

Decision No. 23663

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
SANTA FE TRANSPORTATION COMPANY, a )  
California corporation, for permission )  
to suspend or abandon service as a )  
common carrier for the transportation )  
of passengers between Los Angeles and )  
Doheny Park, California, via Santa Ana. )

Application No. 23663.

**ORIGINAL**

ROBERT BRENNAN and WILLIAM F. BROOKS, for  
Applicant Santa Fe Transportation Company.

WAKEFIELD, Commissioner:

O P I N I O N

By this application Santa Fe Transportation Company seeks authority to abandon service as a common carrier for the transportation of passengers between Los Angeles and Doheny Park via its Santa Ana route. (1)

A public hearing was had at Los Angeles on September 13, 1940, at which time testimony was offered by applicant in support of the application. No one appeared in protest to the granting of the authority sought. (2)

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(1) By Decision No. 30790 of April 18, 1939, in Application No. 20170, and related proceedings, applicant was authorized, among other things, to transport passengers by motor coach between Los Angeles and San Diego via alternate routes, one through Santa Ana and the other through Long Beach. These routes converge at or near Doheny Park.

(2) The instant application as filed, seeks authority in the alternative "to suspend for a period of one year or to abandon" the existing service. Applicant orally amended the application at the hearing and asked that the proceeding be considered solely as an application for abandonment of service via the Santa Ana route.

Applicant offered in evidence an exhibit showing the chronological history of its motor coach schedules for passenger transportation service instituted on and after July 1, 1938, between Los Angeles and San Clemente via Santa Ana. San Clemente is a point four miles south of Doheny Park. The exhibit shows that originally, two schedules were inaugurated between the terminals in each direction. Later applicant cancelled one schedule and changed the remaining schedule several times in an effort to attract a greater portion of the traveling public.

Applicant offered another exhibit showing the sub-normal revenue received from ticket sales at intermediate points between the terminal cities of Los Angeles and San Clemente via the Santa Ana route, for the six months' period ended June 30, 1940. (3)

An exhibit showing the total revenue on bus operations for the period July to December, 1939, inclusive, indicates that applicant sustained an operating loss of \$3,353.50 on its Santa Ana route. For the six months' period ended June 30, 1940, the corresponding loss was \$2,447.65.

The witness asserted that applicant's operations in the state as a whole are not sufficiently profitable to support the operation of unproductive routes. In this connection he stated that it had been operated at a net loss for the past year, although a small profit was realized in the last three months.

Applicant concluded its presentation by pointing out that the gross revenue per mile in the affected territory, for the two year period from July, 1938, to June, 1940, including

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(3) The gross revenue upon the intermediate business for this period by months from January to June, 1940, inclusive, was as follows: \$29.97, \$34.74, \$58.53, \$53.92, \$32.88 and \$34.81.

through passengers, was \$.056 per mile southbound, and \$.0674 per mile northbound. The witness contrasted these revenues with the average cost per mile of approximately 17½ cents experienced on the Santa Ana route. (4)

A review of the evidence indicates that applicant has reasonably endeavored to operate regular schedules between Los Angeles and San Clemente via Santa Ana and has readjusted its hours of arrival and departure to induce additional passenger traffic and to meet the needs of the traveling public. It appears, moreover, that the experience gained by applicant from more than two years operation of such service has demonstrated that the maintenance of this particular route is not now justified nor will its operation be justified for the future. Passengers between Los Angeles and points south of San Clemente appear to prefer applicant's service via the shorter route through Long Beach and applicant proposes, in the event the abandonment here sought is authorized, to continue to serve points between Los Angeles and San Diego via Long Beach.

In addition, it appears that the traveling public between Los Angeles and Doheny Park and San Clemente will not, in the event of abandonment of the Santa Ana route, be deprived of adequate transportation service. Common carriers now operating between Los Angeles and points on the affected route and locally

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(4) Applicant has no interstate operative rights over the Santa Ana route. The operations here involved are also subject to the limitation that no intrastate passengers may be carried between Los Angeles and Santa Ana and intermediate points, nor between Santa Ana and points intermediate to Los Angeles on the one hand, and destinations between Los Angeles and San Fernando and San Bernardino, on the other hand. Applicant contended that the foregoing limitations prevented the development of local business which might otherwise have been experienced on the Santa Ana route.

on said route, are sufficient in number and operate adequate facilities to care for the traffic offered. With the abandonment of service by applicant, the route in question will be served in whole or in part by the Atchison, Topeka and Santa Fe Railway Company, the Pacific Greyhound Lines, the Motor Transit Company, the Pacific Electric Railway Company, the Tustin Stage Lines and the Santa Ana-Laguna Beach Stage Line.

#### F I N D I N G S

Upon the record herein the evidence supports a finding of fact that public convenience and necessity justify the abandonment by the Santa Fe Transportation Company of that portion of its operative right for the transportation of passengers, baggage and express between Los Angeles and Doheny Park, and intermediate points thereto, via Santa Ana.

I recommend the following form of order.

#### O R D E R

The Santa Fe Transportation Company having requested authority to abandon service as a common carrier for the transportation of passengers between Los Angeles and Doheny Park and intermediate points via its Santa Ana route, a public hearing having been had thereon on September 13, 1940, after due notice thereof and having considered the evidence submitted at such hearing,

IT IS HEREBY ORDERED that the Santa Fe Transportation Company be and it is hereby authorized to discontinue and abandon service as a common carrier for the transportation of passengers by automotive vehicle between Los Angeles and Doheny Park and intermediate points thereto, via the Santa Ana route.

IT IS HEREBY FURTHER ORDERED that Santa Fe Transportation Company cancel all time schedules and tariffs insofar as they contain rates, rules and regulations for the transportation of persons between Los Angeles and Doheny Park and intermediate points thereto via Santa Ana, said cancellation to become effective within ten (10) days after the effective date of this order and on not less than five (5) days' notice to the Commission and to the public.

This order shall become effective ten (10) days after 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 24<sup>th</sup> day of September, 1940.

Ray L. Rice  
Frank W. Allen  
W. H. Ball  
Justus F. Casner  
COMMISSIONERS