

ORIGINAL

Decision No. 5828.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application)
of MITCHELL AUTO STAGE COMPANY for)
a certificate of public convenience)
and necessity to operate passenger)
and limited baggage service between)
Los Angeles and San Diego.)
.....)

Application No. 4008.

- J. W. Ecker for Applicant;
- Arthur Wright for A. R. G. Bus Company, Protestant;
- H. J. Bischoff and Warren E. Libby for Rickwick Stages and United Stages, Protestants;
- W. H. Powell for White Bus Line;
- L. A. Lewis for Valley Stage Line and Crown Stages;
- C. C. O'Connell for Southern California Stage Company

LOVELAND, Commissioner,

O P I N I O N

Mitchell Auto Stage Company, a corporation, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by it of an automobile stage line as a common carrier of passengers and baggage between Los Angeles and San Diego and intermediate points.

A public hearing was held at Los Angeles on September 10, 1912, the matter was duly submitted and is now ready for decision.

Applicants propose to charge rates in accordance with a schedule marked exhibit "A" and filed with the application in this proceeding, and to operate on a schedule of three round-trips daily, serving as intermediate points the communities at

Santa Ana, San Juan Capistrano and Oceanside.

The equipment proposed to be used in this service consists of ten Twin-six Packard Automobiles, each having a seating capacity of eight passengers, designated by manufacturer's motor number as follows: 130517; 84946; 125880; 131635; 125388; 87586; 130938; 131285; and 131889. Additional equipment is to be supplied to meet the demands of traffic.

The route over which applicant proposes to operate from Los Angeles to San Diego is via East Fourth Street to Stephenson Avenue, Stephenson Avenue to Telegraph Road, Telegraph Road to Norwalk, through Artesia, Garden Grove, Santa Ana, Rustin, Capistrano, Oceanside, Del Mar, and La Jolla to San Diego.

Applicants allege that the present automobile stage service between Los Angeles and San Diego is inadequate and that a sufficient number of cars are not operated by the present authorized companies to accommodate the traffic which is offered and that the service offered by the existing lines is in a demoralized condition and that the railroad and steamship lines offer inadequate facilities for the reason that they are congested in caring for special government service.

Witnesses for applicant testified that inadequate service was being furnished by the established lines, particularly as regards traffic originating at the San Diego terminal, that cars had been overloaded beyond the seating capacity, that drivers had been compelled to work beyond the number of hours authorized by the Railroad Commission to handle the traffic, and that cars were being operated without city licenses and indemnity bonds as required by city ordinances. One witness testified that he had turned over to the San Diego office of the A. R. G. Bus Company

an average of ten passengers daily during the past three months which the A. R. G. Bus Company were unable to handle. A ticket clerk, formerly employed by the A. R. G. Bus Company at its office at Fifth and F Streets, San Diego, testified that during the period from August 1, to 22, 1918, inclusive, over three hundred passengers were refused transportation by reason of insufficient cars. A statement was filed as an exhibit indicating that forty-two tickets sold by the agent of the Pickwick and United Stages at Oceanside were cancelled for the reason that there were no vacant seats on the stages passing through Oceanside.

The granting of the desired certificate is opposed by the A. R. G. Bus Company, the United Stages, the Pickwick Stages and the Southern California Stages, all of whom are operating over the route herein sought by applicants. Protestants claim that they are able and willing to provide all equipment and service that is desired by the public and that while some business has offered on Saturdays and Sundays that could not be handled, that the business on these rush days does not justify the investment in equipment which could not be profitably used during the remaining days of the week. The large number of soldiers stationed at Camp Kearney, near San Diego, has been responsible for a considerable increase in the stage travel on the route between Los Angeles and San Diego, and the evidence indicates that on Saturdays and Sundays, practically fifty per cent of the business is that furnished by the soldier travel. On other days the soldiers contribute about twenty per cent of the travel and it is estimated that an additional twenty-five

percent is furnished by friends or acquaintances of soldiers who patronize the stages. It appears that practically forty-five per cent of the normal business of the stage lines operating between Los Angeles and San Diego is directly attributable to the military encampment maintained at Camp Kearney.

The A. R. G. Bus Company operates via the Coast Route and at present is operating a total of thirteen cars, having increased its equipment from ten cars which were formerly assigned to the Los Angeles- San Diego run. On August 15, 1918, seven cars which were leased by the A. R. G. Bus Company were withdrawn from the run by the lessors, some of whom are stockholders in the Mitchell Auto Stage Company, and it was some three weeks before the necessary arrangements could be made to supply other cars to bring up the service to the standard. At the time of the hearing, the A. R. G. Bus Company had applications under consideration by the Board of Public Utilities of the City of Los Angeles for five additional licenses to cover cars proposed to be placed on this route. A statement of traffic handled by the A. R. G. Bus Company for the period from March 1 to August 31, 1918, inclusive, shows that 2216 trips were made carrying 15514 passengers. The seating capacity of the cars totaled 17736, indicating an unused seating capacity of 2224 or 12.54%. The President of the A. R. G. Bus Company stated that if additional equipment is necessary for the demands of the traveling public between Los Angeles and San Diego that his company is in position to supply such equipment.

