

ORIGINAL

Decision No. 56497

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of MERCURY INTERNATIONAL SALES AND SERVICE COMPANY dba MERCURY INTERNATIONAL AEROSERVICES COMPANY, for certificate of public convenience and necessity to operate a limousine service as a highway common carrier of passengers, baggage and express between Panorama City and Van Nuys, California, on the one hand, and Los Angeles International Airport, Los Angeles, California, on the other hand.

Application No. 39459

In the Matter of the Application of AIRPORTTRANSIT, a corporation, for the extension of its certificates of public convenience and necessity as a passenger stage corporation.

Application No. 39572

Donald Murchison for applicant in Application No. 39459, protestant in Application No. 39572. Ivan McWhinney for applicant in Application No. 39572, protestant in Application No. 39459. T. M. Chubb and T. V. Tarbet for the City of Los Angeles, Department of Public Utilities and Transportation, interested party. Fred G. Ballenger for the Commission's staff.

O P I N I O N

The above-entitled applications were consolidated for hearing at Los Angeles before Examiner Mark V. Chiesa. Oral and documentary evidence having been adduced, the matters were submitted for decision.

Applicants seek authority to operate a motor vehicle transportation service for airline passengers between the San Fernando Valley and the Los Angeles International Airport, serving between

the communities of Panorama City and Van Nuys, on the one hand, and said airport, on the other hand, via Van Nuys Boulevard, Victory Boulevard and Sepulveda Boulevard. Airporttransit also requests authority to establish an additional similar service between the cities of Glendale and Burbank, on the one hand, and said airport, on the other hand, via a different route, generally along Colorado Street, Golden State Freeway, Alameda Avenue, Barham Boulevard, Highland Avenue, La Brea Avenue, La Cienega Boulevard, La Tijera Boulevard and Airport Drive.<sup>1/</sup> Airporttransit has requested that it be permitted to serve the entire San Fernando Valley and the said cities of Glendale and Burbank, although pickup and discharge of passengers will be restricted to certain designated places named in its tariff. Mercury International Sales and Service Company, a corporation, doing business as Mercury International Aeroservices Company (hereinafter called "Mercury") on the other hand proposes to restrict its operation to and from one point in each of the communities of Panorama City and Van Nuys.

Mercury (Application No. 39459) is now primarily engaged in the operation of travel insurance and general service counters at major western airports. It also provides the air traveler such services as hotel and motel reservations and Western Union and rent-a-car services, and publishes flight arrival and departure sheets and airport telephone directories. This applicant has not to date operated as a "passenger stage corporation."

---

<sup>1/</sup> Airporttransit has not designated definite routes as it requests permission to operate over the most appropriate routes between the places proposed to be served which at present are those described hereinabove.

Airporttransit (Application No. 39572) now operates a passenger stage service for the transportation of airline passengers and employees of airlines (a) between the Los Angeles and Hollywood territories, as said territories are described in Appendix A of Decision No. 55705, and the city of Beverly Hills, on the one hand, and the Los Angeles International Airport and the Lockheed Air Terminal, on the other hand; and (b) between the West Los Angeles and Inglewood-Hawthorne territories, as said territories are described in Appendix A of Decision No. 55705, and the cities of Santa Monica and Culver City, on the one hand, and the Los Angeles International Airport, on the other hand; and (c) between the Los Angeles International Airport and the Hollywood Park Race Track; and (d) between the Los Angeles International Airport and Lockheed Air Terminal; subject to certain conditions and restrictions set forth in said Appendix A. Airporttransit, under contract with the various airlines, also transports airline passengers to and from other nearby airports when weather or other emergency conditions require the use of such facilities.

Having considered the evidence of record, we find that each of the applicants is financially responsible (Exhibits Nos. 2, 2a, 9 and 10), now possesses or could obtain the necessary equipment with which to perform the respective services, and also has the personnel to conduct the proposed operations.

Each applicant called witnesses to testify that a public need exists for a direct bus service between the San Fernando Valley and the Los Angeles International Airport, and we find that there is a public need for such service. However, the record is

also clear that the number of passengers that may be expected to travel between said points of service would not support two competing services such as are proposed by the respective applicants. The distance between the airport and Panorama City is approximately 25 miles one way, and it is approximately the same distance from the airport to Glendale. The president of Airporttransit estimated that approximately 125 to 150 persons daily might use the service his company is proposing, and that with the number of proposed schedules estimated revenue would just about equal expenses. The evidence also shows that the population of the valley and its industrial and commercial facilities are growing rapidly, indicating an increased future demand for the type of service herein proposed.

