

ORIGINAL

Decision No. 72357

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
ORANGE COAST SIGHTSEEING COMPANY, a )  
corporation, for a certificate of )  
public convenience and necessity to )  
extend its sightseeing services )  
originating at points in Orange )  
County to points in Long Beach, the )  
Long Beach-Los Angeles Harbor Area )  
and Marineland. )

Application No. 42808  
Filed September 20, 1966;  
Amended November 29, 1966.

In the Matter of the Application of )  
THE GRAY LINE TOURS COMPANY, for a )  
certificate of public convenience )  
and necessity to operate as a pas- )  
senger stage corporation. )

Application No. 48877  
Filed October 18, 1966;  
Amended November 30, 1966.

James H. Lyons, for Orange Coast Sightseeing  
Company, applicant in Application No. 48808,  
and protestant in Application No. 48877.  
Berol, Loughran & Geernaert, by Bruce R.  
Geernaert, for The Gray Line Tours Company,  
applicant in Application No. 48877 and pro-  
testant in Application No. 48808.  
McCutchen, Doyle, Brown, Trautman & Enersen,  
by Craig McAtee, for Southern California  
Sightseeing Company; Henry E. Jordan and  
Louis Possner, for City of Long Beach;  
C. J. Holzer, for Southern California Rapid  
Transit District; R. W. Russell and K. D.  
Walpert, for City of Los Angeles, inter-  
ested parties.  
William R. Kendall and Lloyd P. Jacobson, for  
the Commission staff.

O P I N I O N

Each of the applicants herein is a passenger stage corpo-  
ration as that term is defined in Section 226 of the Public Utili-  
ties Code. Each holds a certificate or certificates of public  
convenience and necessity issued by this Commission pursuant to  
Section 1031, et seq. of the Public Utilities Code. Applicant

Orange Coast Sightseeing Company (Orange) operates in Orange County from the Anaheim and Buena Park areas in a generally southeasterly direction. Its authority was received by way of Decision No. 69671 in Application No. 47707, dated September 14, 1965.

Applicant, The Gray Line Tours Company (Gray), operates throughout the general Los Angeles Basin area, having received its operating authority in various decisions over a number of years. It currently serves the Anaheim-Buena Park areas through Los Angeles and, in turn, operates to the Anaheim-Buena Park areas from Los Angeles. It now holds authority to serve Long Beach and has a tour that operates to Marineland from Los Angeles and Long Beach.

Public hearings were held in Los Angeles before Examiner Gravelle on December 8, 9 and 16, 1966. The matters were submitted on the latter date.

Both Orange and Gray here seek authority to serve Marineland direct from Anaheim-Buena Park.

A question to be considered deals with the application of Section 1032 of the Public Utilities Code to the two applicants.

The last sentence of that section provides:

"The commission may, after hearing, issue a certificate to operate in a territory already served by a certificate holder under this part only when the existing passenger stage corporation or corporations serving such territory will not provide such service to the satisfaction of the commission."

Since neither applicant nor any other carrier serves the applied for route, i.e., direct tour service from Anaheim-Buena Park to Marineland, the last sentence of Section 1032 is not an issue here.

The application of Orange proposes a service direct from Anaheim-Buena Park to Marineland and return with points of interest being Leisure World at Seal Beach; the Long Beach Marina area, Belmont Shore, Long Beach Ocean area, Pierpoint Landing and

Long Beach Harbor area, Long Beach Naval Base, Vincent Thomas Bridge and Los Angeles Harbor area, Ports o' Call Village (stop), and Wayfarer's Chapel (stop). The stop at Marineland is planned to last 2-1/2 hours and provide time for lunch and to see the shows presented there. The proposed fare is \$5 for persons age 13 and over, \$2.50 for children 5 through 12, and no charge for children under 5. To the fare must be added the admission price at Marineland which varies from \$0.50 commencing with children age 7, to \$2.75; consequently Orange will be collecting \$2.50 for children 5 and 6, \$3 for children 7 through 12, \$6 for persons 13 through 17, and \$7.75 for persons 18 and over.

