

**ORIGINAL**

Decision No. 72356

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
TANNER MOTOR TOURS, LTD. for a  
certificate of public convenience  
and necessity to operate as a  
passenger stage corporation in the  
transportation of persons in sight-  
seeing service in and around the  
City of Los Angeles.

Application No. 47365  
(Filed February 26, 1965;  
Amended March 18, 1965)

Application of SOUTHERN CALIFORNIA  
SIGHTSEEING COMPANY, INC. for  
certificate of public convenience  
and necessity and authority to  
establish fares and to issue  
securities and application of  
GREYHOUND LINES, INC. to acquire  
control of SOUTHERN CALIFORNIA  
SIGHTSEEING COMPANY, INC.

Application No. 47382  
(Filed March 3, 1965;  
Amended June 4, 1965)

- John L. Hughes, for Tanner Motor Tours, Ltd., applicant in Application No. 47365; Berol, Loughran and Geernaert, by Edward M. Berol and Bruce Geernaert, for Tanner Motor Tours, Ltd., protestant in Application No. 47382.
- McCutchen, Doyle, Brown, Trautman & Enersen, by William W. Schwarzer and Craig McAtee, for Southern California Sightseeing Company, Inc., applicant in Application No. 47382.
- Milton McKay and Howard Beardsley, for Southern California Rapid Transit District, protestant in Application No. 47382, interested party in Application No. 47365.
- Leonard Swenson, for American Transit, Inc., protestant in Application No. 47382.
- R. W. Russell, by K. D. Walpert, for the City of Los Angeles, interested party in Applications Nos. 47365 and 47382.
- James H. Lyons, for M & M Charter Lines, interested party in Applications Nos. 47365 and 47382.
- Henry E. Jordan and Louis Possner, for the City of Long Beach, interested party in Application No. 47382.
- James H. Lyons, for Airport Service, Inc. and Airport Coach Service, interested parties.
- Ivan McWhinney, for Airporttransit, interested party.
- R. C. Wilson, by Lorne Franklin, for Teamsters Local 640, interested party.
- Louis Possner, for Long Beach Chamber of Commerce, interested party.
- Fred Ballenger and William R. Kendall, for the Commission staff.

O P I N I O N

On October 25, 1966 the Commission issued Decision No. 71482, an Interim Opinion in these matters. Said Interim Opinion succeeded proposed report of Examiner Richard D. Gravelle which was filed on May 20, 1966. Decision No. 71482 found certain deficiencies in the service of applicant Tanner Motor Tours, Ltd. (Tanner) and deferred action on the application of Southern California Sightseeing Company, Inc. (Southern) until Tanner had been given an opportunity to correct the cited service deficiencies. In this regard the Interim Opinion set further hearing for February 15, 1967 to enable the Commission thereafter to determine whether or not Tanner's service was satisfactory.

Hearing was held on February 15, 1967 at Los Angeles before Examiner Gravelle and the matters were submitted upon the filing of proposed findings of fact and conclusions of law on or before February 24, 1967. Southern's proposed findings and conclusions were filed on the proper date but those of Tanner were not filed until March 3, 1967 due to the fact that on February 24, 1967 they were delivered to the Examiner and not to the Commission's Docket Office. When taken to the proper office they were rejected for lack of a certificate of service and returned to Tanner's counsel. Despite the late filing and because of the fact that they were prepared on the due date the Commission will accept Tanner's filing as if made timely.

At the February 15, 1967 hearing only two witnesses were presented, Mr. Henry F. Burroughs, President of The Gray Line Tours Company, formerly Tanner, and Mr. William R. Parson called by Southern. Through Mr. Burroughs Exhibits Nos. 33 through 38-J were introduced.

These exhibits and the testimony of Mr. Burroughs are indicative of the efforts Tanner has made to correct the deficiencies pointed out by Decision No. 71482. Exhibit No. 33 reflects Tanner's effort to obtain authority from this Commission to operate a sightseeing tour between Anaheim, Buena Park and Marineland. Application No. 48877 is the vehicle by which such authority was requested. This action is in direct response to Decision No. 71482.

