

Decision No. 31928

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
TOM K. HOFVE for a certificate of pub-
lic convenience and necessity to
establish and operate common carrier
service for the transportation of
persons between San Pedro and Wilming-
ton (parts of the City of Los Angeles)
and Santa Anita, and Hollywood Turf
Club race track at Inglewood.

Application No. 22524.

W. R. Williams, for applicant.

Frank Karr and C. W. Cornell, by C. W. Cornell,
for Pacific Electric Railway Company, Motor
Transit Company and Los Angeles Motor Coach
Corporation, protestants.

O. A. Schulenberg and A. L. Owens, for Motor
Coach Corporation and Howard M. Lang, an
individual, doing business as El Segundo
Motor Transport Company, protesting that por-
tion of the application dealing with proposed
service between Wilmington and San Pedro and
the Hollywood Turf Club at Inglewood.

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

H. W. Stewart, for Tanner Motor Tours, Ltd.,
interested party.

CRAEMER, COMMISSIONER:

O P I N I O N

Applicant has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the establishment and operation of an automotive service for the transportation of passengers, only, between San Pedro and Wilmington in the Harbor area of the City of Los Angeles and the race tracks of the Los Angeles Turf Club at Santa Anita and the Hollywood Turf

Club at Inglewood. Both services would be seasonal in nature and would be operated on racing days, only - one round trip per day.

Public hearings on this application were conducted at San Pedro on February 2nd and 16th, 1939, and at Los Angeles on March 2nd, 1939. On this latter date the matter was duly submitted and it is now ready for decision.

Applicant proposes to charge a rate of \$1.00 per round trip to the Santa Anita track and \$.75 per round trip to the Inglewood track and to operate a daily service (on racing days only) over routes substantially as shown on Exhibit "B," attached to the application.

Applicant relies, as justification for the granting of the desired certificate, on the following alleged facts; that there is no direct service for the transportation of passengers between the harbor district of Los Angeles and the tracks at Santa Anita and Inglewood; that the service provided by Pacific Electric Railway Company is inadequate, costly and indirect and requires excessive time enroute; that residents of the harbor area are in need of a direct, economical means of transportation, as proposed in the application; and that patrons using Pacific Electric Railway service are required to transfer at Los Angeles and this company provides no service of any character between the harbor and the Inglewood track.

The record shows that applicant has had no experience in conducting a business such as is proposed herein and bases his opinion that the service is needed largely upon the supposition that, among the thousands of sailors, longshoremen and other waterfront employees in the harbor district, enough persons would want to attend the races to make the service proposed compensatory.

Applicant testified that he had made no particular study of the cost to operate coaches of the type proposed to be used but assumed that it would amount to 15¢ or 16¢ per bus mile, including

driver's wages, taxes, fuel for power, maintenance and depreciation, as well as terminal rent at San Pedro and Wilmington and the daily parking fee at the tracks. One trial trip between the harbor and the track at Santa Anita, made in the time of one hour and fifteen minutes, forms the basis upon which his time schedule, appearing on Exhibit "B" attached to the application, is set up. A test run between the harbor and the Inglewood track, over the route proposed in the application, allegedly was made in twenty-five minutes, in spite of the fact that the record shows this to be a distance of approximately twenty-two miles. The time schedule for this operation, filed as part of the application, contemplates an elapsed time of forty-five minutes between termini.

If the certificate sought herein is granted, applicant proposes to purchase a second-hand, 1933 model, reconditioned, thirty-three passenger coach, formerly operated in local service in and around San Pedro. The purchase price of the coach would be \$650, payable \$50 down and the balance in weekly payments of \$25 each, to be paid out of earnings. Arrangements have been made to lease such other coaches, of similar type and capacity, as might be necessary to meet the public demand. By his own testimony, the applicant feels that it would be necessary to carry a full load each trip in order that the proposed operation would be profitable.

Many witnesses were produced by applicant who testified as to the need for the proposed service but the Commission would certainly be remiss in its duties and responsibilities if it failed to consider that a substantial number of these same witnesses testified that they seldom, if ever, attended the races. Their testimony was based largely on the theory that a regulated, through, direct service, at reasonable rates, would induce patrons to go to the races who at present either do not go at all or ride with some individual

who happens to be going and is willing to take them as passengers.

Witnesses, in other instances, testified that they objected to the walk between the Pacific Electric station and the grandstand at Santa Anita (the record indicates this distance to be approximately 1800 feet). This objection was based on the length of the walk as well as the alleged hazard of crossing Huntington Drive, which at this location carries a heavy volume of high-speed vehicular traffic. It is not convincing that the distance patrons must walk is a serious obstacle, for the reason that travel via Pacific Electric to the track has grown from 73,151 passengers for the season of 1934-1935 to 102,880 passengers for the season 1937-1938, with every indication that the 1938-1939 figure would far surpass these. It is also an obvious fact that many thousands of patrons who drive to the races in their own cars are frequently required to walk distances in excess of 1800 feet from the point where parking space is available. As to the hazard involved in crossing Huntington Drive, the record is clear that ample police protection is provided and that traffic at this point is fully controlled, thereby minimizing this element.

Applicant testified, as did his witnesses, that he knew of no public transportation agency which provides service between the San Pedro-Wilmington area and the Inglewood track. The record shows, however, that the Motor Coach Corporation, through direct connections with the El Segundo Motor Transport Company, operates coaches within a block of the track and a witness for the Motor Coach Corporation testified that these carriers are ready, willing and able to provide transportation to and from the area for any volume of traffic which might present itself. While this service may not be as direct as that proposed by applicant, it nevertheless is an available service, adequate for ordinary needs, and the differential in fares is not of sufficient consequence to be material.

Careful consideration of the entire record in this proceeding leads to the conclusion that there is little in the way of substantiation of the contention that public convenience and necessity require the establishment of the service as proposed. While the service to both tracks would be more direct and at slightly lower rates of fares than is provided at the present time, there is no satisfactory showing in this record that the service could be made a financial success within a reasonable period. Thus, the record clearly indicates that public convenience and necessity do not require the establishment of the service as herein proposed by applicant and, therefore, the application will be denied.

O R D E R

Public hearings having been held in the above entitled proceeding, the matter having been duly submitted, the Commission being now fully advised;

IT IS HEREBY ORDERED that this application be and the same hereby is denied.

The effective date of this Order is hereby fixed as 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, April 18, 1939.

Franklin
Franklin
Ray C. Rice
W. H. H. H.
James F. Cooney
Commissioners.