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BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA.

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Doc 525-6
ORIGINAL

Decision No. 5256

In the Matter of the Application
of GEORGE B. MITH for certificate
of public convenience and necessity
to operate stage service between
RED BLUFF and EUREKA

Application No. 3540.

A. H. Ludeman for George B. Mith.
Joseph K. Smith for Redwood Route
Auto Stage.

THELEN, COMMISSIONER.

O P I N I O N

GEORGE B. MITH applies for a certificate
that public convenience and necessity require the operation
by him of an automobile passenger and express package service
between Red Bluff, Tehama County, and Eureka, Humboldt County
and intermediate points.

Public hearings were held in Red Bluff on
March 8, 1918 and in San Francisco on March 21, 1918.

Petitioner proposes to operate an auto stage
service for the transportation of passengers and express
packages between Red Bluff, Eureka and intermediate points,
the service to continue tri-weekly, on Mondays, Wednesdays and
Fridays, from April 15th to October 31st.

The localities from ^{to} and through which petitioner

proposes to operate are Red Bluff, Left Fork, Rosewood, Bee Gum, Wildwood, Peanut, Auto Rest, Low Gap Mad River, Cobbe, Dinsmores, McClellan Hill, Bridgeville, Stronge Station, Carlotta, Hydesville, Alton, Fortuna, Fern Bridge, Loleta and Eureka.

The fares which petitioner proposes to charge are set forth in Exhibit A, attached to the petition herein. The one-way fare between Red Bluff and Eureka is to be \$12.00, with fares between intermediate points graded according to mileage.

Petitioner proposes to leave Eureka at 9 o'clock in the morning, arriving at Red Bluff at 2:40 P.M. the next day, and to leave Red Bluff at 8:30 A.M., arriving at Eureka at 3:00 P.M. the next day. Stops for the night in both directions are to be made at Auto Rest. The total distance between the two termini over the proposed route is 169 miles and much of the route traversed is of steep grade and difficult to travel.

The equipment to be used by petitioner will consist of 5-passenger Dodge, Oakland and Hupmobile cars. Petitioner now owns one new Oakland car and one Dodge almost new. Petitioner testified that he is in a position to secure all the necessary equipment and competent drivers.

Petitioner has conducted an automobile "rent" service for over three years in Red Bluff and has run occasionally from there to Eureka. A number of prominent citizens of Red Bluff testified that he is steady and reliable, thoroughly understands the automobile business and can be relied on to give a dependable service between Red Bluff and Eureka. Petitioner intends to comply fully with the rules and regulations for automobile stage service heretofore established by the Railroad Commission and gave assurances that he will operate on schedule irrespective of the number of passengers who may present themselves.

From April 30, 1917 to November 1, 1917,

Redwood Route Auto Stage, owned by Joseph K. Smith, operated between Eureka and Red Bluff. Mr. Smith appeared at the hearing of March 21, 1918 and protested against the granting of the present application. He testified that he had lost considerable money in operating his line last year but that he would continue operations this year irrespective of whether the petitioner herein also operates. Mr. Smith is engaged in building asphalt roads for Humboldt County. While he owns the Redwood Route line, he proposes to make arrangements to have someone else supervise its operation in 1918.

The testimony presented at the Red Bluff hearing shows very clearly that while the service of the Redwood Route line at the opening of the season in 1917 was good, the service deteriorated later in the season to such an extent that there was no assurance whether cars would run on schedule time. Frequently they did not so run and on many days they did not run at all. Automobiles of the Redwood Route line suffered many break-downs, they were frequently left on the route without spare tires and at times they were attached by the sheriff at Red Bluff for failure of the owner to pay bills. Prominent citizens of Red Bluff testified that while an automobile stage line between Red Bluff and Eureka could, in their opinion, be made a paying business, the line which operated last year was not financially successful, because of poor and unreliable service and poor management.

When a "transportation company", as defined by Chapter 213, Laws of 1917, gives to the public reliable, safe and adequate service at reasonable rates and shows its ability to handle the traffic, this Commission will be slow to grant to another

"transportation company" the right to operate in the same field. But where, as here, the existing company's service has not been reliable or adequate, a newcomer who gives evidence of being able and willing to give to the public reliable, safe and adequate service at reasonable rates will be granted a certificate as provided in Chapter 213, Laws of 1917. In this respect the principles established by this Commission in the leading cases of Pacific Gas and Electric Company -vs- Great Western Power Company, Vol.1, Opinions and Orders of the Railroad Commission of California, p. 203 and Application of Oro Electric Corporation, Vol 2, Opinions and Orders of the Railroad Commission of California, p. 748, and followed in many subsequent proceedings may properly be applied, in so far as the subject matter reasonably warrants, to "transportation companies" owning or operating interurban automobile stages or trucks. These principles will be applied even though there is only sufficient business for one concern.

Petitioner has not as yet secured permits from the local authorities as provided in Section 3 of said Chapter 213, but intends to make application promptly.

I recommend that the application be granted and submit herewith the following form of order.

O R D E R

GEORGE B. MITCHELL having filed herein his petition asking that the Railroad Commission declare that public convenience and necessity require the operation by him of automobile stage service as a common carrier of passengers and express packages between Red Bluff and Eureka and intermediate points, public hearings having been held, the matter having been submitted and being now ready for decision,

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require the operation by George B. Mith of automobile stage service as a common carrier of passengers and express packages between Red Bluff and Eureka and intermediate points along the route designated in the petition herein, provided, that this declaration shall not become effective until petitioner shall have secured from the Railroad Commission a supplemental order herein reciting that he has filed herein a certified copy of permits from the Counties of Tehama, Trinity, Shasta and Humboldt and the Cities of Red Bluff^{Fortuna,} and Eureka, as required by Section 3, Chapter 213, Laws of 1917, and provided further, that the rights and privileges herein granted shall not be assigned or transferred unless the written consent of the Railroad Commission to such assignment of transfer has first been secured.

IT IS HEREBY ORDERED that no vehicle may be operated under this certificate unless such vehicle is owned by petitioner herein or is leased by petitioner 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 29th day of March, 1918.

Max Shuler
Alvin O. Edgerton
Alvin O. Edgerton
Commissioners