

Decision No. 24399

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 PICKWICK-GREYHOUND OF CALIFORNIA, LTD.,  
 a corporation, for a certificate of public  
 convenience and necessity authorizing the  
 operation and extension of its automobile  
 stage service as a common carrier of  
 passengers, baggage and express between  
 Los Angeles and the California-Nevada  
 State line north of Wheaton Springs and  
 intermediate points, and between Los  
 Angeles and the California-Arizona State  
 line east of Needles, California, and  
 intermediate points, and to grant such  
 certificate as an extension and in lieu  
 of applicant's existing operations over  
 said routes.

Application No. 16705

ORIGINAL

In the Matter of the Application of  
 UNION PACIFIC STAGES OF CALIFORNIA,  
 a corporation organized under the laws of  
 the State of California, for authority to  
 issue and sell certain of its shares.

Application No. 16766

In the Matter of the Application of  
 UNION PACIFIC STAGES OF CALIFORNIA, a  
 corporation organized under the laws of  
 the State of California, for a certifi-  
 cate of public convenience and necessity,  
 authorizing it to operate a motor bus  
 service between San Bernardino, Calif-  
 ornia, and the California-Nevada State  
 Lines, all in San Bernardino County,  
 California.

Application No. 16767

Libby & Sherwin, for Pickwick-Greyhound  
 of California, Ltd., Applicant.  
 E. E. Bennett and H. B. Eldison, for Union  
 Pacific Stages of California, Applicant.  
 Frank Karr and R. E. Wedekind, for Motor  
 Transit Company, Protestant.  
 E. T. Lucey and G. E. Harrison, for The  
 Atchison, Topeka and Santa Fe Ry. Co.,  
 Protestant.  
 Mark Thompson and Edward Stern, for Railway  
 Express Agency, Inc., Protestant.  
 Paul Shafer, for Victorville Motor Express,  
 Protestant.  
 Harry See, for Brotherhood of Railroad Train-  
 men and Railroad Firemen and Enginemen.

WHITSELL, Commissioner:

OPINION ON REHEARING

By Decision No. 23545, dated March 31, 1931, the Railroad Commission denied the above applications. On April 10, 1931, a rehearing was petitioned for and on May 7, 1931, the Commission made its order granting said rehearing.

Public hearings were held in Los Angeles, evidence taken and an order of submission made. Harry See, for the Brotherhood of Railroad Trainmen and Firemen and Enginemen entered an appearance as a protestant.

Applicants presented some 26 witnesses, it being agreed by stipulation, as was the case in the original hearing, that the testimony offered by the applicant in Application No. 16705 (Pickwick), and Application No. 16767 (Union Pacific Stages) would be considered as applicable to both in so far as the testimony referred to points proposed to be served by either of them. No new testimony was offered or presented in the matter of Application No. 16766, an application by Union Pacific Stages to issue and sell stock.

Most of the witnesses for applicants gave testimony which, in effect, was similar to that offered at the original hearing, several of them, in fact, having testified in the original proceeding. It may be said, then, that the testimony of applicants was largely cumulative, differing mainly on the question of conditions existing at this time as compared with conditions existing at the time of the original hearings. Applicants introduced several exhibits in explanation of previous testimony as to the vacant seats on interstate stages, causes of late or delayed arrivals, time schedules, etc. There was also testimony as to an

increase in business on the highways, one man testifying that he was doing ten times as much business as he did in 1930. All of the public witnesses for applicants, several of whom served, or had served, applicants as agents, were optimistic as to the future. Epitomized, their testimony would read:

We should be allowed the right to board the interstate stages of applicants running through our communities and past our service stations and lunch rooms. We receive many inquiries for bus service. The buses offer schedules more convenient than those of the rail, also lower fares. Many of us have our own cars, as have a large number of persons residing along or near the proposed routes, but we will use the buses if given an opportunity. There is a need for more rapid express service for auto parts (also supplies) so that persons delayed on the desert by auto breakdowns may be sent on their way and we may replenish our stocks on short notice. Most of the requests for bus service come from tourists, local people knowing of restrictions as to local service on buses, but there is also a local demand for bus service to all points on both highways proposed to be served by applicants. No particularly adverse criticism of rail service. Rail schedules inconvenient main complaint.

One of the witnesses testified that he would like to see a service every hour. In addition, the proposed bus service was endorsed by the Hinckley Valley-Lenwood Chamber of Commerce. There was also some testimony voicing protest against having to travel some distance to make either rail or bus connections.

