

ORIGINAL

Decision No. 31503

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
PASADENA-OCEAN PARK STAGE LINE, INC.,)	
a corporation, for authority to extend)	
its common carrier passenger transportation)	Application
service, by motor coach, between Pasadena)	No. 22221
on the one hand, and the race track of)	
Los Angeles Turf Club, located within the)	
city of Arcadia, on the other hand.)	

F. H. ASBURY, RODNEY F. WILLIAMS, DON L. CAMPBELL,
by Rodney F. Williams for Applicant.

C. W. CORNELL & H. O. MARLER, by C. W. Cornell for
Pacific Electric Railway Company, Protestant.

FARIES & McDOWELL by McIntyre Faries, for Tanner
Motor Tours, Ltd., Protestant.

W. R. WILLIAMS, for D. D. McELroy, Interested Party.

Carl BUSH, for Hollywood Chamber of Commerce,
Interested Party.

L. H. MEYERS, for Glendale Chamber of Commerce,
Interested Party.

BY THE COMMISSION:

O P I N I O N

By this application Pasadena-Ocean Park Stage Line, Inc., a corporation, seeks authority to establish and operate an automotive service as a common carrier of passengers between Pasadena and Arcadia and intermediate points as an extension and enlargement of its presently conducted service between Hollywood and Pasadena. The purpose of the extension of operating authority herein sought is to provide service to and from the Los Angeles Turf Club, commonly called Santa Anita Race Track, located in the city of Arcadia. Applicant proposes to operate this service solely during the racing season of approximately 2½ months each year and will operate only on race days.

Under applicant's proposed time schedule, as set forth in exhibit "B" of the application, coaches will leave Hollywood, Pasadena and all intermediate points in sufficient time to get patrons to the Los Angeles Turf Club one hour before the commencement of the first race, thirty minutes before the commencement of the first race, and in time for the first race, respectively.

The proposed rates for this service are set forth in amended exhibit "C" attached to the application and provide for one-way, round-trip, and thirty-ride tickets between all points proposed to be served, except between Pasadena and the Los Angeles Turf Club where a one-way fare only will be offered.

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A public hearing in this proceeding was had in Los Angeles on Friday, December 2, 1936, where testimony was taken, the matter submitted, and it is now ready for decision.

Tanner Motor Tours, Ltd. and Pacific Electric Railway Company protested the granting of this application while D. D. McElroy, Hollywood Chamber of Commerce and the Glendale Chamber of Commerce entered appearances as interested parties. The appearance of D. D. McElroy was subsequently withdrawn when it became apparent that his interests were not involved.

Applicant presented its testimony through its general manager Don L. Campbell and three of its ticket agents, one of whom was a former driver on the route between Pasadena and Hollywood. Additionally it was stipulated that thirteen of applicant's drivers, if called, would testify in essentially the same manner as the former driver above mentioned with respect to their experiences in connection with requests for service to Santa Anita Race Track while engaged in operating buses of Pasadena-Ocean Park Stage Line, Inc. between Pasadena and Hollywood.

(1) Before Examiner McGettigan.

Witness Campbell testified that he has been general manager of applicant's stage operations since 1923, and that the instant application was filed in response to a considerable number of requests from patrons of Pasadena-Ocean Park Stage Line, Inc. and others including Chamber of Commerce representatives and civic and labor groups, for service to the Los Angeles Turf Club in Arcadia. He further testified that the service proposed would be an extension of his company's so-called Pasadena-Hollywood-Ocean Park Division, and that Pasadena-Ocean Park Stage Line, Inc., had, since the early part of 1938,⁽²⁾ been operating a similar service between Culver City and the race track of the Hollywood Turf Club located in Inglewood. It was his contention that the Culver City operation had been successful and that based on experience in the conduct thereof he was reasonably sure that the proposed service to the Los Angeles Turf Club would likewise enjoy a similar success. Operating conditions and distance travelled, Mr. Campbell pointed out, were practically identical.