Service is to be offered in equipment owned by Airport Coach Service, Inc., which wholly owns Orange. The equipment is to be leased to Orange on a per diem basis pursuant to the terms of a lease approved by this Commission in Decision No. 69671. Said bus equipment is 29-passenger Starliner Flexible, 41-passenger General Motors 4106, or General Motors 4107, all air-conditioned and equipped with loudspeaker systems and reclining seats.

Orange's operations, pursuant to its existing certificate, which commenced at the start of 1966 have not been profitable. Exhibit No. 9, a balance sheet dated September 30, 1966 indicates a loss of \$16,825. Its president and vice president, Mr. Jesse Britton and Mr. Donald W. Boyles, respectively, testified that the parent corporation Airport Coach Service, Inc., of which both men are officers and shareholders, would financially support Orange up to \$30,000 of additional investment. This is also borne out by Exhibit No. 10, a letter from Airport Coach Service, Inc. to Orange. Exhibit No. 8, a balance sheet of Airport Coach Service, Inc.,

which indicates retained earnings of \$130,578 as of September 30, 1966, was received in evidence and shows that said corporation has the wherewithal to provide support to the extent testified to by the witnesses.

The application of Gray proposes tours both directly from Anaheim-Buena Park to Marineland and in conjunction with other tours offered by Gray. Its president, Henry F. Burroughs, characterized the proposal as a logical outgrowth of Gray's existing service, resulting mainly from the rapid development in the recent past of Orange County as a convention center where persons can find adequate accommodations and, hence, use it as a base of operation rather than a place to visit from Los Angeles. Exhibit No. 18, which shows Gray revenue originating from Anaheim-Buena Park for the years 1963 through 11 months of 1966 on an annual basis, bears out the witnesses' testimony. In 1963 such revenue was \$34,887, the annualized revenue for 1966 was \$175,000. Gray's application and exhibits do not set forth a detailed route or specifically name the points of interest to be viewed. Mr. Burroughs requested authority to operate over the most "convenient and appropriate" routes is generally set forth on Exhibit No. 5, a map of the Los Angeles area. The fare to be charged is \$4.85 for an adult plus the admission fee at Marineland with a corresponding child's fare in accord with Gray's tariff. An exception to the \$4.85 fare is included, however, in that Gray will offer a fare of \$4 when the Marineland tour is taken in conjunction with any other half-day tour which departs from Los Angeles. Gray's operating equipment is listed in Exhibit C attached to its application and consists of some 32 buses with passenger capacities of from 39 to 49 and manufactured by Flxible, General Motors or

Fitzjohn; all are air-conditioned and equipped with loudspeaker systems. Exhibits Nos. 11, 12 and 13 are photographs of some of these buses.

Exhibit No. 19 is a balance sheet and statement of income for Gray as of September 30, 1966 and for the nine preceding months. It shows net income for said 9-month period of \$188,918 and total stockholder equity of \$669,703.

Gray sponsored several witnesses from Los Angeles who testified generally to the quality of Gray's service, to the public response thereto and to the need for the triangular effect of certifying Gray between Anaheim-Buena Park to Marineland as well as Marineland to Los Angeles and Los Angeles to Anaheim-Buena Park. In addition, both Orange and Gray stipulated that a list of witnesses if called to testify would testify as to the need for sightseeing service between Anaheim-Buena Park and Marineland and that patrons of the establishments they represented would utilize such service. The potential witnesses who were the subject of the stipulation were from hotels or motels in Orange County having an aggregate number of rooms which totaled 1,912.

While each applicant protested the other's application, there was little or no evidence offered on the detrimental effect on either if each received a certificate. Gray's president stated he believed the number of combination tours Gray would be able to offer would be reduced if both applicants received authority and if Gray's share of the divided traffic did not warrant the combinations.

