

Decision 88 08 037 AUG 24 1988

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Il-Sung Ko, dba Taeguk Airport)
Service, for a Certificate of Public)
Convenience and Necessity to)
provide passenger stage service)
between points in Los Angeles)
County, on the other (sic) hand)
and the Los Angeles International)
Airport on the other hand.)

Application 88-03-057
(Filed March 25, 1988)

- Bruce B. McGregor, Attorney at Law, for Taeguk Airport Service, applicant.
- K. D. Walpert, for the Department of Transportation, City of Los Angeles, protestant.
- Burt Cutler, for Celebrity Airport Delivery, interested party.
- Vijay Khawani, for the Transportation Division.

OPINION

Applicant Il Sung Ko, doing business as Taeguk Airport Service (applicant), seeks a certificate of public convenience and necessity (CPC&N) under Public Utilities (PU) Code § 1031, et seq., to establish and operate a passenger stage bus service for the transportation of passengers and baggage between that area of the City of Los Angeles commonly known as Korea-town, on the one hand, and Los Angeles International Airport (LAX), on the other hand.

Notice of filing of the application appeared in the Commission's Daily Calendar of March 31, 1987. The Department of Transportation of the City of Los Angeles (city) protested the

application. Following notice, a public hearing was held in Los Angeles on May 27, 1988 before Administrative Law Judge William A. Turkish and the matter was submitted upon the filing of the reporter's transcript on June 8, 1988.

Four witnesses testified on behalf of applicant. Four witnesses testified on behalf of city.

Yun Gu Kim, general manager of the Korean Federation Center in Los Angeles, called as a witness by applicant, testified essentially as follows:

1. The Korean Federation Center is a Community Service Center for Koreans living in that area of Los Angeles known as Korea-town. Approximately 50,000 to 60,000 Korean people visit the Korean Community Center annually to obtain some services. He is acquainted with the applicant who stops by the Korean Community Center many times and they have had many conversations. He is sure that applicant can provide something to the Korean Community and the Korean Community Center. Applicant has a very good reputation in the community and has heard others speak highly of applicant as being a reputable and trustworthy person.
2. Over the past seven years he has received calls from many people arriving at LAX who have inquired about obtaining a bus or other transportation between LAX and Korea-town. He is of the opinion that there is a great need for a shuttle bus system between Korea-town and LAX.
3. In addition to Korean-speaking people that live in Korea-town, there are many Spanish-speaking residents as well. They would also benefit from the service proposed by applicant. He believes that many tourists and immigrants arriving from Korea at LAX will benefit greatly from applicant's shuttle service to Korea-town.
4. If applicant is granted a certificate he would personally use the service himself to go from Korea-town to LAX and return.

Ki Hyung Han, Senior Pastor of the Community Church located in Korea-town, called as a witness by applicant, essentially testified as follows:

1. Applicant and his family are members of his church and attend church every weekend as well as during the week. Applicant has volunteered his services to help clean and perform maintenance for the church in the past. Applicant enjoys a good reputation in the church.
2. The Korean-speaking people need the type of service offered by applicant in Korea-town. Because of the language barrier many people are unable to obtain transportation from Korea-town to LAX. At times it is difficult to get an American taxicab because of the language barrier plus the fact that American taxicabs are very expensive.

Scott Yoon, called as a witness by applicant, testified essentially as follows:

1. He has known applicant for approximately one year having been introduced to him by a friend who operates a travel agency in Korea-town. He was impressed with the sincerity of applicant and understands that he has a good reputation in the community for reliability and trustworthiness.
2. He testified that the service proposed by applicant is needed in Korea-town because of the language barrier. He is not aware of any other transportation service in Korea-town that has Korean-speaking drivers.

Applicant Il Sung Ko, testified essentially as follows:

1. He has been a resident of the United States since 1984. He has been trying his best to adapt to American custom and system. ✓

2. He has given thought to a transportation service from Korea-town for the past four years and has noticed that it is not easy to ask relatives or friends for a ride from Korea-town to LAX. He wants to serve the Korean people who apparently have a problem with the transportation system to the airport. Although he doesn't expect to make a great deal of money initially, he intends to make a profit in the long run.
3. He has worked as an automobile mechanic both in Korea and in the United States. He intends to perform his service initially with just one van.
4. He introduced and explained a petition in support of his application which was signed by 34 travel agencies and hotels and motels located within the area comprising Korea-town. He also submitted letters from nine Korean community organizations including the Korean Chamber of Commerce who wrote in support of granting applicant the certificate he is seeking. He also submitted a petition bearing the signatures of approximately 3,000 residents of the area which indicates a great need for a Korean bilingual airport shuttle service operating between LAX and Korea-town. He obtained these signatures at markets and at various public places in Korea-town.