Exhibit No. 34 sets forth the current rolling stock operated by Tanner and used, although not exclusively, in the Los Angeles operation. All the equipment is air-conditioned and the oldest buses are 1959 models of which there are six out of a total of thirty-eight. Five new GMC buses are due for delivery in April 1967 and the Company has adopted an acquisition policy of securing annually new bus equipment amounting to 10 percent of its fleet. Tanner has also installed a \$25,000 bus washing unit at its Los Angeles headquarters. The equipment improvement and acquisition policy is in direct response to Decision No. 71482.

Exhibit No. 35 reflects the result of Tanner's efforts to supply year-round sightseeing service to Long Beach. While such service has not to date been profitable, Tanner expects that if authorization is received for Anaheim, Buena Park-Marineland service the Long Beach operation will become more efficient and economical. The provision of year-round Long Beach service is in direct response to Decision No. 71482.

Exhibit No. 36 concerns the provision by Tanner of multi-lingual service for foreign speaking persons. It indicates thirteen sales personnel with foreign language capabilities in Italian, Spanish, Japanese, Persian, Turkish, French, German, Brazilian, Portuguese and Swedish. Since June 1, 1966 guides speaking Spanish, French, German

and Japanese have been provided for individuals at no extra charge. Tanner has ten Norelco Carrycorder instruments with tapes in the four foregoing languages available for its Tour No. 2, Hollywood-Beverly Hills. These tapes were completed in February 1967 and give Tanner an electronic multilingual capability. Advertising in the four languages is done through brochures which refer to the provisions of tours in each language, and in the 1967 Gray Line "Tariff" used by the travel industry. Since November 1966 Tanner has recorded all foreign language inquiries. Such inquiries amounted to sixteen in number, only one of which was for a small group (4 persons). The activities of Tanner in the area of providing adequate service to foreign speaking tourists is in direct response to Decision No. 71482.

Exhibit No. 37 outlines the efforts of Tanner in providing an aggressive attitude toward sales, keeping pace with tourism and improving its over-all service. Tanner spent in excess of \$235,392 on its sales force in 1966. Its itinerary relative to new points of interest is under the supervision of Mr. Jack Beck, Vice President, Sales and Marketing. It has made several changes in some of its tours in an effort to upgrade its service. Southern is critical of these changes claiming they actually reduce the service to the public; however, the testimony of Mr. Burroughs that all changes were in the public interest is uncontroverted. Mr. Burroughs testified to efforts directed toward witnesses who were critical of Tanner during the prior hearings in these matters. Such testimony with regard to Mr. Parsons of Liberty Travel Bureau was directly controverted by Mr. Parsons. Tanner is presently doing business with Berry Tours. Three other organizations which had been previously represented have to date been nonproductive for Tanner.

Exhibits Nos. 38-A through 38-J are a series of photographs which show certain of Tanner's equipment or facilities. These photographs and the testimony of the witness indicate the refurbishing of the terminal and the bus equipment accomplished in the recent past. The efforts of Tanner with regard to its attitude toward sales and the sightseeing public as reflected by Exhibits Nos. 37 and 38-A through 38-J are in direct response to Decision No. 71482.

The proposed findings of fact and conclusions of law which were to be filed were not to be accompanied by supporting argument. Those submitted by Southern with particular reference to Findings 11 through 17 are basically argument and are principally concerned with what Southern believes to be unauthorized tariff increases resulting from changes in tour itineraries or admission prices. Southern has related these alleged activities to this proceeding under the Commission's "expressed dissatisfaction with Tanner's attitude toward the public needs." Decision No. 71482, while indicating dissatisfaction with Tanner's service, was explicit as to the areas of dissatisfaction. Tanner has responded thereto. The hearing of February 15, 1967 was for that purpose and not to allow Southern or any other protestant to seek new grounds of complaint against Tanner. If such were the case the Commission would be subject to continually holding hearings in these matters, so long as the protestants could devise grounds of complaint, without being able to determine if Tanner's service was satisfactory to the Commission. Southern is not precluded from bringing action against Tanner if in fact it has made an unauthorized tariff increase, but this proceeding is not the proper vehicle to do so.

