

ORIGINAL

Decision No. 59076

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
JACK SCHIPP, an individual, doing	)	
business as CITRUS BELT LINES, for	)	Application No. 41368
authority to discontinue all passenger	)	
stage service.	)	

Jack Schipp, for applicant.  
Forde Seward, for Association of Commerce and Industry;  
Ed Middough, for Downtown Merchants; Verle C. Haynes  
and A. A. Settember, for themselves; interested  
parties.  
Fred G. Ballenger, for the Commission's staff.

O P I N I O N

Applicant operates a passenger stage service between Pomona and Chino, and intermediate points, and between Ontario and Upland, and intermediate points, as more specifically set forth in Decision No. 57690, dated December 9, 1958. Bus service has been provided in the said area by applicant and/or his predecessors since 1939.

By this application authority is sought to discontinue his entire operation because of operating losses now being sustained due to lack of patronage.

A public hearing was held in Ontario before Examiner Mark V. Chiesa, at which time oral and documentary evidence was adduced and the matter was submitted for decision. Notices of hearing were posted in all of applicant's buses, and also notice was published in a local newspaper. Approximately fifty persons attended the hearing.

The evidence shows, and we find, the facts to be as herein-after set forth.

Applicant operates four buses, one of which is used as a standby, along three routes as follows: Euclid Avenue Line, 90 miles per day; Campus Avenue Line, 135 miles per day; and the Chino Line, 155 miles per day. Regular schedules are maintained throughout the day from 7 a.m. to 6:30 p.m. A special Sunday service is also provided between Chino and Pomona. Applicant's equipment is not in a desirable condition due to lack of funds for replacement.

Financial data (Exhibits Nos. 4 to 8, inclusive) submitted at the hearing shows that for the months of July and August, 1959, applicant's revenue and expenses were as follows:

	<u>July</u>	<u>August</u>
Total Mileage	10,444	10,416
Total Revenue	\$ 2,205.50	\$ 2,192.35
Total Expense*	2,218.52	2,031.36
Revenue per mile**	21.1¢	21.0¢
Cost per mile**	21.3¢	19.5¢

\* The above expenses do not include Social Security and Unemployment taxes, Workmen's Compensation insurance, depreciation, administrative expense, and wages for owner performing driving and maintenance services.

\*\* The revenue and cost per mile are calculated figures based on evidence submitted at the hearing. It was estimated that true cost per mile, considering all expenses, would approximate 30 cents.

Said data also shows that for the first six months of 1959 total revenue was \$13,939.50 and expenses were listed at \$14,427.03, or a loss of \$487.53 plus the additional loss resulting from the expense items referred to in the preceding note.<sup>1/</sup>

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<sup>1/</sup> During this period Jack Schipp drew the following amounts: January \$140.00, February \$180.00, March \$177.56, April \$180.00, May \$76.00, and June \$46.55.

For the week of August 24-29, inclusive, passengers, revenue and mileage by lines were as follows:

	<u>Passengers</u>	<u>Revenue</u>	<u>Mileage</u>	<u>Pass/Mi</u>	<u>Rev/Mi</u>
Euclid Line	875	\$127.50	540	1.62	23.6¢
Campus Line	942	137.40	796	1.18	17.3¢
Chino Line	811	177.75	1052	.77	16.9¢

Applicant attributes the loss of patronage to the use of private automobiles and sharing rides. It was his opinion, based on at least 14 years experience in the bus business in the area now served, that any further investment for the purchase of newer equipment would not be justified, even if a fare increase were possible, as patronage has been steadily falling during the past five years. Passenger revenue was \$45,202.99 in 1954 and \$28,059.09 in 1958.

Applicant has been unsuccessful in his efforts to find a purchaser for the operation or to get financial assistance from local authorities or business organizations.

A considerable number of the persons attending the hearing expressed opposition to the proposal and, in addition, eight communications were received asking that the bus services be retained. Applicant indicated that some of those present were his best customers, and we feel justified in assuming that most of them, at some time or other, ride applicant's buses. However, the evidence clearly shows that the lines are not patronized sufficiently to justify their continuance.

The Commission having considered the matter finds that public convenience and necessity no longer require a continuation of applicant's service, concludes that applicant's request is justified and, therefore, the application will be granted.

O R D E R

A public hearing having been held, the Commission being fully advised in the premises, having found as hereinabove set forth, and good cause appearing,

IT IS ORDERED:

1. That Jack Schipp, doing business as Citrus Belt Lines, be, and he hereby is, authorized to discontinue the passenger stage service as heretofore authorized by this Commission in Decision No. 57690, dated December 9, 1958.

2. That the certificate of public convenience and necessity issued in Decision No. 57690 be, and it hereby is, revoked, and all tariffs and timetables on file with the Commission in the name of Jack Schipp, doing business as Citrus Belt Lines, are hereby canceled.

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

Dated at San Francisco, California, this 24th day of September, 1959.

Cecil H. Poy  
President  
Wm. H. Poy  
Wm. H. Poy  
Wm. H. Poy  
Commissioners

Commissioner Theodore H. Jenner, being necessarily absent, did not participate in the disposition of this proceeding.