

Decision No. 23808.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
SANTA MONICA TRANSPORTATION CO., a)	
California Corporation, for a certifi-)	
cate of public convenience and necessity)	
to operate motor car service, as a com-)	Application No. 23808.
mon carrier for hire, and for permission)	
and authority to issue 31,000 shares of)	
the capital stock of said corporation.)	

FLOYD E. PENDELL and HARRY A. AIDES, for Applicant.

MAX EDDY UTT, for Los Angeles Railway Corporation, Protestant.

H. C. LUCAS and H. D. RICHARDS, for Pacific Greyhound Lines and California Parlor Car Tours, Protestants.

JAMES S. MOORE, for Yosemite Park and Curry Company, Protestant.

BART F. WADE, F. H. ASBURY and DON L. CAMPBELL, for Asbury Rapid Transit System, Protestant.

FRANK KARR, E. L. W. BISSINGER and H. O. MARLER, for Pacific Electric Railway Company and Los Angeles Motor Coach Company, Interested Parties.

TUDOR GAIRDNER and C. H. TANNER, for Tanner Motor Tours and Grey Line Motor Tours, Protestants.

LEO F. ANSO, for Southern Pacific Company, Interested Party.

H. D. RICHARDS and VERNON P. SPENCER, for Inglewood Transit Company, Protestant

HECTOR P. BAIDA, for Bay Cities Transit Company, Protestant.

RILEY, COMMISSIONER:

O P I N I O N

In this proceeding, applicant seeks authority to operate certain common carrier services, transfer a certain certificate and issue stock. For convenience, the matter will be considered under

the following subdivisions:

- (a) Operate sight-seeing tours;
- (b) Perform common carrier operations;
- (c) Engage in special airport service;
- (d) Transfer of certificate granted by Decision No. 33754; and
- (e) Issue stock.

A public hearing was held in Los Angeles on December 30 and 31, 1940, the matter was taken under submission and it is now ready for decision.

The record shows that applicant is affiliated with the Santa Monica Cab Company through common ownership. The carrying out of the terms of this application would have the effect of merging the two operations.

Sight-seeing Tours (Subdivision (a)). Applicant proposes to operate sight-seeing tours originating from and returning to Santa Monica to and from various points.⁽¹⁾

In a general way it is proposed to offer a sight-seeing service to the many points of interest to tourists in this state, particularly Southern California. This service is to be conducted

(1) The proposed operations are between Santa Monica and Airplane Factories; Wild Flower areas; Missions, Forest Lawn Memorial Park; Huntington Library, Pasadena; Santa Anita Race Track at Arcadia; Hollywood Race Track at Inglewood; Flower Parade and Football Game at Pasadena; Various Football Games in Coliseum in Los Angeles; Orange Show at San Bernardino; Pomona Fair; Wisteria Festival at Sierra Madre; Orange Groves; Mission Play at Hemet; Hollywood Bowl; Griffith Park Planetarium; Olvera Street; Bernheimer Garden and Homes of Persons engaged in the Moving Picture Industry; Mount Wilson; Palos Verdes; San Pedro; Long Beach; Santa Monica Union Air Terminal, Inglewood.

The application is further generalized by the inclusion of "other tourist spots throughout California," which would, in effect, cover all points within the state.

through the operation of station wagons and sedans on an 'on-call' basis. The record shows that applicant, through its affiliate Santa Monica Cab Company, possesses two station wagons and seven sedans. The seven sedans are now employed in Santa Monica taxicab service. Applicant stated that additional equipment could be secured to conduct the proposed sight-seeing service if business justified.

It is proposed to construct a tariff based upon a 'passenger mile' basis and, as a prerequisite, a minimum number of passengers must be assured prior to the rendition of the service over the various sight-seeing tours. Under this plan, it would appear that applicant could not comply with the requirements of Section 14(a) of the Public Utilities Act. ⁽²⁾ It is obvious that under the proposed plan of fixing fares for the various tours, no such fare could be established until after the distance had been determined. Furthermore, regulation thereof would be extremely difficult.

Applicant alleges that it has received requests for the proposed service from apartment house and hotel managers who primarily are concerned with the desirability of having such service available to guests desiring to reach the various points of interest proposed to be served. The record indicates that the volume of tourist trade fluctuates greatly in the Santa Monica district, with the high point occurring during the summer months.

(2) Sec. 14. (a) Every common carrier shall file with the Commission and shall print and keep open to the public inspection schedules showing the rates, fares, charges and classifications for the transportation between termini within this state of persons and property from each point upon its route to all other points thereon; * * *

The granting of this portion of the application was opposed by California Parlor Car Tours, Tanner Motor Tours and Grey Line Motor Tours, upon the contention that more or less similar services were now offered from Los Angeles. These services were available to persons residing at Santa Monica by the use of any of several common carrier agencies between the two cities.

