

Decision No. 26650

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
PACIFIC GREYHOUND LINES, INC., a
corporation, to sell and M. C. YAHNE,
doing business under the name and
style of INLAND STAGES to purchase
certain operative rights for the
transportation of passengers, baggage
and express between Saugus and Laws,
and of the purchaser for a certificate
of convenience and necessity between
Saugus and Los Angeles.

ORIGINAL
Application No. 18812.

H. C. Lucas and Orla St. Clair for applicants.

Earl A. Bagby for Original Stage Line, Inc.,
protestant.

Guy S. Alexander for High Sierras Transport
Company, protestant.

W. H. Powell and J. R. Proper for Los Angeles and
Trona Stages, protestant.

James Gunn for Board of Public Utilities and
Transportation of the City of Los Angeles,
interested party.

R. E. Wedekind and H. O. Marler for Pacific
Electric Railway, interested party.

BY THE COMMISSION:

OPINION AND ORDER

Pacific Greyhound Lines, Inc., has petitioned the
Railroad Commission for an order approving the sale and transfer
by it to M. C. Yahne of an operating right for an automotive
service for the transportation of passengers and property between
Saugus and Bishop via Mojave, and M. C. Yahne has petitioned for
authority to purchase and acquire said operating right and to
hereafter operate thereunder, the sale and transfer to be in
accordance with an agreement, a copy of which, marked Exhibit "A",

is attached to the application herein and made a part hereof.

A public hearing herein was conducted by Examiner Handford at Los Angeles, the matter was duly submitted and is now ready for decision.

The consideration to be paid for the transfer of the operating right only is \$1.00. No equipment is to be transferred.

The operating right herein proposed to be transferred was created by Decision No. 23244 on Application No. 16989 and is a portion of the consolidated system of applicant Pacific Greyhound Lines, Inc. and particularly that division between Los Angeles and Santa Barbara. By the transfer sought to be accomplished the operations of Pacific Greyhound Lines between Saugus and Bishop will be severed from the consolidated system and the operating right vested in applicant Yahne.

Applicant Yahne herein also seeks a certificate of public convenience and necessity for the transportation of passengers and property between Saugus and Los Angeles in order to give him through operation between Los Angeles and Bishop as a part and in connection with his operation of an interstate service between Los Angeles and Reno, Nevada, via Bishop and Bridgeport. Applicant Yahne has been supervisor of the Pacific Greyhound operation between Los Angeles and Bishop and at the same time has conducted interstate service between Bishop and Reno. He now proposes to provide adequate equipment for a through service between Los Angeles and Reno and incidentally to care for the local traffic between Los Angeles and Bishop. Yahne is an experienced operator and now owns the Independent Interstate Stages operating between Los Angeles and Cisco and Oregon and also between Los Angeles and Phoenix. The interstate operation between Los Angeles and Reno is to be wholly owned by applicant Yahne and is to be operated under the name of Inland Stages. Applicant proposes to adopt the time schedules and

rates for his intrastate service between Los Angeles and Bishop as they are now established and on file by Pacific Greyhound Lines, Inc.

The application met protest from several interested carriers. Original Stage Line and Pacific Electric Railway withdrew all protest when applicant Yahne stipulated that he would transport no passengers or property locally between Los Angeles and San Fernando. Upon this stipulation the Board of Public Utilities and Transportation of the City of Los Angeles withdrew its interest in the proceeding. James R. Proper, operating under authority from this Commission for an automotive service for the transportation of passengers and property between Los Angeles and Trona via Mojave and Randsburg protested the application on the ground that he had previously applied for a certificate to furnish local service between Los Angeles and Mojave, except between Los Angeles and San Fernando, and had been denied certificate by Decision No. 22810 on his Application No. 16493. Applicant sought to intervene and requested, in writing, the reopening of this proceeding on the theory that if any new certificate is to be granted he should receive consideration. The intervention and protest may be disregarded because of the fact that no new service is to be established as applicant Yahne, herein, is merely assuming the same service that has been performed by Pacific Greyhound Lines, Inc. and was being performed at the time Proper's application was before the Commission.