The estimates of requests for service varied, ranging as follows:

Mrs. Longfellow, Needles -- 3 a day (most of them transients).  
Doris Sischo, Newberry -- 4 or 5 a week (mostly break downs).  
Roy Christensen, Bagdad -- 5 to 20 a day (tourists) westbound.  
C. M. Hart, Needles -- 4 or 5 a day (tourists).  
T. R. Wilson, Barstow -- 1 a month (tourists -- broken down).  
Mrs. Robertson, Needles -- 4 or 5 a day (some local tourists  
and hitch hikers).  
F. W. Bauer, Barstow -- 2 or 3 a day (tourists - some local).  
A. G. Mallory, San Bernardino -- 10 to 15 a day.  
E. L. Miller, Barstow -- 1 a day (road camps).  
J. A. Sickmer, Lenwood -- 1 a day.  
E. B. Failing, Baker -- 15 a month (tourists - break downs).  
G. B. Way, Mt. Pass -- 4 or 5 a week (westbound) (one-half  
tourists - break downs).  
Don B. Miller, Los Angeles -- 3 or 4 a day.

Mrs. Robertson of Needles testified that she sold, in one month, 22 tickets to Topock, the point in Arizona where passengers seeking to travel on Pickwick interstate stages, (operating via Needles), could board them for transportation westward to points in California. F. W. Bauer of Barstow said he sold 10 tickets a month to Topock, real destination of passengers unknown. (No agent is maintained at Topock, Pickwick having recently discontinued agency.) There was also testimony to the effect that Newberry formerly had a 24-hour agency. It is now a part time agency.

Protestants produced only company officials or employees as witnesses, their testimony being largely explanatory of exhibits showing the rail and express service now in effect in the territory affected by the proposed bus services, the new exhibits showing additional stops (most of them flag) made available since the inception of these proceedings. Their testimony was generally to the effect that no complaints against the rail or express service

had been received and that they had and were giving the territory all the service the traffic justified. It was freely admitted by both applicants and protestants that the traffic in the territory would not justify a purely local service.

Exhibits 43 and 44 by Railway Express Agency show the amount of business done in the shipment of automobile parts from San Bernardino to Needles and points west, including Victorville, Bagdad, Goffs, Newberry, Ludlow, Cadiz and Amboy. From August 7th to 15th (Exhibit 43) the Express company transported 36 shipments of a total weight of 468 pounds. From June 29 to July 15, it transported 76 shipments totaling 502 pounds in weight.

Exhibit 46 of The Atchison, Topeka & Santa Fe Railway Company shows that in May, 1930, the company sold 248 one way tickets, and 97 round trip from and to Barstow, Dagget and Needles and certain stations west and south of Victorville, including Victorville as against 160 one way and 158 round trip between the same points in May of this year. Exhibit 47 shows that in February, 1930, the company sold 137 one way and 19 round trip tickets, while in February of this year the ticket sales totaled 80 one way and 21 round trip tickets. In June, 1930, 122 one way tickets were sold and 31 round trip. The round trips sold in June, 1931, totaled 15 and the one way 69. In June, 1930, three cash fares were collected on the trains and in June of this year only one.

Protestants also showed by exhibits (copies of telegrams) that certain road work requiring the services of large crews was about completed, and also produced testimony as to the extent of the activity at certain mines and plants in the territory, the testimony indicating that most of the plants were practically inactive.

Testimony as to the population of many of the various points affected by the proposed stage service via Needles was offered by protestant Santa Fe. The figures follow:

Hartoum, blank;

Java, 9 persons, Mexican employes;

Ibis, 5;

Bannock, 5;

Homer, 6; all Mexican employes of Santa Fe;

Goffs, 85, of which there are 32 Santa Fe employes, and 53 other persons;

Piute, blank;

Fenner, 23, of which 17 are Santa Fe employes;

Essex, 5 section men;

Arimo, blank;

Danby, 7 section men;

Siam, 3 section men;

Cadiz, 22, all Santa Fe employes;

Bolo, 4, Santa Fe employes;

Amboy, 129, of which 29 are Santa Fe employes;

Bagdad, 42, of which 29 are Santa Fe employes;

Trojan, none;

Siberia, 4, Santa Fe employes;

Klondike, none;

Ash Hill, none;

Ludlow, 229, of which 46 are Santa Fe employes, and 101 of the T. & T.;

Argos, 5, Santa Fe employes;

Pisgah, none;

Hector, 5, Santa Fe employes;

Troy, 5, " " "

Newberry, 43, of which 35 persons are employed by the Santa Fe, or families of Santa Fe employes;

Minneola, 8, Santa Fe employes;

Gale, none;

Daggett, 116, of which 16 are Santa Fe;

Nebo, none.

