

ORIGINAL

Decision No. 57119

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CHARTER BUS TRANSPORTATION SYSTEM, a California corporation, for authority to operate passenger bus service from contiguous cities within the greater Los Angeles area to Los Angeles Dodgers professional baseball games within the City of Los Angeles.

Application No. 39962

Frank P. Doherty, Randall Davis, and Peter Johnson, for applicant.
Musick, Peeler & Garrett, by Jesse R. O'Malley, for Los Angeles Metropolitan Transit Authority;
Gordon, Knapp, Gill and Hibbert, by Wyman C. Knapp, for Tanner Motor Tours, Ltd.; Robert D. Ogle, for Santa Monica Municipal Bus Lines;
Richard S. Thompson, for Culver City Municipal Bus Lines; Don Davidson, for City of Gardena;
Stanley E. Remelmeyer, for City of Torrance;
A. W. Howe, for Inglewood City Lines; and James C. Carson, for Cross Town Bus Lines and Southern Cities Transit, Inc., protestants.
Roger Arnebergh, City Attorney for the City of Los Angeles, by Thomas V. Tarbet and Paul L. Garver, for Department of Public Utilities and Transportation of the City of Los Angeles, interested party.
W. F. Hibbard for the Commission staff.

O P I N I O N

Public hearings were held in this matter on May 2, 20, and June 4, 1958, in Los Angeles, before Examiner Grant E. Syphers, during which days evidence was adduced and on the last-named date the matter was submitted subject to the filing of briefs. These now have been filed and the matter is ready for decision.

The Charter Bus Transportation System is a California corporation which presently operates passenger stage service to Santa Anita, Hollywood Park and Los Alamitos race tracks during the seasons of those respective tracks. It seeks by this application to transport passengers during the baseball season from various areas in Los Angeles County and along specified routes to and from the Los Angeles Dodgers baseball games at the Los Angeles Coliseum.

The applicant corporation is controlled by the same principal stockholders as is the City School Bus System. This latter corporation owns and operates 263 buses which are used in the transportation of high school and junior college students in the Los Angeles area. In addition it transports handicapped students to and from particular schools.

The buses proposed to be used by Charter Bus Transportation System are 53-passenger Crown Super Coaches and 37-passenger ACF Brill Buses. The applicant owns six such Super Coaches and three ACF Brills, together with twelve other buses, and in addition can use the buses of the City School Bus System.

The fares proposed to be charged are round-trip fares ranging from \$1.20 to \$2.80, varying according to the distance of the point of pickup from the Coliseum.

The evidence discloses that the applicant is financially qualified and has had sufficient experience in the transportation field to conduct the proposed operations.

The principal issue presented by this hearing was whether or not there is a need for such a service. The applicant presented evidence as to a survey it had conducted in this matter. During the latter part of March 1958 applicant's representatives contacted

chambers of commerce, various business people, and others, and in this connection secured 78 statements all indicating that in the opinion of each of the individuals signing the statements there was a public demand for the service applicant proposes. It was further pointed out that the type of service proposed is one wherein the applicant will operate over eleven scheduled routes. On each of these routes the applicant intends to make specified stops and pick up whoever desires to use the service, take them to the ball game and return them to the point of pickup after the game has been played.

Evidence in opposition to this application was presented by Tanner Motor Tours, Ltd., Los Angeles Metropolitan Transit Authority, the City of Torrance, and the Gardena Municipal Bus Lines.

The Los Angeles Metropolitan Transit Authority conducts regularly scheduled operations throughout most of the area in which applicant proposes to render service, and its witnesses testified that it has sufficient equipment to transport all passengers who are likely to apply. It operates 1,593 motor coaches and 275 street cars. It does not conduct so-called direct service to the Coliseum baseball games because it does not believe such a type of service to be economical, but it does have various connections by which it is possible for people to travel to the vicinity of the Coliseum. However, the evidence also disclosed that the night service of the Metropolitan Transit Authority to outlying points is infrequent, and in some instances is nonexistent. For example, there is no night service to the Lakewood area. Likewise, the fares charged by Metropolitan Transit Authority are much lower than those proposed by the applicant.

