



for passengers and express destined to the field in connection with airplane travel and only to meet scheduled operations of the transportation companies using such field. In addition, applicant Mc Neil offers similar service to Mather Field, about 12 miles east of Sacramento, which is used occasionally as an emergency landing for commercial air transportation. Except for a trivial difference in express rates, each applicant proposed the same rates.

A public hearing was conducted by Examiner Williams at Sacramento, at which time the applications were submitted for decision.

Applicant Mc Neil proposes to use three 7-passenger and four 5-passenger cars of the sedan type. Applicants Pappas and Demas offer three 7-passenger sedans, one 12-passenger bus and twenty-one 5-passenger 1935 taxicabs. The equipment offered by either is abundantly adequate for the service proposed.

Applicant Mc Neil conducts his principal service from the Hotel Senator and also at the Hotel Lenhart; he has five call stands in the business area of Sacramento, including the Western Pacific railroad station. Applicants Pappas and Demas have headquarters at the Sacramento hotel, the Hotel Clunie and Southern Pacific station. Each station named for either carrier is exclusive.

Mc Neil has been serving the Municipal Airport since it opened. Pappas and Demas have served the airports since 1929, with the exception of the past two years, - except for the ordinary taxicab service, and they furnished exclusive service for the Varney lines until that service ceased.

A. S. Stimpson, District Traffic Manager of United Air Lines, testified that the service of each applicant has been satisfactory and that both are required by the air terminal business. This carrier has three schedules in and out daily, at the Municipal Airport, and infrequently, due to emergencies, lands passengers at Mather Field. Over 100 passengers a month require service from the field to the city. Roy C. Oakley, Executive Secretary to the City Manager of Sacramento, testified that McNeil's service is satisfactory.

Harold F. Brown, General Manager of Consolidated Air Lines, operating only between San Francisco, Oakland and Sacramento, testified that the service of each applicant has been good. Of the 276 arrivals and departures via Consolidated Air Line planes, 75 per cent used hired automobile service.

Express packages average 4 pounds via United Air Lines, and 6.25 pounds via Consolidated Air Line. Few packages of greater weight are transported.

Protestant River Auto Stages maintains seven schedules daily between Sacramento and the Municipal Airport, and delivers its passengers at the roadside entrance. Its protest went to the transportation of passengers who were not air travelers or employees of the terminal. Similar protest was made by Pierce Arrow Stages and Mather Field Stage Line. The latter service is direct to the air terminal but has been under suspension due to inactivity at the field. The record does not show necessity, at this time, for any additional service to Mather Field.

The record also presents two applicants each capable of rendering efficient service. But the record does not show a volume of traffic sufficient to support two operations. It appears to be a case where, all else being equal, preference should be accorded to the first applicant. This is the consistent rule in

such cases and justifies granting a certificate to applicant Mc Neil.

An order accordingly will be entered.

E. S. Mc Neil 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

E. S. Mc Neil, an individual, and Teddy Pappas and Ruth Demas, co-partners, operating under the name of Teddy's Taxi Company, having made separate applications to establish automotive service for the transportation of passengers, baggage and express between Sacramento and the Sacramento Municipal Airport, and E. S. Mc Neil having also applied to maintain such service also between Sacramento and Mather Field, a public hearing having been held and the matters having been duly submitted,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA  
HEREBY DECLARES that public convenience and necessity require the establishment of automotive service between Sacramento and Sacramento Municipal Airport for the transportation of passengers, their baggage and express in the same vehicle with passengers, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same hereby is granted to E. S. Mc Neil, an individual, for the establishment of such service, over and along the following route:

From Sacramento Municipal Airport north on Freeport Boulevard to "Y" Street; thence westerly on "Y" Street to Sixteenth Street; thence north on Sixteenth Street to "L" Street; thence west on "L" Street to Senator Hotel, or within one mile radius from said Senator Hotel, and subject to the following conditions:

1. Applicant shall file written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from the date hereof, stipulating in said acceptance that the certificate herein granted is limited to the transportation, on call, of passengers, baggage and/or express, between Sacramento and Sacramento Municipal Airport, such passengers being limited to those who are to be or have been passengers on airplane services using said airport, and persons accompanying them or bona fide employees at said airport, and when such passengers, baggage and/or express are received or discharged at the terminal inside said airport area, but not to transport persons or property otherwise between termini or intermediate points.
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 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 in so far as they conform to the certificate herein granted, or rates satisfactory to the Railroad Commission.
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 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.

IT IS HEREBY FURTHER ORDERED that the application of Teddy Pappas and Ruth Demas, co-partners, be and the same hereby is denied, also that the application of E. S. McNeil, except as herein specifically granted, be and the same hereby is denied.

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 20th day of January, 1936.

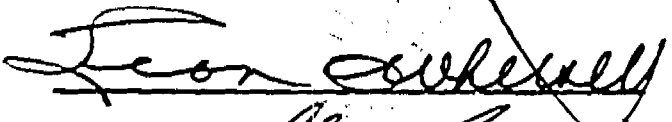

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*W. A. Carr*  
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*W. B. Harris*  
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*James R. [unclear]*  
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Commissioners.

A. 20013  
A. 20057

We dissent from the foregoing order upon the ground that we believe the record justifies the granting by this Commission of a certificate of public convenience and necessity to each applicant.

Each applicant is primarily engaged in the taxicab business. The record discloses that during past years each of the applicants has been rendering a satisfactory and adequate service for the patrons of the air line involved. We believe that the traveling public is entitled to a continuation of this same satisfactory and adequate service and that each applicant therefore is deserving of a certificate.

  
  
Commissioners.