Based upon the evidence, the briefs, the proposed report, the exceptions and replies thereto and the proposed findings of fact and conclusions of law, the Commission finds:

1. Tanner Motor Tours, Ltd. and Southern California Sightseeing Company, Inc. have the ability and financial resources to provide the services sought in their respective applications.

2. The application of Southern California Sightseeing Company, Inc. seeks a certificate to operate in a territory already served by Tanner Motor Tours, Ltd.

3. The last sentence of Public Utilities Code Section 1032 precludes, as a matter of law, the granting of the application of Southern California Sightseeing Company, Inc. unless Tanner Motor Tours, Ltd. will not provide service to the satisfaction of the Commission.

4. As of October 25, 1966 the date of Decision No. 71482, Tanner Motor Tours, Ltd. was not providing a service to the satisfaction of the Commission but had expressed a willingness to so do.

5. Tanner Motor Tours, Ltd. (now The Gray Line Tours Company) has sought authority to provide sightseeing service between Anaheim, Buena Park and Marineland.

6. Tanner Motor Tours, Ltd. has established an equipment acquisition program which if followed will enable it to establish and maintain service on an attractive up-to-date basis. The present bus equipment is now 100 percent air-conditioned and is in other respects suitable for providing satisfactory sightseeing service.

7. Tanner Motor Tours, Ltd. now provides all-year service from Long Beach to Los Angeles for interconnection with its various tours.

8. Tanner Motor Tours, Ltd. now provides sightseeing service to foreign speaking tourists travelling in groups or as individuals

through the use of foreign speaking guides. In addition, it has available electronic multilingual individual portable tape replay units, and descriptive texts recorded in French, German, Spanish, and Japanese for one of its most popular tours. It will have tapes available on other tours as the production of tapes is completed.

9. Tanner Motor Tours, Ltd. has through adjustments in its sales and marketing procedures instituted, since its change in management, a more aggressive managerial attitude toward serving the public, increasing its business, selecting new points of interest, and redesigning the itineraries of its tours to keep pace with the growth of tourism.

10. Tanner Motor Tours, Ltd. has refurbished its terminal facilities to provide more attractive service to the public and to help attract new business.

11. Findings 5 through 10 indicate the response made by Tanner Motor Tours, Ltd. to the criticism of its service expressed by the Commission in Decision No. 71482.

12. The question of whether or not Tanner Motor Tours, Ltd. has increased its tariff fares without authorization of this Commission is not an issue in these proceedings.

13. The service now provided by Tanner Motor Tours, Ltd. (The Gray Line Tours Company) is satisfactory to the Commission.

Based upon the foregoing findings of fact the Commission concludes that the application of Southern California Sightseeing Company, Inc. and Greyhound Lines, Inc. must be denied.

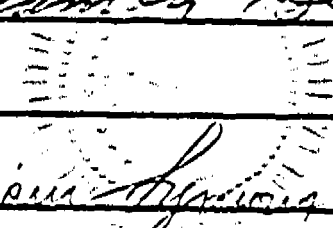
A. 47365, 47382 AB

O R D E R

IT IS ORDERED that the application of Southern California Sightseeing Company, Inc. and Greyhound Lines, Inc., No. 47382, is denied.

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

Dated at San Francisco, California, this 2nd day of MAY, 1967.

  
[Signature]  
President  
[Signature]  
[Signature]  
Commissioners

Commissioner A. W. Gatov, being necessarily absent, did not participate in the disposition of this proceeding.