

Decision No. 92528 DEC 16 1980

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of Shiratori International, Inc. for a Class "B" Certificate to operate as a Charter-party Carrier of Passengers, Los Angeles (GO 98-A).

Application No. 59764  
(Filed June 25, 1980)

Koichi Yanagizawa, Attorney at Law,  
for applicant.  
Lat J. Celmins, for Greyhound Lines, Inc.,  
and James H. Lyons, Attorney at Law,  
for Starline Sightseeing Tours, Inc.,  
protestants.

O P I N I O N

Shiratori International, Inc. (Shiratori), dba TTY California Coach Lines, requests authority to operate as a Class "B" charter-party carrier of passengers from its headquarters in Los Angeles, California.

A duly noticed public hearing was held in this matter before Administrative Law Judge N. R. Johnson in Los Angeles on October 9, 1980, and the matter was submitted. Testimony was presented on behalf of Shiratori by its president, Thomas T. Yano, and on behalf of Starline Sightseeing Tours (Starline) by its president, Vahid Sapir.

Shiratori is currently operating an auto-for-hire business under a permit from the Department of Transportation of the city of Los Angeles and has a charter-party carrier of passengers permit from this Commission to operate a limousine service. If the requested Class "B" charter-party carrier

of passengers permit is issued, Shiratori plans to commence initial operations with a 14-passenger Ford van and in the future plans to acquire a 1980 Revcon 27-passenger bus. Mr. Yano testified that as of August 31, 1980 Shiratori's assets totaled \$111,779.02 and its liabilities totaled \$50,773.58 as follows:

Assets

Cash (on hand and in bank)	\$ 32,073.12
Accounts Receivable	3,998.69
Other Current Assets	14,924.02
Cost of Motor Vehicle Equipment	<u>60,783.19</u>
Total Assets	<u>\$111,779.02</u>

Liabilities

Accounts Payable	\$ 1,139.16
Balance due on Motor Equipment	<u>49,634.42</u>
Total Liabilities	<u>\$ 50,773.58</u>

This witness further testified that Shiratori's present equipment is being insured by Aihara Insurance Agency and the banks used by Shiratori are the Sumitomo Bank of California and the Mitsubishi Bank of California.

Shiratori intends to provide specialized sightseeing tours according to the orders of tour groups. Some of the anticipated tour destinations are Disneyland and San Diego, and tours of the Hollywood and Santa Monica areas. The basic charges will be \$135 for a five-hour minimum service and \$25 an hour for over five hours.

Upon receiving a stipulation from applicant's counsel that the proffered service is specifically designed and customized for Japanese visitors, is restricted to Japanese tourists, will be provided with either a Japanese-speaking driver or tour guide, and will be limited to the use of a maximum 27-passenger size bus, Greyhound Lines, Inc. withdrew from the hearing.

Testimony presented on behalf of Starline indicated that:

1. Starline is a sightseeing and charter bus operation having 26 buses ranging in capacity from 21 passengers up to 53 passengers, ten 14-passenger vans, and two 20-passenger minibuses.

2. These buses are equipped with recliner seats, air conditioning, tinted windows, public address systems, and stereo equipment. *weir*

3. Starline has <sup>land</sup> and is doing business with several Japanese tour operators who supply knowledgeable Japanese-speaking tour guides for the Starline-operated buses.

4. The peak season for Japanese patrons is June, July, and August, and all of Starline's buses are used during that period as contrasted with the balance of the year when only 40 to 50 percent of the buses are operated.

5. Starline has the facilities necessary to store, maintain, and repair its buses.

6. It believes there is no need for another operator for this type of business.

Starline argues that there was no evidence offered at the hearing that either public convenience and necessity require the proposed service or that the service presently offered by Starline is unsatisfactory to the Commission or inadequate for the public. Therefore, according to Starline, in accordance with Section 5375.1 of the Public Utilities Code, which states in part, "The Commission shall not grant a certificate to such an applicant unless it can be shown that the existing charter-party carrier of passengers serving the territory is not providing services which are satisfactory to the commission and adequate for the public. In no event shall the commission issue more certificates than public convenience and necessity require", the requested authority should be denied.

