

Decision No. 25849

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of
PACIFIC GREYHOUND LINES, INC., a
corporation, and MOTOR COACH COMPANY,
a corporation, to establish joint op-
eration between Santa Monica and Long
Beach.

Application No. 18591.

H. L. Lucas and Orla St. Clair, by Orla St. Clair, and
T. Finkbohmer, for Pacific Greyhound Lines, applicant.

Mason & Windham and A. L. Owens, for Motor Coach Company,
applicant.

Coffin, Rhodes & McInerney, for City of Santa Monica.

James Gunn, for Board of Public Utilities and Transpor-
tation, City of Los Angeles.

H. O. Marler, for Pacific Electric Railway Company,

Chas. A. Bland, for Board of Harbor Commissioners, Long
Beach.

BY THE COMMISSION:

O P I N I O N

In the above entitled matter an order is sought approv-
ing an agreement under the terms of which the Pacific Greyhound
Lines, Inc., in effect agrees to lease to the Motor Coach Company
the passenger stage operative rights between Santa Monica and
Long Beach via Ocean Park, Venice, Playa Del Rey, El Segundo,
Manhattan Beach, Hermosa Beach, Redondo Beach, WALTERIA, South
Lomita, San Pedro and Wilmington. The authority to operate

179M
between the points mentioned was granted by our Decision No. 23244
on Application No. ¹⁶⁹⁸⁹ ~~16989~~.

The Motor Coach Company, by virtue of its certificates of public convenience and necessity granted by Decisions 12722 and 14097 on Applications Nos. 9454 and 10007, operates passenger stages between Santa Monica and Long Beach via Ocean Park, Venice, Playa Del Rey, El Segundo, Manhattan Beach, Hermosa Beach, Redondo Beach, Torrance, Walteria, South Lomita, South Harbor City and Wilmington, to a great extent paralleling the routes of the Pacific Greyhound.

The Pacific Greyhound has no authority to serve local points between Santa Monica and Long Beach. The Motor Coach Company may handle passengers between all local points.

A public hearing was held before Examiner Geary at Long Beach on January 18, 1933, and the matter submitted.

As a justification for seeking our approval of the agreement, the petition recites that applicants' stages operate over practically the same routes, and that the substitution of Motor Coach stages for those of the Pacific Greyhound will eliminate a duplication of services and will reduce the losses to the Pacific Greyhound and add to the revenue of the Motor Coach Company. The agreement further provides that the Motor Coach will operate between Long Beach and Santa Monica, serving all intermediate points, honor tickets of the Pacific Greyhound, and handle the passengers and express for the Pacific Greyhound; that the Motor Coach agrees to operate such schedules as may be necessary to handle the Pacific Greyhound traffic via the Pacific Greyhound route between Long Beach and Santa Monica; that while such schedules are being operated with Motor Coach equipment and men, they will be deemed to be

operating by virtue of the Pacific Greyhound's certificate of public convenience and necessity; that the revenue will be divided on the mileage pro rata basis less the selling commissions, both parties agreeing that nothing in the contract will tend to abrogate any of the certificated rights of either party, and that the agreement is to continue in effect for a period of one year and thereafter until cancelled on 30 days' notice by either party.

The Pacific Greyhound, as heretofore stated, has no authority to operate locally between Santa Monica and Long Beach, its certificate permitting only bridge operations in connection with through movements between these two termini. The agreement we are asked to approve would permit the leasing by the Pacific Greyhound of its certificate of public convenience and necessity to the Motor Coach.

Although in the past the Commission as a general rule has refused to permit certificated carriers to make leases or contracts authorizing the leasing of operating rights, we believe that under the stress of present economic conditions carriers under our jurisdiction should be allowed more latitude in their efforts to effect economies. However, the authority herein granted will be limited to a period not exceeding one year from the date of this order.

O R D E R

Public hearing having been held on the above application and the matter submitted,

IT IS HEREBY ORDERED that the application of Pacific Greyhound Lines, Inc. and Motor Coach Company be and it is hereby

granted, subject to the condition that the agreement set forth
in the application shall terminate within one year after the date
hereof unless otherwise ordered by the Commission.

Dated at San Francisco, California, this 20th day
of February, 1933.

C. L. Jones
Leon C. Whaley
W. A. Cline
W. B. Harris
Robert H. ...
Commissioners.