We believe that service by both applicants over the sought route would not be detrimental to either carrier and would

be beneficial to the public. The growth in Orange County as a domicile point for sightseers and its general growth as a convention center and population center should be more than ample to support service by both applicants.

The motion made by Orange and joined in by the City of Long Beach and the City of Los Angeles, that any certificate granted should specify the precise route of the tour is denied; however, the certificate of Gray should be limited so that it utilizes the most direct and appropriate route between Anaheim-Buena Park and Marineland.

Findings

1. Neither Orange nor Gray is a passenger stage corporation serving the territory herein sought as envisioned by Section 1032 of the Public Utilities Code.

2. Section 1032 of the Public Utilities Code does not preclude the granting of a certificate of public convenience and necessity to either or both Orange and Gray.

3. Both Orange and Gray have available the equipment necessary to provide the service herein requested.

4. Both Orange and Gray have available the financial resources to provide the service herein requested.

5. Both Orange and Gray possess the necessary managerial background in the transportation of passengers to provide the service herein requested.

6. Both Orange and Gray have demonstrated a need for the service herein requested.

7. Neither Orange nor Gray has demonstrated that either applicant or the public would suffer any detriment by the certification of both applicants.

8. Public convenience and necessity require the granting of certificates as passenger stage corporations to both Orange and Gray.

Based upon the foregoing findings of fact, the evidence and the arguments presented, the Commission concludes that certificates of public convenience and necessity as passenger stage corporations between Anaheim-Buena Park and Marineland should be granted to both Orange and Gray.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity, as more particularly set forth in First Revised Pages 2 and 4 of Appendix A (Decision No. 69671) attached hereto and made a part hereof, is granted to Orange Coast Sightseeing Company authorizing it to operate as a passenger stage corporation as defined in Section 226 of the Public Utilities Code.

2. A certificate of public convenience and necessity, as more particularly set forth in Appendix B attached hereto and made a part hereof, is granted to The Gray Line Tours Company authorizing it to operate as a passenger stage corporation as defined in Section 226 of the Public Utilities Code.

3. In providing service pursuant to the certificate herein granted, applicants shall comply with and observe the following service regulations:

- a. Within thirty days after the effective date hereof, applicants shall file a written acceptance of the certificate herein granted. Applicants are placed on notice that, if they accept the certificate of public convenience and necessity herein granted, they will be

required, among other things, to comply with and observe the safety rules of the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-A and insurance requirements of the Commission's General Order No. 101-B. Failure to comply with and observe the safety rules, or the provisions of General Orders Nos. 98-A or 101-B, may result in a cancellation of the operating authority granted by this decision.

- b. Within one hundred twenty days after the effective date hereof, applicants shall establish the service herein authorized and file tariffs and timetables, in triplicate, in the Commission's office.
- c. The tariff and timetable filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the service herein authorized.
- d. The tariff and timetable filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79 and 98-A.
- e. Applicants shall maintain their accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of their operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

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

Dated at San Francisco, California, this 2<sup>nd</sup> day of MAY, 1967.

*[Handwritten Signature]*  
President

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

*[Handwritten Signatures]*  
Commissioners



Appendix A  
(Dec. 69671)

ORANGE COAST SIGHTSEEING COMPANY  
(a corporation)

First Revised Page 2  
Cancels  
Original Page 2

SECTION 1, General Authorizations, Restrictions,  
Limitations, and Specifications.

\* Orange Coast Sightseeing Company, a corporation, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to conduct a sightseeing service for the transportation of passengers between certain service areas as hereinafter set forth, on the one hand, and points of interest in Orange and Los Angeles Counties, on the other hand, over and along the routes hereinafter described, subject to the following conditions and restrictions:

- a. Motor vehicles may be turned at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections in accordance with local traffic regulations.
- b. When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.
- c. All service herein authorized shall be limited to the transportation of round-trip passengers only.
- d. Applicant shall not pick up or discharge passengers except within the limits of the specified service areas as hereinafter set forth. This restriction shall not prevent stopovers for the purpose of permitting sightseeing passengers to visit various points of interest along the route.
- e. Tour No. 1

Regular scheduled daily service shall be operated from June 16 through September 15 each year. From September 16 through June 15, applicant will not be obligated to render service for less than 15-adult fare paying passengers.