The following data sets forth the basic difference between the applicants' proposals:

	<u>Mercury</u>	<u>Airporttransit</u>
Points proposed to be served	Panorama City and Van Nuys	Panorama City, Van Nuys, Burbank, Glendale
Equipment	3 12-passenger Chrysler Saratogas	17 Flexible buses, 2 station wagons, 4 12-passenger Chrysler Saratogas
OW Fares (incl. tax)	Panorama City \$3.00 Van Nuys 2.50	\$2.50 to each point
Schedules	11 trips each way between 6 a.m. and 10 p.m.	18 trips each way hourly between 6 a.m. and 12 midnight
Mileage	25 miles OW-one route	25 miles OW-each route

The record shows that Mercury is not now certificated as a passenger stage corporation. On the other hand, Airporttransit operates a ground service for airline passengers serving Los Angeles and all the principal communities in the western portion

of the Los Angeles basin. It employs 36 persons, including 35 drivers and 3 hostesses who meet and assist passengers at the airport, maintains several terminal facilities including a large parking area for buses at the air terminal and a principal terminal in Los Angeles having a business office, repair shops and additional parking space. Airporttransit maintains dispatchers and soon will have radio equipment on its buses. In 1957 630,769 airline passengers were transported by Airporttransit. It has been in business 23 years, and airline personnel testified that its present services are satisfactory.

Although Mercury's application was the first one filed, the Commission after consideration of the entire record is of the opinion and finds that public convenience and necessity require the establishment and operation of a "passenger stage" service as proposed by Airporttransit in Application No. 39572. We also find that public convenience and necessity do not require the establishment of two operations between the communities of Panorama City and Van Nuys, on the one hand, and the Los Angeles International Airport, on the other hand, and therefore the application of Mercury, Application No. 39459, will be denied.

O R D E R

A public hearing having been held, the Commission being fully advised in the premises and having found that public convenience and necessity so require, and having

quoto,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be and it hereby is granted to Airporttransit, a corporation, authorizing it to establish and operate as a "passenger stage corporation", as defined in Section 226 of the Public Utilities Code, for the transportation of persons between points and over routes more particularly set forth in Appendix A, attached hereto and made a part hereof, and subject to the conditions and restrictions as set forth in said Appendix A.

(2) That in providing service pursuant to the certificate herein granted, there shall be compliance with the following service regulations:

- a. Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that it will be required, among other things, to file annual reports of its operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 98, and provide insurance protection as required by General Order No. 101. Failure to file such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Order No. 98 and General Order No. 101, may result in a cancellation of the operating authority granted by this decision.
- b. Within sixty days after the effective date hereof, and upon not less than five days' notice to the Commission and the public, applicant shall establish the service herein authorized and file in triplicate and concurrently make effective tariffs and time schedules satisfactory to the Commission.

(3) That Application No. 39459 be and it hereby is denied.

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

Dated at San Francisco, California, this 8<sup>th</sup> day of APRIL, 1958.

*E. N. [Signature]*  
President  
*Rayles [Signature]*  
*[Signature]*  
*E. L. Fox*

\_\_\_\_\_  
Commissioners

APPENDIX A

AIRPORTTRANSIT  
(a corporation)

Original Page 1

Airporttransit, by certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport persons between the San Fernando Valley territory, as said territory is hereinafter described, and the cities of Burbank and Glendale, on the one hand, and the Los Angeles International Airport, on the other hand, subject to the following conditions and restrictions:

- a. Applicant shall transport only airline passengers, airline employees, and employees of the Department of Airports of the City of Los Angeles, and their baggage.
- b. Applicant shall pick up and discharge passengers only at points and places to be named in applicant's tariff and situated within the territory and cities hereinabove named. Initial points of pickup and discharge shall be the following:
  - 10010 Riverside Drive, North Hollywood and Burbank areas.
  - 14437 Victory Boulevard, Van Nuys.
  - 8522 Van Nuys Boulevard, Panorama City.
  - 242 South Brand Boulevard, Glendale.
- c. Subject to the authority of this Commission to change or modify such passenger stage operation at any time, Airporttransit shall conduct said operation over and along the most direct or appropriate route or routes, subject, however, to local traffic requirements.

Issued by California Public Utilities Commission

Decision 56107, Applications Nos. 39459 and 39572



- d. The San Fernando Valley territory within which Airporttransit is authorized to name pickup and discharge points is described and bounded as follows:

Beginning at the intersection of Franklin Avenue and Western Avenue, thence westerly on Franklin Avenue, Hollywood Freeway and Ventura Boulevard to Topanga Canyon Boulevard, thence northerly on Topanga Canyon Boulevard to California Highway No. 118; thence easterly on California Highway No. 118 to and including the City of San Fernando, thence southerly on U. S. Highway No. 99 to Los Feliz Boulevard, thence westerly on Los Feliz Boulevard to Western Avenue, then southerly on Western Avenue to the point of beginning.

Issued by California Public Utilities Commission

Decision 56297, Applications Nos. 39459 and 39572