

Decision No. 24204.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of
 WILLIAM THOMPSON for certificate of
 public convenience and necessity to
 operate passenger and free hand
 baggage service as a common carrier
 between Inglewood and Westwood,
 U.C.L.A. Campus.

ORIGINAL

Application No. 17668.

William Thompson, Applicant, in propria persona.
 R. V. Darby, Mayor, for City of Inglewood,
 Interested Party.
 Gibson, Dunn and Taylor, by W. M. Taylor, for
 Los Angeles Railway and Los Angeles Motor
 Coach Company, Protestants.
 H. O. Marler, for Pacific Electric Railway,
 Protestant.

BY THE COMMISSION:

O P I N I O N

Applicant, William Thompson, seeks a certificate of public convenience and necessity authorizing him to establish automotive service for the transportation of passengers and hand baggage between Inglewood and Westwood.

A public hearing thereon was conducted by Examiner Kennedy at Inglewood.

The service applicant proposes to establish has been operated by Otis C. Dwy under certificate granted by Decision No. 21694 on his Application No. 15946, dated October 19, 1929. By Decision No. 24008 on Application No. 17629, dated September 8, 1931, Dwy was authorized to abandon the operation and the service was terminated immediately. The abandonment was authorized on a showing of large losses. In conducting this service Dwy employed applicant Thompson as driver. Thompson testified that,

while Dwy could not operate at a profit while employing a driver, he, Thompson, could make a reasonable profit by operating the service himself.

For the operation proposed applicant has provided a 16-passenger bus body on a new truck chassis, and has in reserve a seven-passenger sedan. This equipment appears adequate for the service proposed. Eight schedules each way daily, except Sundays, are offered. The fares are 10 cents in each of three zones, an aggregate of 30 cents between termini, with a round-trip rate of 50 cents, and commutation rate of \$7.00 for a 40-ride, 30-day book.

The service is primarily planned for the transportation of University of California (Southern Branch) students between Inglewood and Westwood, for which service no certificate is necessary. The applicant, however, proposes to serve the general public in addition. R. V. Darby, Mayor of Inglewood, appearing on behalf of the City Council, testified that Thompson had been requested by the said City Council to re-establish the operation hereinabove referred to, his testimony showing further that the community had been placed at serious disadvantage by reason of discontinuance of the former operation by Otis C. Dwy.

A stipulation entered into by applicant and protestants placed certain local restrictions between points served by the three protesting carriers, and, based on this stipulation their protests were withdrawn. The stipulation has been incorporated in the order herein.

Applicant is undertaking to revive an operation that, under Dwy, proved financially unsuccessful. He testified that he is operating this service with the full knowledge of the meager patronage, and stated further that rates proposed are

fully compensatory for the value of the service rendered. His testimony further showed that by reason of his previous connection with the Dwy operation he is aware of the public need in that particular locality.

In addition to the supporting testimony of Mayor Darby there was filed a petition, signed by eleven university students, requesting the service applied for. Though the testimony is not reassuring of abundant patronage we believe the certificate should be granted, as restricted, with the understanding that meager patronage will not be regarded by this Commission as basis for a rate increase.

Applicant filed an amended time schedule at the hearing making slight changes and also fixed a limit of 50 pounds on hand baggage, which is to be carried free, with no rate for excess.

William Thompson 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

William Thompson having made application for a certificate of public convenience and necessity to operate passenger auto stage service between Inglewood and University of California (Southern Branch) at Westwood, and intermediate points, a public hearing having been held, the matter having been duly submitted and now being ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY

DECLARES that public convenience and necessity require the establishment of an auto stage operation for the transportation of passengers and hand baggage between Inglewood and the campus of the University of California (Southern Branch) at Westwood (Los Angeles City) over and along the following route:

Beginning at Union Terminal Depot on Market Street between Redondo Boulevard and Regent Street, Inglewood; north via Market and Commercial Streets to Centinela Avenue; west to Jefferson Street; southwest to Inglewood Boulevard; northwest to Culver Boulevard; north to Sawtelle Boulevard; northwest to Massachusetts Avenue; north to Sepulveda Boulevard; northwest to Wilshire Boulevard, thence northeast to Westwood Boulevard; via Westwood Boulevard to University of California. Returning via the reverse of the foregoing route to the intersection of Commercial Street and Redondo Boulevard thence east on Redondo Boulevard to Market Street, thence south on Market Street to Union Terminal Depot,

and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and the same hereby is, granted to William Thompson, applicant herein, provided, applicant will not carry passengers locally (1) between Union Bus Depot in Inglewood (located on Market Street between Redondo Boulevard and Regent Street), on the one hand, and the intersection of Centinela Avenue and Damask Avenue, on the other hand, nor between points intermediate thereto; nor (2) between the intersection of La Grange Street and Sawtelle Boulevard, on the one hand, and U.C.L.A. campus, on the other hand, nor between points intermediate thereto; nor (3) between the intersection of Inglewood and Culver Boulevards, on the one hand, and Sawtelle and Culver Boulevards, on the other hand, nor between points intermediate thereto, 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 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 shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 9th day of November, 1931.

C. C. [Signature]
Leon [Signature]
W. J. [Signature]
M. B. [Signature]
Frederic G. [Signature]
Commissioners.