It is apparent from this record that applicant has not justified the granting of this portion of the application.

Common Carrier Service (Subdivision (b)). Applicant proposes to establish common carrier operations (a) between the City of Santa Monica and airplane manufacturing plants located at the Los Angeles Municipal Airport in the vicinity of Inglewood, and (b) between the City of Santa Monica and airplane plants located adjacent to the Union Air Terminal in the City of Burbank. It is contended that these services are needed to transport persons who reside in the City of Santa Monica to and from their place of employment. The service is to be arranged to meet the requirements of traffic, particularly with respect to the changes in shifts at the plants. Under this plan, applicant contends that the drivers assigned to this common carrier service will be available during a portion of the day for other service. It was contended that such drivers could be assigned to certain of the short sight-seeing tours referred to above.

Exhibit No. 4 covers an estimate of performing the proposed service between Santa Monica and the Los Angeles Municipal Airport, and shows that the cost of such operation will amount to \$20.29 per day, while earnings are estimated at \$12.30. While this record shows that the number of employees at the airplane manufacturing plants has greatly increased within recent date, it was

also shown that the practice of these employees has been to pool together, so that one car accommodates a number of persons in traveling to and from the various plants. The evidence of public need and demand for such common carrier operations is based largely upon certain examples wherein specific circumstances have brought about a request for such service.

The granting of this portion of the application was opposed by Pacific Greyhound Lines, Asbury Rapid Transit System, Pacific Electric Railway Company, Inglewood Transit Company and Bay Cities Transit Company, all contending that public transportation is now being rendered in this general vicinity in keeping with the current public demand as it exists today.

It is apparent from this record that the cost of performing the services as proposed under this section would, in itself, exceed the revenues and therefore would require financial relief from some other source. In the light of the showing, it cannot be concluded that applicant has justified the soundness of this phase of the application, either from the standpoint of public convenience and necessity or on an enduring basis; therefore, this portion of the application should be denied.

Special Airport Service (Subdivision (c)). Applicant proposes to engage in a special airport service between the City of Santa Monica and the two airports referred to above in Subdivision (b). This service is intended to provide transportation for plane passengers, as well as transportation for plane crews in traveling between the airports and Pacific Aviation Club located in the City of Santa Monica. Exhibit No. 2 in this proceeding contains an estimate in which revenues per trip between Santa Monica and the Union Air Terminal are shown to be \$7.50 and expenses \$7.15.

Corresponding figures covering the proposed operation between Santa Monica and the Los Angeles Municipal Air Terminal are estimated at \$3.00 and \$2.28, respectively. This is, however, based upon the premise that there will be an average of three passengers per trip. There is little in this record to justify an estimate of the probable traffic that would be attracted by this proposed service.

Asbury Rapid Transit System and Pacific Electric Railway Company opposed this portion of the application, alleging that reasonably adequate service between these points is now available to the public. While such service, however, involves transfers to reach Santa Monica, it cannot be assumed from this record that the probable traffic would justify through service as proposed herein.

As viewed from the record, it does not appear that public convenience and necessity require the operations proposed by applicant in this subdivision and therefore this portion of the application should be denied.

Transfer of Certificate (Subdivision (d)). Applicant requests permission to acquire the certificate granted to Donald H. James by Decision No. 23754 (December 21, 1940) in Application No. 23487 which granted James the right to operate a passenger stage service between Santa Monica and Topanga Canyon. Applicant referred to a document whereby James agreed to sell and applicant to buy such certificate subject to the approval of the Commission.

A written statement has been received by the Commission from James in which he said that he had never operated under the certificate and had no interest in doing so. As a result of such statement the certificate heretofore granted to James is being cancelled on this date. Therefore, the authority sought by applicant to acquire such certificate must be denied.

Issue Stock (Subdivision (e)). Applicant also requested authority to issue certain stock to be used to finance the proposed operation. Inasmuch as the evidence of record does not warrant granting the application in other respects, it is unnecessary to consider this request further. Authority to issue stock will be denied.

O R D E R

Public hearing having been held, evidence received, the matter submitted and it appearing to the Commission that public convenience and necessity sufficient to warrant granting Application No. 23808 has not been shown,

IT IS ORDERED that Application No. 23808 is denied.

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.

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

Dated at San Francisco, California, this 14th day of April, 1941.

[Signature]
[Signature]
Justin J. Craven
Francis R. Havens
COMMISSIONERS