

Decision No. 13-7085

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Asbury Rapid Transit System, a corporation, for Authority to operate its authorized transportation common carrier service between the City of Los Angeles (Hollywood) on the one hand, via Cahuenga Boulevard; Barham Boulevard; Hollywood Way; Magnolia Boulevard to First Street; Olive Avenue; Olive Avenue to Burbank (San Fernando Road) on the other hand, via certain alternate routes.

ORIGINAL

Application No. 23953.

Bart F. Wade and Rodney Williams, for Applicant.

Hyman Smith, for Airplane Manufacturing & Supply Corporation, interested party.

C. H. Eckles, for Burbank Bus Service, interested party.

H. O. Marler, for Pacific Electric Railway Company, interested party.

BY THE COMMISSION:

O P I N I O N

Applicant herein operates a motor coach service as a passenger stage corporation between various points in the County of Los Angeles in the vicinity of the City of Los Angeles, including service between Hollywood (Los Angeles) and Burbank, and Burbank and North Hollywood. By its present application applicant seeks authority to extend and enlarge its motor coach service on its Hollywood-Burbank line so as to furnish service to the Lockheed Aircraft Corporation and Vega Airplane Company, and to points situated in the vicinity of said factories located generally northwesterly of the City of Burbank. It proposes to operate over and along the following described route:

Commencing at Hollywood Union Bus Terminal,  
1627 Cahuenga Boulevard,  
Thence via Cahuenga Boulevard to Barham Boulevard,  
Thence via Barham Boulevard to Olive Avenue,

Thence via Olive Avenue to Hollywood Way,  
Thence via Hollywood Way to San Fernando Road,  
Thence via San Fernando Road to its intersec-  
tion with Empire Avenue,  
Thence via Empire Avenue to Hollywood Way,  
Thence via Hollywood Way to Olive Avenue,  
Thence via Olive Avenue to Barham Boulevard,  
Thence via Barham Boulevard to Cahuenga Boule-  
vard,  
Thence via Cahuenga Boulevard to Selma Avenue,  
Thence via Selma Avenue to Public Alley located  
between Cahuenga Boulevard and Wilcox Avenue,  
Thence via Public Alley to Hollywood Union Bus  
Terminal.

The only portion of the route above described which will result in an enlargement or extension of the present operative rights of applicant will be as follows:

Commencing at the intersection of Magnolia Boulevard and Hollywood Way; thence northerly via Hollywood Way to San Fernando Road; thence southeasterly via San Fernando Road to Empire Avenue; thence westerly via Empire Avenue to Hollywood Way.

This represents an extension of its lines of about one and one-half miles.

Public hearing in this proceeding was conducted by Examiner Gorman at Los Angeles on February 24, 1941, and the matter, having been duly submitted, is now ready for decision.

The extension sought herein will afford service not only to the employees of the airplane factories situated along the proposed route, but also to the general public, and a more frequent service to the Warner Bros. Studios, which service has become necessary.

L. H. Harrison, traffic engineer of the Lockheed Aircraft Corporation, testified that there are now approximately 18,500 employees of the Lockheed Corporation and approximately 5,000 employees of the Vega Company and that in a few months these figures would increase to 25,000 for the Lockheed Corporation and 16,000 for the Vega Company. His testimony further discloses that about eleven per cent of the employees of the Lockheed Corporation reside in the Hollywood and North Hollywood area; that their employees are

experiencing a housing shortage which, it appears, will be partly met by the construction of houses generally west of the factories; that one of the greatest transportation problems of their employees is between the factories on the one hand and the Hollywood and North Hollywood area on the other hand, including intermediate points; and that the proposed service is needed and will tend to solve this transportation problem.

Mrs. Mildred Edmonds, office secretary of Meyer-Nash Company, building contractors, testified that in the vicinity west of said factories her company has under construction sixty houses and plans to construct at least five hundred within twelve months.

Fred F. Dawson, district superintendent of United Air Lines, testified that the proposed service would be not only desirable but necessary from the standpoint of persons going to and from Union Air Terminal, now known as Lockheed Airport.

It further appears that applicant will afford certain transfer privileges and that an approximate hourly schedule is proposed daily, except Sundays, from 6:15 a.m. to 5:30 p.m.; that if there is sufficient demand, additional service will be rendered to take care of employees working on the night shifts and on Sundays at said airplane factories; and that applicant has adequate and sufficient equipment to render the proposed service at a profit.

