



Applicant Pasadena-Ocean Park Stage Line, Inc., seeks authority to establish and operate a common carrier automotive service for the transportation of passengers only between its present termini at Motor Avenue and Washington Boulevard in Culver City and the Race Track of the Hollywood Turf Club, located at 1050 Prairie Avenue, in the city of Inglewood, and intermediate points, as an extension and enlargement of its presently conducted common carrier service between Hollywood and Culver City. This applicant also proposes to inaugurate and operate a "reserved seat" service between the same points and over the same route for patrons making reservation at least one hour before scheduled leaving time which is an additional service to the proposed extension of as many of the twenty round-trip schedules now being operated by this company between Hollywood and Culver City as may be necessary in this service.

These matters were consolidated for public hearing which was conducted in Los Angeles on January 6, 1938, evidence received, a submission taken, and they are now ready for decision.

Tanner Motor Tours, Ltd, introduced the testimony of several public witnesses connected with various hotels in the Los Angeles and Hollywood area all of which was favorable to applicant. All of these witnesses testified that even at this early date (approximately six months before the track opening) they had received a substantial number of requests for service to the Club and incidentally several of these witnesses testified favorably for the service proposed by Pasadena-Ocean Park Stage Line, Inc., which, although originally protesting the application of Tanner Motor Tours, Ltd., in part, withdrew its protest.

Also, favorable comment was received in support of the Tanner application from the Hollywood Chamber of Commerce through its manager, Carl Bush, who also testified in favor of the application of the Pasadena-Ocean Park Stage Line, Inc.

In support of the application of Pasadena-Ocean Park Stage Line, Inc., Clyde Woodworth, City Attorney of Inglewood, introduced a resolution adopted by the City Council of that city, similar resolutions were also received from the city of Culver City and the Culver City Chamber of Commerce. T. D. Plumer, Commissioner of Finance of the city of Santa Monica, testified that the city council of the city of Santa Monica had passed a motion in favor of this applicant.

Additionally, both applicants presented the testimony of several employee witnesses which further strengthens the record with respect to the public demand for both services proposed, placed in the record the facts that this service was to be a seasonal operation of approximately three months of each year during the racing season and would be operated on race days only which are to be Tuesday to Saturday, inclusive, excluding Sundays and Mondays except when Monday is a holiday.

The record further shows, from the testimony of J. L. Rosenberg, a representative of the Public Relations Department of the Hollywood Turf Club, that there had been an approximate investment of some \$2,250,000 in this one and one-fourth mile track which has a grandstand 950 feet long, capable of seating 21,000 persons with room in a "fairway" for some 40,000 more patrons. There are stables for 1200 horses, parking facilities for 21,000 automobiles, complete turf club facilities and the entire "layout" has been landscaped with some 60,000 trees, shrubs and flowers. He, also, testified that already inquiries had been received from various sections of the state and country in regard to transportation facilities. It was further testified that a large number of tourists would wish to visit this track and that they would be seeking a means of reaching his organization's plant.

The proposal of applicant Tanner Motor Tours, Ltd., provides for the operation of sightseeing tours via routes 1, 2 and 3, as set forth in Exhibit "B" of the application, scheduled to leave the Biltmore, Ambassador and Hollywood Plaza Hotels, respectively, one hour before first race time with time of return from the track scheduled for fifteen minutes after the running of the last race. A charge of one dollar round trip is to be assessed for this service and the estimated running time each way is forty-five minutes. Route No. 3 starting at the Hollywood Plaza Hotel provides for a pickup service at the Hollywood Knickerbocker, Christy, Hollywood and Roosevelt Hotels.

Pasadena-Ocean Park Stage Line, Inc., proposes a scheduled service according to its amended Exhibit "A" which will provide for bus departures from Hollywood and intermediate points at such time and intervals as will permit arrival at the race track in time for the start of the first, second, and third races with return trips commencing at the end of the sixth race and continuing until the close of the racing day.

