

ORIGINAL

Decision No. 53612

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Tanner Motor Tours, Ltd., a corporation, to purchase, and Beverly Hills Garage, Inc., a corporation, doing business as Beverly Motor Livery, and Edward Bilicke to sell specified operating rights.

Application No. 37576
(First Supplemental)

Application of TANNER MOTOR TOURS, LTD., a corporation, for a certificate of public convenience and necessity.

Application No. 37829

Warren Grossman and Wyman C. Knapp for applicant Tanner Motor Tours, Ltd.
Theodore Russell for applicants Beverly Hills Garage, Inc. and Edward Bilicke.
Robert W. Russell and Clyde E. Sewright for the Department of Public Utilities and Transportation, City of Los Angeles, interested party.
Eugene Harpole for the Director of Internal Revenue, interested party.

O P I N I O N

By Decision No. 52395, dated December 22, 1955, in Application No. 37576, applicant Tanner Motor Tours, Ltd., was authorized to purchase from Beverly Hills Garage, Inc., the operative rights issued by Decision No. 38222, dated September 18, 1945, in Application No. 26950, as amended, Decision No. 39540, dated October 22, 1946, in Application No. 27581, Decision No. 43862, dated February 28, 1950, in Application No. 30177, and Decision No. 44213, dated May 23, 1950, in Application No. 30809. The consideration was stated as \$13,000 of which \$12,800 represented goodwill and \$200 represented the value of the operative rights.

In Application No. 37576 applicants omitted the operative rights granted by Decision No. 51797, dated August 9, 1955, in

Application No. 35428, although such rights were intended by the parties to be transferred but through inadvertence had been omitted from the Contract of Sale.

By their First Supplemental Application No. 37576 filed December 29, 1955, applicants seek authority for the transfer without additional consideration of the rights granted by said Decision No. 51797 which authorized Beverly Hills Garage, Inc., to transport passengers in round trips commencing at the Beverly Hilton Hotel, in Beverly Hills and going to Hollywood Park Race Track, Santa Anita race track and once a year to the Tournament of Roses and the Pasadena Rose Bowl.

By Application No. 37829 filed March 12, 1956, Tanner Motor Tours, Ltd., requests the issuance of a new certificate of public convenience and necessity duplicating the operative rights it now possesses between Santa Monica, Beverly Hills, Culver City and Westwood Village, on the one hand, and the Santa Anita and Hollywood Race Tracks on the other; and between Beverly Hills and Westwood Village, on the one hand, and Tournament of Roses parade area and Rose Bowl Stadium, on the other hand.

The reason alleged for the relief sought is stated to be the fact that the Director of Internal Revenue has filed notices of liens for taxes against Beverly Hills Garage, Inc. It was feared that if the Government should proceed by seeking collection by sale of the operative rights acquired by Application No. 37576, and sought by First Supplement to Application No. 37576 to be acquired, that the public may be deprived of the transportation authorized by such rights.

Public hearing was held in Los Angeles before Examiner Rowe on April 3, 1956 and evidence in each application was adduced and both matters were submitted for decision.

The Government asserts its right to enforce its lien against the operative rights acquired by Tanner Motor Tours, Ltd., from Beverly Hills Garage, Inc., but indicated that upon request it could grant an administrative release of lien upon payment of the value of such rights. The purchase price for the rights as fixed by the parties was \$200.¹ The Commission finds that no valid ground has been shown for the issuance of new operative rights to Tanner Motor Tours, Ltd., by reason of the assertion by the Government of the tax lien. The Commission further finds that Tanner Motor Tours, Ltd., has failed to establish that public convenience and necessity require that the certificate requested should be granted.

The request that Tanner Motor Tours, Ltd. be permitted to pick up and discharge passengers in a defined area of Santa Monica and in Beverly Hills instead of at named spots such as hotels, restaurants and other points, is found to be in the public interest and will be granted. The transfer of the operative right to carry passengers from the Beverly Hilton Hotel to the race tracks and New Year's day events in Pasadena is found not to be adverse to the public interest and will be authorized.

O R D E R

Applications having been filed, and the Commission being fully advised in the premises,

IT IS ORDERED:

(1) That ordering paragraph numbered (1) of Decision No. 52395 dated December 22, 1955, in Application No. 37576, is amended by including therein authorization to transfer operative rights granted by said Decision No. 51797, to and from the above-named race tracks

¹ Decision No. 52395, dated December 22, 1955, in Application No. 37576.

and the two events above named in Pasadena and the time stated in said ordering paragraph is extended to and including the first day of July, 1956.

(2) That the decisions listed in the first two paragraphs of the above opinion are each amended so that any reference to points in Santa Monica shall be changed to include all points in Santa Monica within the area bounded by Washington Avenue, Stanford Street and Lipton Avenue, Centinela Avenue, Olympic Boulevard, Centinela Avenue, Pico Boulevard and First Street, and any reference to Beverly Hills shall be changed to include all points in Beverly Hills within the area bounded by Sunset Boulevard, Rexford Drive, Olympic Boulevard and the western boundary of the City of Beverly Hills:

(3) Applicant Tanner Motor Tours, Ltd., shall; within ten days after the effective date of this order, and on not less than five days' notice to the Commission and the public, amend tariffs on file with the Commission naming rates, rules and regulations governing the operations here involved to reflect the authorizations herein granted.

(4) That except as provided in ordering paragraph (2) hereof Application No. 37829 is denied.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 12th day of May, 1956.

[Signature]
President
[Signature]
[Signature]
[Signature]

Commissioners