Similarly, the operations of the Torrance and Gardena Municipal Bus Lines are on a regular route scheduled basis, and their fares are much lower than those proposed by applicant. Likewise, these municipal bus lines do not operate special buses which would go to the baseball game, remain there until its conclusion and then take the passengers back to their points of destination.

A consideration of this evidence leads us to conclude, and we now find, that the services rendered by Metropolitan Transit Authority and the Torrance and Gardena Municipal Bus Lines are not comparable to the service offered by applicant.

Tanner Motor Tours, Ltd., conducts a general sightseeing service in the area, and by Decision No. 56489, dated April 8, 1958, in Application No. 39906, it recently secured authority from this Commission to conduct a special service to and from the Los Angeles Dodgers baseball games. This certificate was granted without hearing upon the basis that there was no comparable service. Tanner Motor Tours, Ltd., protested the proposed service of applicant herein principally upon the basis that there is insufficient business to justify the operation. In support of this contention it presented evidence showing the results of its own operation. The evidence further disclosed that there were certain differences between the Tanner operation and that proposed by applicant. Tanner, in its baseball service, does not operate on a route basis, but rather provides service from specified pickup points, usually hotels with which it has contracts permitting such arrangements.

A consideration of this evidence leads us to conclude and we now find that the operations of Tanner are not entirely similar

to those proposed by applicant, and this record discloses no reason why the proposed operations of applicant would have any adverse effect upon the operations of Tanner Motor Tours, Ltd.

In the light of all of the evidence adduced herein, therefore, we now find that public convenience and necessity require the service proposed by applicant, as modified in the instant order. It should be noted that in one of the proposed routes of Charter Bus Transportation System it proposes to serve an area in which are located the Beverly Hilton Hotel, the Beverly Hills Hotel, and the Beverly Wilshire Hotel. These points are directly served by Tanner Motor Tours, Ltd., and because of this conflict the applicant requested abandonment of its proposed route which is designated as Route No. 5.

While there was considerable testimony, mostly speculative in nature, that applicant's proposal would not prove profitable, we now observe that it is not possible from this record to arrive at any conclusion in this regard. Applicant has shown that it is qualified and willing to conduct the proposed service. It also has shown that there is some public demand therefor. Furthermore, it is a type of service that is not now being offered. Upon this record we find that applicant should be given an opportunity to inaugurate the service. In making this finding we do not make any representation as to whether or not the service may prove profitable. That is the risk which this applicant, or any other applicant entering a new venture, must take.

Charter Bus Transportation System 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 as to the number of rights which may be given.

O R D E R

Application as above entitled having been filed, public hearings having been held thereon, the Commission being fully advised in the premises and having found that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to Charter Bus Transportation System, a corporation, authorizing the establishment and operation of a service as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, for the transportation of persons between the points and places and along the routes more specifically described in Appendix A attached hereto and made a part hereof.

(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. 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, may result in a cancellation of the operating authority granted by this decision.

- b. Within sixty days after the effective date hereof, and on 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, amendments to its tariffs and timetables satisfactory to the Commission to reflect the authority herein granted.

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

Dated at Los Angeles, California,
this 5th day of August, 1958.

