

Decision No. 22701

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
PACIFIC GREYHOUND LINES to abandon its )  
operating right and route between ) Application No. 22701  
Fowler and Corcoran via Hanford. )

H. C. LUCAS, for Applicant.

BY THE COMMISSION:

ORIGINAL

O P I N I O N

This is an application by Pacific Greyhound Lines, a corporation, for authority to discontinue and abandon all of its automotive service as a common carrier of passengers, baggage and express between Fowler and Corcoran, via Hanford, a distance of approximately fifty-five route miles. The operating right proposed to be abandoned was created by Decision No. 29384, dated December 21, 1936, on Application No. 20761, authorizing service between Fowler and Tulare and intermediate points via Hanford, Corcoran and Waukena. Applicant proposes to continue its service between Corcoran and Tulare, via Waukena.

A public hearing in this application was had before Examiner McGettigan in Hanford on May 19, 1939, where testimony was taken, exhibits received and the matter being duly submitted is now ready for decision.

No protestants to the granting of this application appeared although the record shows that notices of the public hearing in this matter were sent by the Commission to civic organizations, various city and county officials in the district involved, as well as to competing carriers. Additionally, J. K. McKelvain, District Passenger

Agent of Pacific Greyhound Lines, located in Fresno, testified that a notice of the hearing had been posted in the Fresno-Corcoran bus and also in Pacific Greyhound Lines' ticket office in Hanford.

Mr. T. Finkbohner, Superintendent of Transportation for Pacific Greyhound Lines, testified that the gross revenue from this operation, <sup>(1)</sup> since its inception in January 1937, had not been sufficient to pay even the out-of-pocket expenses. He further testified that this condition existed on the entire run between Fresno and Tulare via Hanford and Corcoran.

In an attempt to develop traffic in this territory witness Finkbohner stated that agencies had been established and maintained at Fowler and Corcoran and various changes in schedules had been inaugurated but without success. Finally, he testified that as of May 1, 1939, Pacific Greyhound Lines was obliged to reduce service to one round trip between Fresno and Tulare via Laton, Hanford and Corcoran operated on Saturday only. Two round trips daily are still maintained between Corcoran and Tulare. Mr. Finkbohner stated that in the nineteen days' operation of this reduced service occurring prior to the instant hearing no complaints had been registered.

According to Exhibit No. 1, introduced through this witness, a total operating loss of \$26,900.84 has been sustained by his company in the operation of the Fresno-Tulare-Corcoran service involved herein for the period from January 1937 to February 1939. During this time a total of 302,625 miles was operated for a revenue of \$14,330.53 which is equivalent to a revenue per mile of 4.7 cents.

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(1) Originally four round trips daily between Fresno and Hanford, two of which were extended to Corcoran and four round trips daily between Corcoran and Tulare.

During this same period expenses of \$41,231.37 were incurred which represented a per mile expense of 13.6 cents. According to Exhibit No. 2, showing per mile revenue by schedule during 1937 and 1938, also introduced by Mr. Finkbohner, this record shows that at no time during this period was the operation conducted at a profit, and in general the revenue shows a gradual decrease.

Exhibit No. 3 introduced by applicant shows the number of passengers transported and the revenue accruing therefrom between Fresno, Corcoran and Tulare for the first three months of 1939 which is taken as a period indicative of current operating conditions. Additionally, this exhibit shows a breakdown of passengers and revenue between Tulare and Corcoran, Corcoran and Hanford and Hanford and Fresno. During this three months' period on the Tulare-Fresno run 313 passengers were transported between Fresno, Tulare and Corcoran, 250 passengers were transported between Corcoran and Hanford and 961 passengers were transported between Hanford and Fresno. During the same period 207 passengers were transported locally on the Tulare - Corcoran run. This gives a total of 1736 passengers transported between all these points during the three months' period or approximately 580 passengers per month. On the basis of the one schedule each way daily, in operation during the period, this would mean approximately 9.1 passengers per schedule between Fresno and Tulare of which about 55 per cent, or 5 passengers per schedule, were transported between Hanford and Fresno. Between Corcoran and Tulare, on the same basis, the number of passengers per schedule would be about 3.6. The exhibit also shows that at no time during the period shown did revenue per schedule per mile exceed 5.2 cents. In most cases the revenue per mile was considerably less than 5.2 cents per mile and on the Hanford - Fresno leg of this service, which had the heaviest load factor, the revenue per mile averaged about 4.3 cents.

This serves to substantiate the fact that this service is being operated at a substantial loss, and with only approximately four passengers per schedule being transported, based upon the breakdown of points in Exhibit No. 3.

Exhibits Nos. 4 and 5 introduced into this record by the witness Finkbohner show what other services will still be available to the public should this application be granted.

Exhibit No. 4 shows that at the present time the direct service between Fresno and Hanford, via Laton, consists of that of the Pacific Greyhound Lines (proposed for abandonment) and the Atchison, Topeka and Santa Fe Railway. The Hanford section however has the service of Pacific Greyhound Lines in connection with Orange Belt Stages, Inc., via Visalia Airport, and also the services of the Atchison, Topeka and Santa Fe Railway direct and Santa Fe Transportation Company<sup>(2)</sup> and Southern Pacific Company<sup>(3)</sup>. Exhibit No. 5 shows that exclusive of Pacific Greyhound Lines' service, via Hanford, there is available between Corcoran and Fresno the services of the Pacific Greyhound Lines, via Tulare and Visalia, and the Atchison, Topeka and Santa Fe, via Tulare.

It is apparent from this record that Pacific Greyhound Lines' service between Fowler and Corcoran, via Hanford, is now and has for some time past been operating at a substantial loss. That public convenience and necessity do not require or apparently need this particular service is indicated both by the lack of patronage evidenced and by the absence of any protest to the granting of the application for abandonment. The services other than those

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(2) Via Visalia Airport.

(3) Via Goshen Junction.

of Pacific Greyhound Lines are considered adequate for this territory. With respect to applicant's service between Corcoran and Tulare it is the belief of Pacific Greyhound Lines that such service can be maintained if relief from operating between Fowler and Corcoran is granted.

On the basis of the showing made and inasmuch as it appears that the public interest will not be adversely affected by the abandonment of service proposed, the application will be granted.

#### O R D E R

A public hearing in the above entitled proceeding having been had, the matter being duly submitted, and the Commission now being fully advised in the premises,

IT IS HEREBY ORDERED that Pacific Greyhound Lines be and it is hereby authorized to discontinue and abandon all of its automotive service as a common carrier of passengers, baggage and express between Fowler and Corcoran and intermediate points, via Hanford, over and along the following routes:

1. Between Fowler and Fresno-Kings County Line, via Fowler Avenue,
2. Between Fresno-Kings County Line and Hanford, via main county highway through Laton,
3. Between Hanford and Corcoran, via state route 135 through Guernsey,

and subject to the condition that applicant Pacific Greyhound Lines shall prepare and file with the Commission, on at least ten (10) days' notice to the Commission and the public a supplement to its tariff,

in triplicate, and a time schedule, in duplicate, showing the abandonment of service herein authorized.

IT IS HEREBY FURTHER ORDERED that Decision No. 29384, in so far as it granted an operative right between Fowler and Corcoran and intermediate points, via Hanford, be and it is hereby revoked and annulled.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 31<sup>st</sup> day of May, 1939.

Robert W. [unclear]  
Frank [unclear]  
Carl J. [unclear]  
[unclear]  
Justin J. [unclear]  
COMMISSIONERS