

ORIGINAL

DECISION NO.

Decision No. 3716 ^{9/1}

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application
of O. R. FULLER for certificate
of public convenience and neces-
sity and to acquire certain exist-
ing automobile interurban stage
lines of Truston Clark.

APPLICATION NO. 3457.

- H. W. Kidd and A. W. Ashburn, for Applicant.
- W. J. Carr and G. E. Mills, for A. R. G. Bus Line, Protestant.
- Frank Karr ~~xxxxxxxxxxxxxxxx~~, for Pacific Electric Railway Company, Protestant.
- Harry L. Weisbaum, for Golden State Auto Tours Corporation, Protestant.
- F. D. Howell, Chief Engineer, for Board of Public Utilities, City of Los Angeles.

MEYER and GORDON, Commissioners.

O P I N I O N

O. R. Fuller applies for a certificate that public convenience and necessity require the operation by him of an automobile stage line as a common carrier of passengers between Los Angeles and San Bernardino via Pomona and Ontario, and between Pomona and Chino.

A public hearing was held at Los Angeles on February 11, 1918, the matter was duly submitted and is now ready for decision.

Applicant herein purchased from Truston Clark on October 29, 1917, all the equipment, supplies and good will of a

business formerly operated under the fictitious name of "Clark Bus Line", said automobile stage line having originally commenced operation under the ownership of said Truston Clark in the counties of San Bernardino and Los Angeles in the month of October, 1914, and having operated regularly over the route now sought by applicant prior to May 1, 1917, the date fixed by Chapter 213, Laws of 1917 as that upon which all transportation companies as defined by Chapter 213 were required to be operating in good faith or else were required to secure a certificate of public convenience and necessity from the Railroad Commission and permits from the governing bodies of all political subdivisions through which their routes passed. After purchasing the equipment and business of Truston Clark, applicant filed with the Railroad Commission an adoption of all passenger schedules and rates of fare as formerly filed by Truston Clark and thereafter conducted the operation of the stage line until advised by the Railroad Commission that such operation was unlawful and that the applicant not having been engaged in conducting a stage line over the route specified on May 1, 1917, was obliged by the provisions of Chapter 213, Laws of 1917, to procure a certificate of public convenience and necessity from the Railroad Commission and permits in accordance with the requirements of Section 3 of Chapter 213, from the governing bodies of all political subdivisions through which the route passes. Formal consent of municipalities and counties was secured for the transfer of licenses originally issued to Truston Clark but such licenses are not permits as specified by the provisions of Section 3 of Chapter 213 above mentioned. Applicant has not yet applied to the governing bodies of the various political subdivisions for the necessary permits but intends to make

such applications immediately if a certificate of public convenience and necessity is granted by the Railroad Commission.

The equipment operated by Truston Clark under the fictitious name of "Clark Bus Line" consisted of four 3/4 ton Menominee Trucks with special passenger bodies; six Signal Automobile Busses; one Seldon Truck Automobile, and three White Automobile Busses, the last named machines having been purchased on lease contracts during the month of October, 1917, and the contracts having been assigned by Clark to the applicant under date October 29, 1917. Applicant proposes to operate ten White Automobile Busses, each with a seating capacity of sixteen passengers and has discarded all the equipment purchased from Clark, with the exception of the three White Busses above referred to, for the reason that the machines were in poor operative condition and in the opinion of the applicant were not adapted for the automobile stage service and had depreciated to such an extent that repair costs which would accrue from their continued operation would be excessive and uneconomical.

The line was formerly operated with 11 round trips daily; applicant proposes a schedule of 16 round trips daily between Los Angeles and Ontario, 13 round trips daily between Ontario and San Bernardino and 7 round trips daily between Pomona and Chino.

No definite figures are available to reflect the volume of traffic cared for during the operation by Truston Clark. Records of travel kept by the applicant show the following data:

<u>Month</u>	<u>Total Passengers Carried.</u>	<u>Carried *Between Prin- cipal Points</u>	<u>%</u>	<u>Local Passengers</u>	<u>%</u>
Nov., 1917	13009	3915	30.09	9094	69.91
Dec., 1917	15142	4790	31.63	10352	68.37
Jan., 1918	13852	3872	27.95	9980	72.05

(*) Between Los Angeles and Pomona, Ontario and San Bernardino.

The statement of revenue and operating expense for the months of November, 1917, to January, 1918, inclusive, is as follows:

<u>Month</u>	<u>Gross Revenue</u>	<u>Operating Expense</u>	<u>Net Revenue</u>
Nov., 1917	\$ 4928.30	\$ 4704.47	\$ 223.83
Dec., 1917	6372.05	5890.35	481.70
Jan., 1918	<u>4641.52</u>	<u>4675.60</u>	<u>34.08*</u>
	\$15941.87	\$15270.42	\$ 671.45

Note: (*) Indicates deficit.

