

# ORIGINAL

Decision No. \_\_\_\_\_.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

WHITE BUS LINE, )  
 a corporation, )  
 Complainant. )  
 vs. )  
 A. R. G. BUS COMPANY, )  
 a corporation, )  
 Defendant. )  
 ..... )

Case No. 1206.

Herbert W. Kidd and Perry F. Backus, for Complainant.

G. E. Mills and Arthur Wright, for Defendant.

GOEDON, Commissioner.

## O P I N I O N

The White Bus Line, a corporation, alleges that the A. R. G. Bus Company, a corporation, was not operating an automobile stage line between Los Angeles and San Diego in good faith prior to May 1, 1917, the date established by the legislature as that upon which transportation companies as defined by Chapter 213, Laws of 1917 were recognized as having a right to operate providing their operation was being conducted in good faith, without procuring 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 in accordance with Sections 3 and 5 of Chapter 213, Laws of 1917. Complainant further alleges that passenger tariffs and time schedules filed with the Railroad Commission on October 17, 1917, to become effective October 22, 1917 and which provided rates and service between Anaheim and Los Angeles and intermediate points as a portion of defendant's through line between San Diego and Los Angeles had not been

protected; that defendant, A. R. G. Bus Company, proposes to establish a further local service between Los Angeles and Anaheim and intermediate points and to increase the scheduled trips between such points. Complainant alleges that such increase of scheduled service is not warranted by the demands of traffic, that the territory is well and adequately served by the lines of complainant and other stage companies and that no service should be authorized or permitted unless a certificate of public convenience and necessity shall be secured from the Railroad Commission and permits from the governing bodies of all political subdivisions through which the route passes, in accordance with the requirements of Sections 3 and 5, Laws of 1917.

Defendant filed its answer denying the various allegations of complainant.

A public hearing was held at Los Angeles on May 9, 1918, the matter was duly submitted and is now ready for decision.

The points to be determined in this case are whether the A. R. G. Bus Company was operating in good faith between San Diego and Los Angeles on May 1st, 1917, and as to the right of the A. R. G. Bus Company to establish local service between points which may cover a portion of the through route.

It is the contention of the complainant in this case that the defendant, A. R. G. Bus Company, had no licenses to operate in the cities of San Diego and Los Angeles on May 1, 1917, and that such local licenses were not procured until May 5, 1917 in the City of San Diego and on May 3, 1917 in the City of Los Angeles. The licenses referred to are those issued under ordinances of the respective cities and are not permits as required by Section 3 of Chapter 213, Laws of 1917. It

appears that Mr. E. S. Good as Manager of the A. R. G. Bus Company called at the office of the Chief of Police in San Diego on April 26, 1917, to procure a license to operate a stage line between San Diego and Los Angeles in accordance with the San Diego City Ordinance. Mr. Good left a check in amount One Hundred Sixty-nine dollars and fifty cents (\$169.50) same being drawn in favor W. A. Weymouth, and covering the proportion of the license fee of Two Hundred Fifty Dollars per annum due for the balance of the calendar year 1917. Mr. Good was advised that his operation could commence, or so understood the representative of the Chief of Police and License Inspector who accepted his Company's check, and on the afternoon of April 26, 1917 the first stage car of the A. R. G. Bus Company was operated to Los Angeles, leaving San Diego in the afternoon carrying five passengers and arriving in Los Angeles about 9:30 P. M. On April 27, 1917 two stages left San Diego for Los Angeles and one arrived at San Diego from Los Angeles. On April 28, 1917 one stage left San Diego for Los Angeles and two stages arrived at San Diego from Los Angeles. On April 29, 1917 two stages left San Diego for Los Angeles and stages arrived at San Diego. On April 30, 1917 stages departed from and arrived at San Diego. It is apparent that the operation of the A. R. G. Bus Company between San Diego and Los Angeles commenced prior to May 1, 1917 and while license may not have been issued by the city of San Diego in accordance with their ordinance before such date, the testimony in this proceeding indicates that the check for the license fee was immediately deposited in the bank on the date issued, and the contention of the defendant's witnesses that the operation of the line was verbally authorized by the representative of the Chief of Police of San Diego who accepted the

check for the license fee has not been controverted by any material testimony.

After a careful consideration of the evidence in this case I am convinced and find as a fact that the A. R. G. Bus Company were operating over the route between San Diego and Los Angeles prior to May 1, 1917. The provisions of Section 3 of Chapter 213, Laws of 1917, require permits to be issued by the governing bodies of all political subdivisions through which a transportation company operates provided that such operation was not effective on May 1, 1917. If the operation was effective on and before May 1, 1917, and was in violation of local ordinances, such operation was within the power of the local municipalities to correct, but it appears that licenses had been applied for and in one case paid for prior to May 1, 1917. I do not feel that the right of the A. R. G. Bus Company to operate between Los Angeles and San Diego depends upon the fact that licenses were not held covering such operation prior to May 1, 1917.

In the matter of local service between Anaheim and Los Angeles. The right to carry passengers between San Diego and Los Angeles includes the right in this case to carry passengers between intermediate points on the same route, and if the transportation company establishes a local service no certificate of public convenience and necessity therefor is required from this Commission. In this case it appears that while a local service was contemplated to become effective in the month of October, 1917, that defendant, A. R. G. Bus Company, has not had sufficient equipment to provide satisfactory service on the local runs to Anaheim and that the volume of through business between Los Angeles and intermediate points beyond Anaheim to San

Diego has resulted in the public being inconvenienced by not being able to obtain the advertised service. It now appears that the A. R. G. Bus Company has available sufficient equipment to satisfactorily meet any public demand for additional service between Los Angeles and Anaheim, same to be performed as local service over the portion of the through route between Los Angeles and San Diego, and the A. R. G. Bus Company should arrange such schedules and provide equipment that will serve all public demand for service. I am of the opinion and find as a fact that under the conditions as hereinabove recited no certificate of public convenience and necessity from this Commission is required by the defendant, A. R. G. Bus Company, to establish local service between Los Angeles and Anaheim as defendant holds a vested right to the route between Los Angeles and San Diego by reason of operation having been commenced prior to May 1, 1917 and having been continued since that date.

I recommend a dismissal of the complaint and submit the following form of order.

#### O R D E R

A public hearing having been held in the above entitled proceeding, the matter having been duly submitted and the Commission being fully advised and basing its order on the findings of fact as contained in the preceding opinion,

IT IS HEREBY ORDERED that this case be and the same hereby is dismissed,

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

Dated at San Francisco, California, this 10th day of  
July, 1918.

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*H. S. Rowland*  
\_\_\_\_\_  
*Wm. G. Gordon*  
\_\_\_\_\_  
*Frank R. Devlin*  
\_\_\_\_\_

Commissioners.