Guy S. Alexander, operating under certificate between Bishop and Mono Lake, protested on the grounds that the past conduct of Yahne in operating intrastate to points between Bishop and Mono Lake unfitted him for the possession of the certificate he seeks. Yahne denied all knowledge of any transportation conducted to points north of Bishop. Alexander was quite specific in his identification of persons and occasions in connection with passengers departing from Yahne's stages at points north of Bishop and in view of the

circumstances it is advisable to warn Mr. Yahne that he may imperil his whole operation by not adhering strictly to the limitations of the certificate to be granted herein. Certificated carriers operate between Bishop and Mono Lake and between Mono Lake and Coleville (at the California-Nevada Line) and their operations now meagerly patronized must not be injured in any way by unauthorized competition.

Full consideration of the record herein justifies the authorization of the transfer from Pacific Greyhound Lines, Inc. to applicant Yahne and also the granting of a certificate to Yahne between Saugus and Los Angeles, the severed portion of the Greyhound Lines and the new certificate to be consolidated as one operation. An order accordingly will be entered.

M. C. Yahne is hereby placed upon notice that "operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state which is not in any respect limited to the number of rights which may be given.

IT IS HEREBY ORDERED that the above entitled application be, and the same is hereby granted, subject to the following conditions:

1. The consideration to be paid for the property herein authorized to be transferred shall never be urged before this Commission or any other rate fixing body as a measure of value of said property for rate fixing, or any purpose other than the transfer herein authorized.

2. Applicant Pacific Greyhound Lines, Inc., shall immediately unite with applicant M. C. Yahne in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Pacific Greyhound Lines, Inc., on the one hand withdrawing, and applicant M. C. Yahne on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3. Applicant Pacific Greyhound Lines, Inc., shall immediately withdraw time schedules filed in its name with the Railroad Commission and applicant M. C. Yahne shall immediately file, in duplicate, in his own name, time schedules covering service heretofore given by applicant Pacific Greyhound Lines, Inc., which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Pacific Greyhound Lines, Inc., or time schedules satisfactory to the Railroad Commission.

4. The rights and privileges herein authorized may not be sold, leased, transferred nor assigned, nor service thereunder discontinued, unless the written consent of the Railroad Commission to such sale, lease, transfer, assignment or discontinuance has first been secured.

5. No vehicle may be operated by applicant M. C. Yahne unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA
HEREBY DECLARES that public convenience and necessity require the establishment by applicant M. C. Yahne of an automobile service for the transportation of passengers, baggage and express between Saugus and Los Angeles as a part of through service between Los Angeles and Bishop, provided that no service be rendered locally between Los Angeles and San Fernando or that any service be rendered except on through cars which are to be operated between Los Angeles and Lancaster or Bishop, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same is hereby granted to M. C. Yahne for the operation of an automobile passenger, baggage and express service between Saugus and Los Angeles in connection with the transfer of operating rights between Saugus and Bishop, as hereinabove authorized, subject to the following conditions:

1. No local service may be rendered between Los Angeles and San Fernando in either direction.

2. No single package of express may be accepted for transportation that exceeds One Hundred (100) pounds in weight, and all express is to be transported on passenger vehicles only, except limitations as to package weight and vehicles of transportation shall not apply between Lone Pine R. R. Station, Bishop and Laws, nor to shipments

transported for or through the agency of Railway Express Agency, Inc., and milk and cream, and empty containers of such commodities when being transported to or from a rail junction point in connection with rail transportation thereof.

3. Applicant M. C. Yahne shall file his written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.

4. Applicant M. C. Yahne shall file, in triplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than ten (10) days notice to the Commission and the public, a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders, and containing rates, rules and regulations, which, in volume and effect shall be identical with the rates and rules shown in the application in so far as they conform to the certificate herein granted.

5. Applicant M. C. Yahne shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from date hereof, on not less than five (5) days' notice to the Commission and the public, time schedules covering the service herein authorized, in a form satisfactory to the Railroad Commission.

6. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.

7. No vehicle may be operated by applicant M. C. Yahne unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 12th day of June, 1933.

C. C. Deary
Leon Whiskey
W. J. Carr
W. B. Harris
Walter A. ...
Commissioners.