C. H. Eckles, owner of the Burbank Bus Service, who protested this application by letter, withdrew his protest at the hearing.

A careful consideration of the entire record leads to the conclusion, and we hereby find as a fact, that public convenience and necessity require the extension and enlargement, as sought in the application, of the operative rights of applicant as a passenger stage corporation, as defined in Section 2½ of the Public Utilities Act.

Applicant herein 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 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 as to the number of rights which may be given.

### O R D E R

Public hearing having been held in the above entitled proceeding, during which evidence was adduced, the matter having been duly submitted, the Commission now being fully advised, and it having been found that public convenience and necessity so require;

IT IS ORDERED that a certificate of public convenience and necessity is hereby granted to Asbury Rapid Transit System, a corporation, for the establishment and operation of an automotive service for the transportation of passengers, as a passenger stage corporation, as such is defined in Section 2½ of the Public Utilities Act, between Los Angeles (Hollywood) and Burbank and intermediate points.

IT IS FURTHER ORDERED that in the operation of said passenger stage corporation service pursuant to the foregoing certificate, Asbury Rapid Transit System shall comply with and observe the following service regulations:

1. File a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days from the effective date hereof.
2. Subject to the authority of this Commission to change or modify such at any time by further order, Asbury Rapid Transit System shall conduct said passenger stage corporation service over and along the following route:

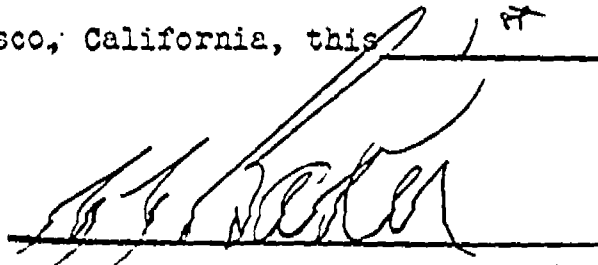
Commencing at Hollywood Union Bus Terminal,  
1627 Cahuenga Boulevard,  
Thence via Cahuenga Boulevard to Barham Boulevard,  
Thence via Barham Boulevard to Olive Avenue,  
Thence via Olive Avenue to Hollywood Way,  
Thence via Hollywood Way to San Fernando Road,  
Thence via San Fernando Road to its intersection  
with Empire Avenue,

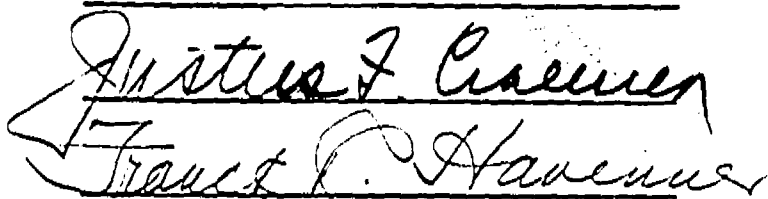
Thence via Empire Avenue to Hollywood Way,  
Thence via Hollywood Way to Olive Avenue,  
Thence via Olive Avenue to Barham Boulevard,  
Thence via Barham Boulevard to Cahuenga Boulevard,  
Thence via Cahuenga Boulevard to Selma Avenue,  
Thence via Selma Avenue to Public Alley located  
between Cahuenga Boulevard and Wilcox Avenue,  
Thence via Public Alley to Hollywood Union Bus Terminal.

3. File, in triplicate, and concurrently make effective within a period of not to exceed sixty (60) days from the effective date of this order, on not less than five (5) days' notice to the Commission and the public, a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates, rules and regulations which in volume and effect shall be identical with the proposed rates, rules and regulations shown in the exhibit attached to Application No. 23953, in so far as they conform to the certificate herein granted, or rates, rules and regulations satisfactory to the Railroad Commission.
4. File, in triplicate, and make effective within a period of not to exceed sixty (60) days from the effective date of this order, on not less than five (5) days' notice to the Commission and the public, time schedules covering the service herein authorized in a form satisfactory to this Commission.

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

Dated at San Francisco, California, this 17 day  
of April, 1941.

  
\_\_\_\_\_

  
\_\_\_\_\_

Commissioners.