In so far as ability to handle the traffic expected to be developed this witness averred that some 2,000 passengers could be accommodated by his company with its present equipment, and further pointed out that during the Tournament of Roses at Pasadena his company had adequately handled some 3,000 people as a special operation. Also that Pasadena-Ocean Park Stage Lines, Inc. now operates thirty-two round trips daily between Pasadena and Hollywood any or all of which could be operated to the race track of the Los Angeles Turf Club if necessary with a minimum of three schedules as set forth in exhibit "B." A half-hourly schedule is now maintained between Hollywood and Pasadena, he stated, and when queried as to the effect of the extension of service upon the regular patrons of his line advanced the opinion that a delay of no longer than ten minutes would be experienced during peak periods of travel during

(2) Decision No. 30666, dated February 28, 1938, on Application No. 21606.

the racing season. He stated that ample station facilities, shelter and extra equipment would be provided, and dispatchers, including a man at the race track, would be established at strategic points along this line to provide for the dispatching of equipment.

The witness Campbell also pointed out that no special service was to be rendered and no special equipment operated under this proposal, it being the purpose of his company to operate this race track extension as part and parcel of its currently conducted service between Pasadena and Hollywood. He admitted that the proposed one-way fare between Hollywood and the Los Angeles Turf Club Race Track of forty cents was ten cents lower than the fare formerly charged for this trip under a joint arrangement in effect in 1935-1936 between applicant and Motor Transit Company. He stated, however, that the proposed rates were based on a rate of two cents per mile and believed them to be reasonable and remunerative when the type of service proposed to be rendered was considered. Applicant, according to Mr. Campbell, will render service to and from all intermediate points in the territory proposed to be served agreeing, however, to a stipulation that no passengers would be transported locally between Morengo and Green Streets ⁽³⁾ in Pasadena and the westerly boundary of the Los Angeles Turf Club except passengers having either point of origin or point of destination at the Los Angeles Turf Club.

The record shows that the maximum time required to make a trip between Hollywood and the Los Angeles Turf Club will consume one hour and twenty minutes. Also that some four hours would be consumed in running off the usual eight-race card or roughly from 2 o'clock P.M. (post time) to 6 o'clock P.M. It is contended by applicant that of the usual eight-race schedule there is less interest shown in the 1st, 2nd, 7th and 8th races than in the 3rd,

(3) Pasadena terminal of applicant.

4th, 5th and 6th and, therefore, race patrons would be starting home after the 6th race and desiring to arrive before the 3rd race. To accommodate those wishing to leave early the equipment performing the last race trip from Hollywood would be held at the race track to make the first return trip. The two remaining operations would immediately return to take their place in regular schedules. He anticipated that the load factor would average from 45 per cent to 60 per cent of capacity during the season of racing based on the company's Inglewood experience but believed no difficulty would be encountered with respect to overloads despite the coinciding of peak load regular patrons and race track patrons. Applicant alleges that interest in horse racing is growing and that therefore the transportation service proposed would increase with the logical result that an operation of the kind sought herein would be profitable. Mr. Campbell made it clear that his company was offering a general common carrier passenger service by bus with no special features included, that it was designed to accommodate any and all who felt disposed to use it and made no attempt to provide special accommodations or seat reservations. Return service would be operated as soon as necessary and would be a component part of, and worked into, applicant's regularly scheduled thirty-two trips as before described.

Tanner Motor Tours, Ltd., one of the protestants in this matter is, at the present time, under authority of this Commission, operating a certificated motor bus or sedan service between the Roosevelt, Christie and/or Hollywood Plaza Hotels in Hollywood, the Ambassador and Biltmore Hotels in downtown Los Angeles, Vista del Arroyo, Constance and Huntington Hotels in Pasadena, and Santa Anita Race Track at Arcadia.⁽⁴⁾

(4) Decision No. 27591, December 10, 1934, Decision No. 31162, August 1, 1938, on Applications Nos. 19585 and 21644, respectively.

Under this certificate three round trips are operated daily except Sunday during the racing season, leaving (1) Hotel Roosevelt 12 noon, Hotel Christie 12:05 P.M., Hollywood Plaza 12:10 P.M. arriving at the track at 1:30 P.M. (2) Ambassador Hotel 12:15 P.M., Biltmore Hotel 12:30 P.M., Huntington Hotel 1:00 P.M. arriving at the track at 1:30 P.M. (3) Vista del Arroyo Hotel 12:45 P.M., Constance Hotel 1:00 P.M. arriving at the track at 1:30 P.M. Returning the schedules leave the race track at 5:00 P.M.