[Signature]
President

[Signature]

[Signature]

[Signature]
Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

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Charter Bus Transportation System, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport persons between the points and places in Los Angeles County hereinafter described, on the one hand, and the Los Angeles Coliseum, on the other hand, and all intermediate points, subject to the following conditions:

- a. The transportation service herein authorized shall be rendered only on a round-trip basis, and applicant shall pick up and discharge passengers only at points and places to be named in applicant's tariff, in accordance with the authority herein granted.
- b. Subject to the authority of this Commission to change or modify said passenger stage operations at any time, applicant shall conduct said operations over and along the following described routes:

ROUTE NO. 1

Beginning at Newhome and Foothill Boulevard in Sunland, east along Foothill Boulevard, south along Ocean View, continue along La Canada Boulevard, continue along Glendale Boulevard, east along San Fernando Road, west along Figueroa Street, south along Riverside Drive, inbound along Pasadena Freeway, outbound along Harbor Freeway, west along Exposition Boulevard, south along Menlo Avenue to Coliseum parking lot.

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ROUTE NO. 2

Beginning at San Fernando Road and McClay Avenue in San Fernando, south along San Fernando Road, west along Olive Street, south along Barham Boulevard, inbound along Hollywood Freeway, outbound along Harbor Freeway, west along Exposition Boulevard, south along Menlo Avenue to Coliseum parking lot.

ROUTE NO. 3

Beginning at Sherman Way and Topanga Canyon Boulevard in Canoga Park, east along Sherman Way, south along Van Nuys Boulevard, east along Chandler Boulevard, south along Lankershim Boulevard, inbound along Hollywood Freeway, outbound along Harbor Freeway, west along Exposition Boulevard, south along Menlo Avenue, to Coliseum parking lot.

ROUTE NO. 4

Beginning at Ventura Boulevard and Topanga Canyon Boulevard in Woodland Hills, east along Ventura Boulevard, inbound along Hollywood Freeway, outbound along Harbor Freeway, west along Exposition Boulevard, south along Menlo Avenue to Coliseum parking lot.

ROUTE NO. 5

Beginning at Wilshire Boulevard and Ocean Avenue in Santa Monica, east along Wilshire Boulevard, south along Westwood Boulevard, east along Olympic Boulevard, south along Vermont Avenue, east along Exposition Boulevard, south along Menlo Avenue to Coliseum parking lot.

ROUTE NO. 6

Beginning at Lincoln Boulevard and Ocean Park Boulevard, in Santa Monica, south along Lincoln Boulevard, east along Washington Boulevard, east along Washington Place, east along Washington Boulevard, south along Higuera Street, east along Rodeo Road, east along Santa Barbara Avenue, north along Menlo Avenue to Coliseum parking lot.

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ROUTE NO. 7

Beginning at Lincoln Boulevard and Manchester Avenue in Los Angeles, east along Manchester Avenue, inbound on Harbor Freeway, west on Santa Barbara Avenue, north on Menlo Avenue to Coliseum parking lot.

ROUTE NO. 8

Beginning at Harbor Boulevard and 6th Street in San Pedro, south along Harbor Boulevard, west along 7th Street, north along Gaffey Street, west along Anaheim Street, north along Western Avenue, west along Pacific Coast Highway, north along Arlington Avenue, north along Marcelina, north along Cabrillo Street, east along Torrance Boulevard, north along Western Avenue, east along Gardena Boulevard, north along Figueroa Street, east along 92nd Street, inbound on Harbor Freeway, west along Santa Barbara Avenue, north along Menlo Avenue, to Coliseum parking lot.

ROUTE NO. 9

Beginning at Compton Boulevard and Wilmington Avenue in Compton, east along Compton Boulevard, north along Long Beach Boulevard, north along Pacific Boulevard, west along Slauson Avenue, inbound along Harbor Freeway, west along Santa Barbara Avenue, north along Menlo Avenue to Coliseum parking lot.

ROUTE NO. 10

Beginning at Lakewood Boulevard and Carson Street in Lakewood, north along Lakewood Boulevard, east along South Street, north along Bellflower Boulevard, continue along Lakewood Boulevard, west along Firestone Boulevard, continue along Manchester Boulevard, inbound along Harbor Freeway, west along Santa Barbara Avenue, north along Menlo Avenue to Coliseum parking lot.

End of Appendix A

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