Creamery at that point. His concern now ships via the Motor Transit Company, about 1500 pounds daily during the summer months and about 800 pounds every other day during the winter months. Witness would use the freight service of applicant, if established, believing it to be necessary and convenient.

No protest was received against the granting of the application. It appears from the record that the proposed limited service is necessary, especially in view of the desire of Motor Transit Company to relinquish the service heretofore rendered by that company. While the amount of business offered may not justify the operation of large passenger equipment and freight facilities,

The territory is entitled to the more economical service as proposed by the applicant. The application will be granted subject to the provisions of the following order.

J. S. Brown 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 on the above-entitled application, the matter having been duly submitted and the Commission being now fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by J. S. Brown of an automobile service as a common carrier of passengers, baggage and freight between Redlands and Valley of the Falls, California, <sup>and intermediate points</sup> over and upon the following route:

Beginning at 105 Citrus Avenue, in the City of Redlands, thence westerly on Citrus Avenue to its intersection with Orange Avenue, thence northerly on Orange Avenue to Lugonia Avenue, thence easterly to Mentone, thence on the Big Bear Road to Forest Home Junction or Igo's Store, thence via Mill Creek Highway to Forest Home and Valley of the Falls. Returning via the reverse of the foregoing route.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service be and the same hereby is granted to J. S. Brown, subject to the following conditions:

1. Applicant shall file his written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof.

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 the exhibit attached to the application 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, 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.
5. 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 is hereby fixed as twenty (20) days from the date hereof.

Dated at San Francisco, California, this 5th day of

October, 1931.

C. L. Lundy  
Leon Wheeler  
W. B. Harris  
Fred G. Stewart  
Commissioners.