The reserved seat service proposed by this applicant is designed to permit arrival at the track in time for the first race of the day with return trip scheduled for the close of the racing day. Holders of reserved seat privileges are allowed to avail themselves of service on any regular return schedule of applicant from the Race track to Hollywood and intermediate points.

Rates to be assessed for these services are as set forth in applicant's Exhibit "B" attached to the application and as amended at the hearing.

The following stipulation was entered into between counsel for Los Angeles Railway Company and counsel for applicant Pasadena-Ocean Park Stage Line, Inc. The restriction set forth therein

satisfying its interest, Los Angeles Railway Company withdrew further objection to the granting of the authority sought.

"Within the city of Inglewood passengers will not be carried whose journey is between two points, both of which are at, or between the intersection of Centinella Avenue and La Brea Avenue, on the one hand, and the Hollywood Turf Club, on the other hand."

After carefully reviewing this entire record I find that the following facts are apparent.

Two distinct services are being proposed herein: one, that of Tanner Motor Tours, Ltd. will afford hotel patrons an opportunity to obtain transportation to and from the race track direct, with sightseeing opportunities afforded and including hotel door to track service; the other, Pasadena-Ocean Park Stage Line, Inc., will afford not only service for the public to and from the track but will also provide intermediate point service for either employees of the Turf Club or local patrons as well. In addition, it is proposed by the last named applicant to provide a "reserved seat" service to the race track.

I, also, find from the record that it may be expected to have some forty or fifty requests a day from each hotel with respect to the sightseeing service with the expectation that some 250 people a day will visit the track of whom over fifty per cent may be expected to go for the races themselves.

With respect to the more localized and intermediate service proposed by the Pasadena-Ocean Park Stage Line, Inc., I find that the record discloses that the territory involved has a population of some 170,000 people directly enabled to take advantage of this service aside from the several hundred or more who may be employed directly or indirectly by the "track" people and who may make their homes in

this territory and desire transportation to and from their place of business. Additionally, I find that there is evident support of these proposals from municipalities adjacent and the Hollywood Chamber of Commerce.

It also appears, based upon past experience of these operators in similar operations to other Southern California racing plants, that the proposed service will be financially successful and serve a public need.

Based on the record therefor, I believe that both of these applications should be granted as in the public interest and I recommend the following form of order.

Tanner Motor Tours, Ltd., and Pasadena-Ocean Park Stage Line, Inc., are 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.

#### ORDER

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment and operation by Tanner Motor Tours, Ltd., of an automotive sightseeing service as a common carrier of passengers as a passenger stage corporation, as such is defined in section 2-1/4 of the Public Utilities Act, between the Biltmore and Ambassador Hotels in the city of Los Angeles and the Hollywood Plaza, Hollywood Knickerbocker, Christy, Hollywood and Roosevelt Hotels in the city of Hollywood, on the one hand, and the Hollywood Turf Club in the city of Inglewood, on the other hand, over and along the following routes:

ROUTE 1: Starting at Biltmore Hotel, approximately one hour before the first race; thence South on Olive Street to Twelfth Street, East on Twelfth Street to Hill Street, South on Hill Street to Santa Barbara, West on Santa Barbara to Figueroa, South on Figueroa to Century Boulevard, West on Century Boulevard to Prairie Avenue, North on Prairie Avenue to race track. Returning via same route.

ROUTE 2: Starting at Ambassador Hotel, approximately one hour before the first race; thence West on Wilshire Boulevard to La Brea, South on La Brea to Overhill Drive, South on Overhill Drive to Commercial Street, South and East on Commercial Street to Prairie Avenue, South on Prairie Avenue to race track. Returning via same route.

