

Decision No. 39008

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 GLENN WRIGHT, doing business as)
 CALIFORNIA AUTO TOURS for a certificate)
 of public convenience and necessity, for) Application No. 27368
 the transportation of passengers by)
 automotive equipment, on roundtrip tours,)
 starting from and returning to San Jose,)
 California.)

HERBERT C. JONES, for applicant.
 JOHN F. PALAAM, for Peerless Stages, interested party;
 A. R. THOMPSON, for San Jose City Lines, interested party.

O P I N I O N

Glenn Wright by the above entitled application seeks a certificate of public convenience and necessity authorizing him to operate two sightseeing tours commencing and terminating in San Jose. He proposes to do business as California Auto Tours if the certificate is granted.

A public hearing was held at San Jose May 25, 1946, before Examiner Howard, at which time evidence was received and the matter submitted.

No one appeared to protest the granting of the application. Mr. Wright proposes to operate a round-trip tour from San Jose to Santa Cruz at a fare per passenger of \$2.50, plus Federal excise tax. The distance to be traversed will be approximately 80 miles. This tour will be operated on Saturdays and Sundays only. The Saturday schedule will leave San Jose at 1 p.m. and arrive at San Jose on return at 7 p.m. The Sunday schedule will depart from San Jose at 10 a.m. and be back at San Jose at 7 p.m.

The other tour proposed by applicant is a round-trip from San Jose to Carmel, an overall distance of about 190 miles. - This

trip will be operated on Sundays only leaving San Jose at 9:30 a.m. and arriving at San Jose on return at 6 p.m. The fare per passenger on this tour will be \$7.50, plus Federal excise tax.

Passengers for both tours will be picked up at either the De Anza Hotel or the Hotel Sainte Claire in San Jose. No local service will be performed. Each tour is a continuous round trip and no passengers will be picked up or discharged en route. The applicant asks to cancel any scheduled trip if at least three adult tickets have not been sold at the time set for departure. It is applicant's plan to visit points of interest along the routes of both tours, such as Big Trees Grove, near Felton, the beach at Santa Cruz, the Old Customs House and other historic places in Monterey, 17 Mile Drive, Carmel Mission and various scenic points in the Santa Cruz Mountains and along Monterey Bay and the Monterey peninsula.

Applicant owns an 8-passenger Buick limousine, a 30-passenger Diamond T bus and a 38-passenger White bus which he will employ as needed in performing the proposed service. He has had experience as a bus operator having conducted the Hunter Liggett Stages in conjunction with his brother Mr. A. R. Wright.

A financial statement attached to the application shows Mr. Wright has assets of \$14,000 and no liabilities. The evidence of record indicates that numerous conventions have been held at San Jose and many will be held there this year. Mr. Jay McCabe, manager of the Convention & Tourist Bureau of the San Jose Chamber of Commerce, advises that many tourists visiting San Jose to attend conventions desire to take trips to Santa Cruz and Carmel. He urges that the application of Mr. Wright be granted.

The evidence is meager and it is uncertain whether the proposed service will prove to be a financial success. However

there is no opposition to the granting of the certificate as requested and no similar service is performed at the present time. Furthermore, there is some evidence that the operation, if authorized, would supply a demand for sightseeing tours from San Jose. The application will be granted.

Glenn Wright is hereby placed upon notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate-fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. 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 to the number of rights which may be given.

O R D E R

Public hearing having been held in the above entitled application, the matter submitted, and the Commission fully advised:

IT IS ORDERED that a certificate of public convenience and necessity is granted to Glenn Wright authorizing him to establish and operate an automotive sightseeing service for the transportation of passengers as a passenger stage corporation, as such is defined by Section 24 of the Public Utilities Act, to commence and terminate in the City of San Jose, consisting of two tours designated as the Santa Cruz tour and the Carmel Tour which shall pass by or through the following points en route:

Santa Cruz Tour - From San Jose through Santa Clara, Saratoga, Ben Lomond, Felton, Big Trees Grove, Santa Cruz, Santa Cruz Beach, Soquel, Holy City and Los Gatos.

Carmel Tour - From San Jose to Los Gatos, Holy City, Felton, Big Trees Grove, Santa Cruz, Santa Cruz Beach, Soquel, Aptos, Watsonville, Monterey Bay, Monterey, the Old Customs House, 17 Mile Drive, Carmel, Carmel Mission, Gilroy, Morgan Hill and Coyote.

IT IS FURTHER ORDERED that in conducting said passenger stage operation pursuant to the above certificate Glenn Wright shall comply with and observe the following service regulations:

- (a) Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed 30 days from the effective date hereof.
- (b) Applicant shall comply with the provisions of General Order No. 79 and Part IV of General Order No. 93-A by filing in triplicate, and concurrently making effective, appropriate tariffs and time schedules within 60 days from the effective date hereof and on not less than 5 days' notice to the Commission and the public.
- (c) Applicant shall conduct such passenger stage service over and along the most appropriate streets, roads or highways between the points it is authorized to serve.

The effective date of this order shall be 20 days from the date hereof.

Dated at San Francisco, California, this 28th day of May, 1946.

Charles R. Anderson
Justin J. Cooney
Thomas A. ...
James P. ...
Harold P. ...
 COMMISSIONERS