This service is a reserved seat service at \$1 round-trip and the hotels named are the only stopping points where passengers will be picked up or discharged to and from the race track.

Pacific Electric Railway Company, also a protestant in this matter, through its traffic manager E. O. Marler testified that it was rendering service to and from the Los Angeles Turf Club through the medium of several joint rail and bus lines, including the Sierra Madre Line, Pasadena Short Line, Oak Knoll Line and the Fair Oaks Line. He admitted that, from the points involved herein, Pacific Electric Railway Company did not render a direct service but that patrons of the Los Angeles Turf Club were required to transfer at least once and sometimes twice, depending on point of origin, in order to reach their destination. He further testified that ten-minute service was available during the day on the lines of his company with a five-minute headway maintained morning and evening. In addition, he stated, special trains were operated on race days and regular schedules were operated past the race track approximately every thirty minutes. Fares of 22 cents one-way and 44 cents round-trip were assessed and shelters were provided at all connecting points according to Mr. Marler. Pacific Electric Railway Company's protest was particularly directed against a local service between Pasadena and Arcadia and not to applicant's proposed service from points west of Pasadena to the track.

He referred to an operating agreement between Motor Transit

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Company and Pasadena-Ocean Park Stage Line, Inc. sanctioned by this Commission whereby through service, through interchange of equipment, was authorized between Hollywood, Glendale and Eagle Rock, on the one hand, and Arcadia (Los Angeles Turf Club), on the other hand. Point of interchange was at Pasadena and the witness Marler testified that an average of seventy-seven passengers per day used this service during the 1935-1936 race season. Of this number two-thirds originated at Pasadena and one-third at Hollywood.

Thus there is a proposal of a direct service as opposed to a limited service and an indirect service to the Los Angeles Turf Club. It would appear that the public desirous of attending the races at this track are entitled to a service which will not be subject to the limitations and delays apparent in presently authorized services. The service proposed is one which protestants cannot perform by virtue of existing operating restrictions and limitations and to that extent is a new and different service. Tanner Motor Tours, Ltd. offers a distinctly limited race track service not comparable to that proposed by applicant. Pacific Electric Railway Company, in view of applicant's stipulation restricting its offer of service, appears to be adequately protected as to points directly competitive.

In the public interest therefore, Pasadena-Ocean Park Stage Line, Inc. should be authorized to extend its service as prayed for. The application will be granted subject to the restriction set forth in the stipulation heretofore referred to.

Pasadena-Ocean Park Stage Line, Inc., 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

(5) Decision No. 27546, November 26, 1934, on Application No. 19679.

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 establishment and operation by Pasadena-Ocean Park Stage Line, Inc. of an automotive service for the transportation of passengers, as a passenger stage corporation as such is defined in section 2 $\frac{1}{2}$ of the Public Utilities Act, between Pasadena and Arcadia (Santa Anita Race Track of the Los Angeles Turf Club) as an extension and enlargement of and consolidated with its presently operated service between Hollywood and Pasadena, subject to the following restrictions:

1. The service herein authorized shall be operated only during the racing season and on race days only.
2. No passengers, except those having point of origin or point of destination at the Los Angeles Turf Club in Arcadia, shall be transported locally between the depot of applicant located at Green Street and Marengo Avenue, Pasadena and the westerly boundary of the Los Angeles Turf Club in Arcadia.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and the same hereby is, granted to Pasadena-Ocean Park Stage Lines, Inc. 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 within a period of not to exceed thirty (30) days from the effective date hereof, and shall file in triplicate, and concurrently make effective on not less than one 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 within a period of not to exceed thirty (30) days after the effective date of this order, on not less than one 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 the date hereof.

Dated at San Francisco, California, this 27th day of

December, 1938.

Robert W. Johnson

James G. Sullivan

J. B. Kelly
COMMISSIONERS