The Pickwick Stages operate over two routes between Los Angeles and San Diego; one via the coast route on which fourteen cars are operated, the other via the inland route on which four

cars are operated.

The United Stages operate over the coast route using twelve cars. The Pickwick and United Stages are operating a joint schedule and a record filed as an exhibit indicates the following traffic to have been handled:

Date	No. Cars operated	No. Seats available	No. Passengers handled	No. Seats unoccupied	Average passengers per car
May 15 to May 31, inc.	184	1472	1113	359	6.04
June, 1918	659	5273	4342	930	6.59
July, 1918	1017	8136	6859	1277	6.74
August 1918	<u>1011</u>	<u>8726</u>	<u>6689</u>	<u>1374</u>	<u>6.61</u>
Totals -	2871	23607	19003	3940	6.62

Representatives of both the United and Pickwick Stages testified that their respective companies were able and willing to increase the equipment operated if the traffic demanded additional cars, the United Stages having applied for licenses for four additional cars to be placed on the San Diego run, and the Pickwick Stages having applied for licenses for two additional cars, such applications having been made to the Board of Public Utilities of the City of Los Angeles and no action having been taken on such applications up to the date of the hearing on this proceeding.

The Southern California Stages operate two cars between Los Angeles and San Diego via the coast route. No statistics were presented as to the traffic handled by this company.

The traffic handled by the stage lines operating between Los Angeles and San Diego has materially increased by reason of the large number of soldiers stationed at the cantonment at Camp Kearney and also by reason of the advance in rates

on the line of The Atchison, Topeka and Santa Fe Railway. The traveling public recognize the advantages of stage service and during favorable weather, and especially when a lower rate is offered, seem inclined to patronize the stages rather than the railroad trains. The stage companies appearing as protestants are all operating under the jurisdiction of the Railroad Commission as common carriers, having been in operation prior to May 1, 1917 which was the date that operation was recognized by the Legislature as not requiring a certificate of public convenience and necessity from the Railroad Commission nor permits from the governing bodies of all political subdivisions through which the routes operated. The operating companies in connection with their duties as common carriers must meet the requirements of the public by furnishing adequate equipment and furnishing transportation to all who may apply therefor, and while the testimony indicates that applications have been made for the licensing of additional equipment to the Board of Public Utilities of the City of Los Angeles that additional cars might be operated on the Los Angeles-San Diego run, such applications not having been acted upon as of the date of the hearing on this proceeding, the detail of securing licenses, bonds, etc. as may be required by local ordinances should be cared for sufficiently in advance to enable the operating companies to give the public the service to which it is entitled and for which the companies hold themselves out under their obligation as a common carrier.

I am not of the opinion that an additional company is needed to satisfactorily serve the demands of the traveling public desiring automobile stage transportation between Los

Los Angeles and San Diego, as the testimony clearly indicates that the present authorized lines are in position to add such equipment as may be necessary to satisfactorily care for the public need. As has frequently been stated in opinions of the Commission dealing with applications for certificates of public convenience and necessity for the operation of stage lines, the desire of the applicants to enter the business is in no wise controlling as evidence of public convenience and necessity, as where authorized lines exist having the financial ability to expand service and add equipment to care for the public demand, such established companies will be required to give the service to which they are committed by their obligation as a common carrier operating under the jurisdiction of the Railroad Commission. If satisfactory service is not being given by an established line or lines the remedy lies in a complaint to this Commission that proper or adequate service is not being rendered, the Commission will then require that proper service be given or authorize additional service which may be given by competing lines. In this matter, however, it has been clearly shown that the existing authorized lines possess ample facilities to increase the equipment necessary to give proper service, and it has not been shown that the granting of the desired certificate is justified.

After careful consideration of all the evidence in this proceeding, I am of the opinion and find as a fact that the public convenience and necessity does not require the operation by applicant herein of an automobile stage line as a common carrier of passengers and baggage between Los Angeles and

San Diego, and I recommend that the application be denied.

Herewith 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 finding of fact as set forth in the opinion which precedes this order,

IT IS HEREBY ORDERED that this application be and the same hereby is denied.

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 1st day of ~~September~~ October, 1918.

Edwin O. Edgerton
W. L. Loveland
W. E. Gordon

Commissioners.