

Hearings on this application were held before Examiner Johnson in Huntington Park and Los Angeles and the matter was submitted on April 13, 1934, the final day of hearing.

The testimony showed that most of the territory sought to be served is totally without public transportation; that there is a need and necessity for a passenger bus service between the points sought to be served and especially between Bell Gardens and Huntington Park. Bell Gardens has more than 300 families who have recently built homes there and need some public transportation service to reach the centers of business and pleasure. In the community of Bell Gardens there is only one general store.

There is a great distance in walking involved in reaching any of the transportation service now furnished by the protestants, where the passenger resides east of the Los Angeles river. There was an attempt made by the Los Angeles Railway Corporation to show that the distance required to be walked by any prospective patrons in Bell Gardens would not be burdensome. It seems, from an inspection of the exhibits in this case and from the testimony of the numerous witnesses, that the distance to public transportation services makes it entirely unreasonable and improbable that the Los Angeles Railway bus line is furnishing any kind of adequate transportation to the Bell Gardens locality. In fact such is admitted, according to our opinion, by the two offers submitted by the Los Angeles Railway Corporation during the last fifteen minutes of the final day of hearing. This protestant put forth two offers after hearing all the evidence introduced for the applicant. One offer is to confer with the Railroad Commission engineers and with their approval "to make such reasonable changes in its routes as to accommodate more of the residents served by said lines without disproportionately increasing the cost of operating said lines." Secondly, an offer is made to put on a ninety day trial bus service to serve the Bell Gardens territory.

We believe that the applicant showed in this case evidence of the public need and necessity for the establishment of this service and we believe that the public interest will best be served by allowing the establishment of an independent passenger service here. The only question about the service at all which necessitated the three day hearing is the question of the harm that might be done to the established rail service by having an independent bus service start an operation which the railway companies were not willing to establish themselves. At least, the protestants were not willing to establish such a service until it was proved in this case that there was a public demand for such a service. Now they merely offer to give a partial service for a ninety day trial, or to advise with our engineers as to how their present service might be extended. There is no doubt of the demand of the citizens and the communities involved in this application for a new, better and more adequate public transportation service reaching to points entirely left out of consideration by the present public carriers.

Charles B. Holbrook 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.

O R D E R

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation of an automotive passenger stage service for the transportation of passengers, packages and express between Downey, Rio Hondo Bridge, Bell Gardens, Bell and Huntington Park provided, however, that no passenger and/or property shall be transported between the east

bank of the Los Angeles river at Clara street and Pacific boulevard terminal, in Huntington Park, unless said passengers and/or property may originate at or may be destined to, points east of the Los Angeles river, over the following routes:

From the intersection of Third and Crawford streets, City of Downey, west on Third street to Paramount boulevard; thence north on Paramount boulevard to Clara street, west on Clara street to Wilcox avenue, west on Clara street to Otis avenue, north on Otis avenue to Florence avenue, west on Florence avenue to State street, City of Huntington Park; thence north on State street to Randolph street, west on Randolph street to Rito street, south on Rito street to Clarendon street and west on Clarendon street to Pacific boulevard terminal. Thence, by return trip, north on Pacific boulevard to Randolph street, thence reverse of above route to the City of Downey, starting point.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service be and the same hereby is granted to Charles B. Holbrook, subject to the following conditions:

1. Applicant shall file his written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof.
2. Applicant shall file, in triplicate, and make effective within a period of not to exceed thirty (30) days after the effective date of this order, on not less than ten 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 and rules which, in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application insofar as they conform to the certificate herein granted.
3. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days after the effective date of this order, 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.
4. 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.

5. No vehicle may be operated by applicant herein 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.

6. No property shall be transported unless in packages weighing not to exceed one hundred (100) pounds and such property may be transported only on passenger vehicles and only when same does not interfere with passengers or cause their discomfort.

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 14th day of May, 1934.

C. C. Stearns

Leon A. ...

W. J. ...

M. B. ...

W. H. ...
COMMISSIONERS.