Issued by California Public Utilities Commission.

\* Changed by Decision No. 72357, Application No. 48808.

## SECTION 3, Route Descriptions.

Tour No. 1

Commencing at the intersection of Beach Boulevard and Azalea Drive in Buena Park, thence along Beach Boulevard, Grand Avenue, Crescent Avenue, Beach Boulevard (Highway 39), Lincoln Avenue, Euclid Street, Katella Avenue, Harbor Boulevard (loop at Santa Ana Freeway), Katella Avenue, West Street, Ball Road, (loop at Santa Ana Freeway), West Street, Katella Avenue, Haster Street, thence via the most direct and appropriate route to Orange County points and places of interest including Anaheim Stadium, Orange and Santa Ana residential areas to Orange County Airport; Movieland of the Air; University of California Irvine Campus, the Old Salt Works, upper Newport Bay, Newport Dunes, Balboa Island, Lido Island, Newport Beach (Balboa Pavilion), Corona del Mar, Emerald Bay, Laguna Beach, Irvine Bowl, Laguna Niguel, Dana Point Lookout, Mission San Juan Capistrano, Irvine Ranch, El Toro Marine Air Station, thence return to Anaheim and Buena Park via the most direct and appropriate route.

\* Tour No. 2

Commencing in the Buena Park service area, thence along the most direct or appropriate route or routes to the Anaheim service area and points of interest as follows: Leisure World at Seal Beach, Long Beach Marina area, Belmont Shore, downtown Long Beach, Pierpoint Landing, Long Beach Harbor, Long Beach Naval Base, Los Angeles Harbor (including a stop at Ports o' Call Village), Wayfarers' Chapel, Marineland of the Pacific (2-1/2-hour stop), thence through the Palos Verdes Estates residential area and return to point of beginning.

Issued by California Public Utilities Commission.

\* Added by Decision No. 72357, Application No. 48808.

The Gray Line Tours Company, by the certificate of public convenience and necessity granted by the decision noted in the margin is authorized to transport passengers for sightseeing purposes between:

Marineland, on the one hand, and Disneyland and Knott's Berry Farm Territories, on the other hand, both territories as described herein, and subject to the following conditions and restrictions:

- a. All persons must be transported on a round trip or circular tour basis originating at either of the territories.
- b. Applicant shall pick up and discharge passengers only at points and places to be named in applicant's tariff.
- c. Tours shall be conducted between said points over and along the most direct or appropriate route or routes.
- d. Stopover at Ports o' Call village permitted in either direction.

The territories referred to hereinabove are described as follows:

KNOTT'S BERRY FARM TERRITORY includes all that area in Orange County, California, located within the following boundary: Beginning at the intersection of Knotts Avenue and Houston Avenue; then easterly along Houston Avenue to Dale Avenue; southerly along Dale Avenue to Lincoln Avenue (State Highway No. 18); westerly along Lincoln Avenue to Knotts Avenue; northerly along Knotts Avenue to point of beginning.

DISNEYLAND TERRITORY includes all that area in Orange County, California, located within the following boundary: Beginning at the intersection of Ball Road and Euclid Avenue, thence along Euclid Avenue to the Santa Ana Freeway; southeasterly along the Santa Ana Freeway to Katella Avenue; westerly along Katella Avenue to Harbor Boulevard; southerly along Harbor Boulevard to Oranewood Avenue; westerly along Oranewood Avenue to Euclid Avenue, northerly along Euclid Avenue to the point of beginning.

Issued by California Public Utilities Commission.

Decision No. 72357, Application No. 48877.