Burt Cutler, Manager of Celebrity Airport Delivery, an interested party, testified essentially as follows:

1. Celebrity provides hotel transportation service between certain hotels located within the Wilshire corridor area of Los Angeles and LAX. Its authority extends into the area known as Korea-town. Celebrity operates 14 vans and there are other companies serving Korea-town as well. He does not think there is need for additional transportation services between Korea-town and LAX.

2. Celebrity receives a lot of calls from the Korea-town area and usually when someone calls it will be someone who speaks English who gives the dispatcher instructions as to where the passenger is to be picked up and where the passenger is going. Celebrity charges \$8.50 per person between Korea-town and LAX. Upon cross-examination, the witness stated that Celebrity does not provide door-to-door service. It makes stops only at certain hotels in Korea-town. Celebrity has no drivers who speak fluent Korean.

Kristen Ann Dickey, Secretary of the Independent Taxi Owner's Association (Association), called as a witness by city, testified essentially as follows:

1. The Association has 230 taxicabs under its jurisdiction and serves the Los Angeles City, Beverly Hills, and outlying areas such as Manhattan Beach and Redondo Beach. The Association's taxicabs also serve Korea-town. The Association has five Korean-speaking taxicab drivers. The drivers of the Association are independent owner/operators which means they are each small businessmen. Taxicabs of her Association have no problems filling the requests for service in Korea-town.
2. In her opinion there are far more than enough taxicabs and shuttle services at present at LAX to meet the present demand. Most foreign passengers arriving at LAX have an address written down on a piece of paper to where they want to go. She stated that there is a congestion problem caused by excessive vans at the airport which the airport authorities are now dealing with. In her opinion if another van company begins operating at LAX it will make the congestion worse.

Gene Hauck, Director of Sales and Marketing for Wilmington Cab Company, called as a witness by city, testified essentially as follows:

1. Wilmington Cab Company doing business as LA Taxi, has 274 taxicabs and operates in the area known as Korea-town. To the best of his knowledge there has not been any deficiency of taxicabs in Korea-town.
2. Each of LA Taxi's drivers are independent contractors and at the last listing that he is aware of, he believes they had four Korean-speaking drivers. If a person calling for a taxicab tells the dispatcher that a Korean-speaking driver is desired, LA Taxi makes an attempt to supply a Korean-speaking driver if available.
3. He does not believe that the number of vehicles that applicant is proposing at this time will make any significant impact either on the congestion at the airport or on the load factors of any other operators. He is also aware that oftentimes there is a reluctance on the part of people in the Korean Community to utilize taxicab service even though his company has tried to reach out to the community to induce them to utilize taxi service.

Daniel Brasher, a field supervisor for SuperShuttle of Los Angeles, called as a witness, testified essentially as follows:

1. His company which is a on-call, door-to-door service serves Korea-town. Supershuttle has approximately 180 vans. He believes that SuperShuttle provides outstanding levels of service to the residents in Korea-town. There is a charge of \$16 for the first passenger and \$7 for each additional passenger for transportation to LAX.
2. Recently LAX has adopted new rules for van operations due to the congestion at the airport from taxis, large buses, and van carriers. However, these rules have not

alleviated the over-crowding. He believes that Flight Line, Mike's Airport Shuttle, Celebrity, SuperShuttle, Logo Express, and Transport and Super Express operate between Korea-town and LAX. He believes there is more than a sufficient amount of vans providing service at LAX and that there is no need for any additional carriers because the competition is extremely fierce. ✓

Discussion

In granting a CPC&N, the Commission considers several factors, the greatest of which is evidence that public convenience and necessity exist for such service. Such evidence is usually based on market surveys, studies of demand for the particular service proposed by the applicant, or the presentation of witnesses who can testify as to the need for such services. Applicant has presented witnesses testifying as to the need for such service from the area applied for as well as signature petitions of residents within the community favoring the granting of a certificate to applicant and letters from various community organizations within the proposed service area. Although the evidence indicates there are other van transportation services with authority to operate within the area, we have held that competition in the area of bus transportation services was a desirable goal because of its direct bearing on the quality of overall treatment afforded passengers, rates, scheduling, equipment condition, and operational innovation generally. We are of the opinion that applicant, who is Korean-speaking, would be an added benefit in providing services to the predominantly Korean-speaking public residing in the proposed service area. We therefore conclude that the certificate should be granted to applicant. ✓

Findings of Fact

1. Applicant has the ability, equipment, and financial resources to perform the proposed service.

2. Applicant will provide a bilingual service to those passengers within the service area who are non-English-speaking.

3. There are currently few operators providing Korean-speaking drivers within the proposed service area.

4. Public convenience and necessity require the service proposed by applicant.

5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusion of Law

Public convenience and necessity have been demonstrated and a certificate should be granted to applicant.