The "count" covered only territory between Barstow and Needles and does not show the number of residents in territory remote from the rail line. Most of the places named were described as "merely side tracks with a sign giving the name of the station." Santa Fe employes travel on passes.

Exhibit 62, a graph covering train and bus service, shows the following rail service:

#### UNION PACIFIC

Westbound Union Pacific trains stop in Barstow only between Daggett and San Bernardino.

Eastbound Union Pacific train No. 20 stops in Victorville and as a flag stop at Oro Grande; Union Pacific train No. 23 has a flag stop at Victorville and Oro Grande and Union Pacific train No. 8 stops at Barstow only. The Union Pacific operates one train in each direction during the daylight hours, Nos. 19 and 20, and neither make any stops but Barstow between the Junction at Daggett and San Bernardino.

#### SANTA FE

Westbound The service consists of seven trains, four of which operate at night. Of the other three, Nos. 19 and 23 (Grand Canyon Limited) make one stop at Barstow and No. 21 is a local leaving Needles at 7:35 A. M., making several flag stops. Of the night trains, No. 9, leaving Needles at 8:55 P. M. is a local.

Eastbound The service consists of the same number of trains, five of which operate during the night. Train No. 2, leaving San Bernardino at 12:50 P. M. makes several flag stops enroute to Needles, and No. 24 (Grand Canyon Limited) carrying sleeping cars only, is advertised for through travel and makes a flag stop at Cajon and a regular stop at Barstow. Of the night trains, Nos. 8 and 22 do local work between San Bernardino and Needles, the former leaving at 1:45 A. M. and the latter at 12:05 A. M.

After carefully reviewing the entire record in the above matters I can but conclude that while the record shows that the service proposed by the two applicants would prove a convenience, its operation is not justified by any real need, other than an

intermittent one. Protestants have shown conclusively that the territory is served to an extent that meets every need except that created by the demands of tourists using the highways, a transient type of traveler with little or no interest in the territory except that created by their own immediate requirements. True, there appears to be some desire on the part of local residents for additional service, but it does not appear that this desire is sufficiently extensive to justify the certification of the stage lines, more particularly the line via Needles, which parallels the Santa Fe. Applicant Pickwick is already serving under a certificate all points on Highway 91 east of Yermo. It wants to perform a service without restriction. Applicant Union Pacific Stages would practically parallel this existing Pickwick service, starting at San Bernardino. In addition, Pickwick would install a service on Highway 66, serving all points now served by protestant Santa Fe. Both stage lines operate interstate, 6 schedules a day, and their service is based on interstate needs, as is that of the Santa Fe and Union Pacific railroads. Local traffic is practically negligible, a large proportion of the residents owning their own cars, and so far as Highway 66 is concerned, a very considerable block (employees of the rail line) travels, perforce, on the Santa Fe. Exhibits introduced by protestant Santa Fe show a marked falling off in local traffic over last year, and testimony taken in another proceeding, Application No. 16733, which may properly be considered here, because it involves a transfer to Pickwick of a Motor Transit Company operating right between San Bernardino and Oro Grande, and its consolidation with the Pickwick service was to the effect that while last year the service involved was not operating at a loss, it is not now returning cost of operation.

The original decision in this matter fairly describes the situation of the Santa Fe railroad in this territory. It has not been shown that it has been remiss in meeting public need in the



territory it is serving, and the same may be said of the Union Pacific. Nor has it been shown that Railway Express Agency, Inc. has failed to meet all reasonable demands for service. While it may be urged that the loss of such local traffic as the rails now enjoy, to the stage lines, would not seriously affect their revenues, this Commission, it appears to me, should hesitate in considering granting authority to competitive lines to enter a sparsely settled field served by carriers against whom there has been no reasonable complaint except one involving schedules that, in the light of some demands, are inconvenient, but which, on the whole, appear to satisfy public convenience and necessity.

I therefore recommend that Decision No. 23545 be affirmed.

O R D E R

A rehearing having been held in the above entitled matters, additional evidence taken and an order of submission made,

IT IS HEREBY ORDERED that Decision No. 23545 be and the same is hereby affirmed.

The above Opinion and Order is hereby approved and adopted as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 18<sup>th</sup> day of January, 1932.

C. J. Seaver  
Leon Whaley  
M. J. Lee  
W. B. Harris  
Fred G. Cleveland  
Commissioners.