ROUTE 3: Starting at Hollywood Plaza Hotel, picking up at Hollywood Knickerbocker, Christy, Hollywood and Roosevelt Hotels, approximately one hour before the first race; thence West on Hollywood Boulevard to La Brea, South on La Brea to Overhill Drive, South on Overhill Drive to Commercial, South and East on Commercial to Prairie Avenue, South on Prairie Avenue to race track. Returning via same route.

and subject to the restriction that the service herein authorized shall be operated seasonally during the racing season at this track and on race days only.

IT IS HEREBY ORDERED that Tanner Motor Tours, Ltd., be granted a certificate of public convenience and necessity subject to the following conditions:

1. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.
2. Applicant shall commence the service herein authorized contemporaneously with the opening of the racing season at the Hollywood Turf Club, Inglewood, and shall file in triplicate, and concurrently make effective on not less than ten days' notice to the Railroad 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 in so far as they conform to the certificate herein granted, or rates and rules satisfactory to the Railroad Commission.
3. Applicant shall file in duplicate, and make effective contemporaneously with the opening of the racing season at the Hollywood Turf Club, Inglewood, on not less than five days'

notice to the Railroad Commission and the public, a time schedule or 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 obtained.

5. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by applicant 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 and operation by Pasadena-Ocean Park Stage Line, Inc., of an automotive service for the transportation of passengers only as a passenger stage corporation as such is defined in section 2-1/4 of the Public Utilities Act between Culver City and the Hollywood Turf Club in the city of Inglewood and intermediate points as a seasonal service during the racing season at this track and on race days only as an extension and enlargement of applicant's existing right between Hollywood and Culver City over and along the following route:

Between the intersection of National Blvd. and Washington Blvd; thence on Washington Blvd. to Overland Ave.; thence on Overland Ave. to Jefferson Blvd.; thence on Jefferson Blvd. to Sepulveda Blvd; thence on Sepulveda Blvd. to Centinella Blvd.; thence on Centinella Blvd. to Commercial St.; thence on Commercial St. to Manchester Blvd.; thence on Manchester Blvd. to Prairie Ave.; thence on Prairie Ave. to the Hollywood Turf Club; return via the reverse of the above route and subject to the restriction that

"Within the city of Inglewood passengers will not be carried whose journey is between two points, both of which are at, or between, the intersection of Centinella Avenue and La Brea Avenue, on the one hand, and the Hollywood Turf Club, on the other hand."



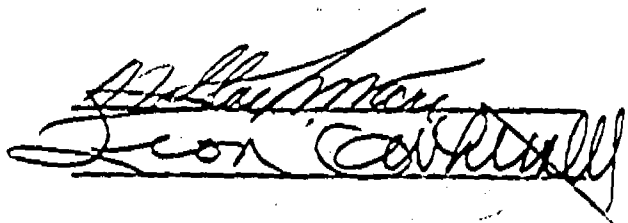
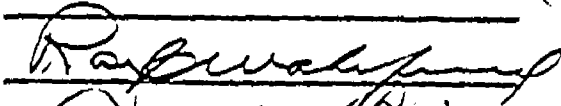

IT IS HEREBY ORDERED that Pasadena-Ocean Park Stage Line, Inc., be granted a certificate of public convenience and necessity subject to the following conditions:

1. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.
2. Applicant shall commence the service herein authorized contemporaneously with the opening of the racing season at the Hollywood Surf Club, Inglewood, and shall file in triplicate, and concurrently make effective on not less than ten days' notice to the Railroad 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 in so far as they conform to the certificate herein granted, or rates and rules satisfactory to the Railroad Commission.
3. Applicant shall file in duplicate, and make effective contemporaneously with the opening of the racing season at the Hollywood Surf Club, Inglewood, on not less than five days' notice to the Railroad Commission and the public, a time schedule or 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 obtained.
5. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by applicant under a contract or agreement on a basis satisfactory to the Railroad Commission.

The effective date of this order shall be twenty (20) days from the date hereof.

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 28<sup>th</sup> day of February, 1938.

  
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COMMISSIONERS.