Only the amount paid to the state for operative rights may be used in ratefixing. The state may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Il-Sung-Ko, authorizing him to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in Appendix PSC-4945, to transport persons and their baggage.

2. Applicant shall:

a. File a written acceptance of this certificate within 30 days after this order is effective.

- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. State in his tariffs and timetables when service will start; allow at least 10 days' notice to the Commission; and make timetables and tariffs effective 10 or more days after this order is effective.
- d. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol Safety Rules.
- e. Maintain accounting records in conformity with the Uniform System of Accounts.
- f. Remit to the Commission the transportation reimbursement fee required by PU Code § 403 when notified by mail to do so.

3. Prior to initiating service to any airport, applicant shall notify the Airport Authority involved. This certificate does not authorize the holder to conduct any operations on the property of or into any airport unless such operation is authorized by both this Commission and the Airport Authority involved.

4. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that he has evidence of insurance on file with the Commission and that the California Highway Patrol has approved the use of applicant's vehicles for service.

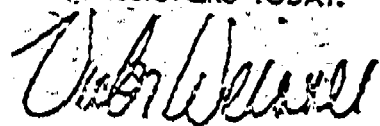
5. The application is granted as set forth above.
This order is effective today.

Dated AUG 24 1988, at San Francisco, California.

STANLEY W. HULETT
President

DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.



Victor Weisser, Executive Director

T/VJ/vjk

Appendix PSC-4945

Il-Sung Ko

Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-4945

Showing passenger stage operative rights, restrictions,
limitations, exceptions, and privileges.

All changes and amendments as authorized by
the Public Utilities Commission of the State of California
will be made as revised pages or added original pages.

Issued under authority of Decision 88 08 037, dated
AUG 24 1988, of the Public Utilities Commission of the
State of California in Application 88-03-057.

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Issued by California Public Utilities Commission.

Decision 88 08 037, Application 88-03-057.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS.

Il-Sung Ko, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers and their baggage on a door-to-door, on-call basis between points in Los Angeles City (Koreatown), described in Section 2, and Los Angeles International Airport (LAX), over and along the route described, subject, however, to the authority of this Commission to change or modify the route at any time and subject to the following provisions:

- (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 operations in either direction unless otherwise indicated.
- (c) The term "on-call" as used refers to service which is authorized to be rendered dependent on the demands of passengers. The tariffs and timetables shall show the conditions under which the authorized door-to-door, on-call service will be provided.
- (d) No passengers shall be transported except those having a point of origin or destination at LAX.
- (e) This certificate does not authorize the holder to conduct any operation on the property of or into any airport unless such operation is authorized by both this Commission and the airport authority involved.

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T/VJ/vjk

Appendix PSC-4945

Il-Sung Ko

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SECTION 2. SERVICE AREA DESCRIPTION.

KOREATOWN

Beginning at the intersection of Santa Monica Boulevard and Highland Avenue, then east along Santa Monica Boulevard to Hoover Street, then south along Hoover Street to the Hollywood Freeway (US 101), then southeast along US 101 to Alvarado Street, then southwest along Alvarado Street to Hoover Street, then south along Hoover Street to Washington Boulevard, then west along Washington Boulevard to Crenshaw Boulevard, then northeast along Crenshaw Boulevard to Wilshire Boulevard, then west along Wilshire Boulevard to Highland Avenue, then north along Highland Avenue to its intersection with Santa Monica Boulevard.

SECTION 3. ROUTE DESCRIPTION.

Commencing at any point within the authorized service area described in Section 2, then via the most convenient streets and highways to LAX.

Issued by California Public Utilities Commission.

Decision 88 08 037, Application 88-03-057.

Ki Hyung Han, Senior Pastor of the Community Church located in Korea-town, called as a witness by applicant, essentially testified as follows:

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