According to the record, various Japanese business firms, such as Japan Travel Bureau, Pacifico Creative Service, and Kintetsu International Express, located in the Los Angeles area, are presently the main customers of Shiratori requiring the service of limousine and auto-for-hire service. Shiratori alleges that such firms have indicated a desire for the type of service proposed by it in this application.

While it is true that a Japanese-speaking tour guide familiar with the area is provided for most tours catering to Japanese tourists, the record supports a definite need for the type of service contemplated by Shiratori dealing almost exclusively with smaller group sizes. Furthermore, Shiratori's business address is in the heart of Little Tokyo. Japanese-speaking tourists would be inclined to use the tourist facilities located there if for no other reason than to surmount the language barrier. Charter parties forming in this area

would, therefore, naturally seek out Japanese-speaking charter bus operators in preference to others, thereby creating a demand for the services proposed by Shiratori.

There is no question that Shiratori has the burden of proving public convenience and necessity to obtain a certificate. But there is no requirement that this burden be met by public witness testimony, particularly in an application for a charter-party permit in an operation serving an itinerant visiting and vacationing public. Consequently, the lack of public witnesses testifying in support of the proposed service is not in and of itself an adequate basis for denial of the application.

In determining whether or not to grant a certificate the Commission considers such factors as: (1) public requirements for the service, (2) adequacy of existing service, (3) adequacy of proposed service, (4) quality of proposed service, (5) revenue requirements and rates, (6) technical feasibility, (7) technical competence and financial integrity of the operator, (8) economic feasibility of the proposed operations, and (9) present operations. (Silver Beehive Tel. Co. (1970) 71 CPUC 304.)

The application of the above criteria to the proposed operations of Shiratori indicates that the requested authority be granted subject to the 27-passenger bus size limitation stipulated to by Shiratori's attorney.

Findings of Fact

1. Shiratori has the ability, experience, and financial resources to perform the proposed service.

2. Public convenience and necessity require that the service proposed by Shiratori be established.

3. The proposed service is more specialized and serves a more limited portion of the public than that of protestants; as such, it is materially different than the services of protestants.

4. Shiratori should be authorized to pick up passengers within the city of Los Angeles.

5. Shiratori should use no bus larger than 27-passenger capacity without further approval of this Commission.

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

Conclusions of Law

1. The proposed authority should be issued, subject to certain restrictions, as provided in the following order.

2. The following order shall be effective the date of signature because there is a public need for the proposed service.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity to operate as a Class B charter-party carrier of passengers, as defined in Section 5383 of the Public Utilities Code, from a service area encompassing a radius of forty air miles from applicant's home terminal in the city of Los Angeles, is authorized to be issued to applicant, Shiratori International, Inc., dba TTY California Coach Lines.

2. In providing service pursuant to the certificate when issued, applicant shall comply with and observe, among other things, the safety rules administered by the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-Series, and the insurance requirements of the Commission's General Order No. 115-Series. Failure to do so may result in cancellation of the operating authority.

3. When the required California Highway Patrol clearances are received by the Commission's Passenger Operations Branch and the evidences of adequate protection against liability imposed by law are filed in compliance with General Order No. 115-Series, the annual renewable certificate on Form PE-695 will be issued by the Passenger Operations Branch under the authorization of Resolution PE-303, approved July 29, 1975.

4. Applicant shall restrict its bus fleet to no more than three buses in the operation of the Class B certificate to operate as a charter-party carrier of passengers and shall use no bus larger than 27-passenger capacity.

The effective date of this order is the date hereof.

Dated DEC 16 1980, at San Francisco, California.

John E. Guyo  
President

Richard D. Howell

Clair J. DeWitt

Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Leonard M. Crimes, Jr., being necessarily absent, did not participate.