A. R. G. Bus Company protests against the granting of the application and claims that it will be impossible to continue to furnish satisfactory service to the public if compelled to meet the competition now proposed by the applicant, and that there is not sufficient business to enable all the competing lines serving the territory between Los Angeles and San Bernardino to operate at a profit. This company commenced operation in the spring of 1915 between Los Angeles and Ontario and later extended service to Riverside and San Bernardino.

A record of the business handled by the A. R. G. Bus Company during the period from November, 1917, to January, 1918, inclusive, is as follows:

<u>Month</u>	<u>Total Passengers Carried</u>	<u>Carried Between Principal Points.</u>	<u>%</u>	<u>Local Passengers</u>	<u>%</u>
Nov. 1917	11286	5201	46.08	6085	53.92
Dec. 1917	11148	5087	45.63	6061	54.37
Jan. 1918	8207	4154	50.61	4053	49.39

The records of the A. R. G. Bus Company show that their operations were profitable for the six months period ending December, 31, 1917, but that operation during the month of January, 1918, was conducted at a loss. This company operates twelve trips daily between San Bernardino and Los Angeles and eleven trips daily between Los Angeles and San Bernardino. Three additional round trips are also operated between Los Angeles and Ontario.

The Golden State Auto Tours Company also protests against the granting of this application. This company operates nine round trips daily between Los Angeles and San Bernardino, but serves a different route and is therefore interested only in the through business between the terminals. This company in a period of twenty days carried a total of 318 through passengers or 38% of the rated seating capacity of their stages.

The Pacific Electric Railway Company protests against the granting of a certificate of public convenience and necessity as sought by applicant on the basis that it has ample accommodations to meet all the requirements of travel. The automobile stage lines, however, reach a number of communities which are not served by the trains of the Pacific Electric Railway Company.

Complaint was made by the automobile stage lines appearing in protest relative to the schedules conflicting and the stages of the applicant leaving terminals on a schedule showing

departures arranged a short time prior to that of another line. A witness for applicant testified that an endeavor had been made to arrange schedules with competing lines so that there would be no conflict but that such arrangement could not be perfected. The applicant and the protestants agreed that a revision of schedules should be made which would eliminate the cause of complaint and all stipulated that revised schedules which were satisfactory and approved by the Commission should be made effective.

We have given careful consideration to all the evidence in this proceeding and find that a demand exists for the character of service now given and proposed to be continued by the applicant between Los Angeles and San Bernardino. The volume of traffic during the months covered by the testimony is less than that enjoyed during the balance of the year and with the increasing public demand for automobile stage transportation and for service of the character that is being given by the applicant and the competing stage lines between San Bernardino and Los Angeles does not indicate that financial loss will be sustained by any company that continues to maintain a high grade and attractive service.

Applicant has acquired the equipment of one of the pioneer automobile transportation companies of California and has replaced same with modern and comfortable equipment of the latest type and now proposes to give a satisfactory and convenient service as demanded by the traveling public.

We are of the opinion and find as a fact that public convenience and necessity require the operation by O. R. Fuller of an automobile stage line as a common carrier of passengers between Los Angeles and San Bernardino via Pomona and Ontario, and between Pomona and Chino, and recommend that the application be

granted subject to the conditions appearing in the following form of order:

O R D E R

O. R. Fuller having filed an application requesting that the Railroad Commission make its order declaring that public convenience and necessity require the operation by him of an automobile stage line as a common carrier of passengers between Los Angeles and San Bernardino via Pomona and Ontario, and between Pomona and Chino, a public hearing having been held, the matter having been duly submitted and the Commission being fully advised and basing its order on the finding of fact in the foregoing opinion,

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require the operation by O. R. Fuller of an automobile stage service as a common carrier of passengers between Los Angeles and San Bernardino via Pomona and Ontario, and between Pomona and Chino; provided, that this declaration shall not become effective until said O. R. Fuller has secured from the Railroad Commission a supplemental order herein reciting that said O. R. Fuller has filed herein certified copies of permits from the governing bodies of all political subdivisions through which the proposed route passes as required by the provisions of Section 3 of Chapter 213, Laws of 1917; and provided, further, that the rights and privileges herein granted may not be assigned or transferred unless the written consent of the Railroad Commission to such assignment or transfer has first been secured; and,

IT IS HEREBY ORDERED, that a revised time schedule covering the operation of stages between Los Angeles and San Bernardino, which said time schedule shall eliminate departures from terminal stations at or about the time scheduled by other transportation companies operating automobile stages between Los Angeles and San Bernardino, shall be filed with this Commission for its approval within thirty days from the date of this order, and,

IT IS HEREBY FURTHER ORDERED that no vehicle may be operated under this certificate unless such vehicle is owned by the applicant herein or is leased by such applicant under a contract or agreement on a basis satisfactory to the Railroad Commission.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 27th day of February, 1918.

Max Thelen
H. D. ...
Alex Gordon
Edwin O. Edgerton

Commissioners.