

Decision No. 18887

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the application of	)	
CARL B. TRUEBLOOD to transfer to	)	
ESTELLE TRUEBLOOD a one-half interest	)	Application
in auto truck line operated between	)	No.14076
Los Angeles and Whittier, California.	)	

BY THE COMMISSION -

OPINION and ORDER

**ORIGINAL**

Carl B. Trueblood, doing business under the fictitious name of Independent Truck Company, has petitioned the Railroad Commission for an order approving the sale and transfer by him to Estelle Trueblood, his sister, of a one-half interest in the operating right under which he has been conducting an automotive truck service for the transportation of property between Los Angeles and Whittier, and Estella Trueblood has asked for authority to purchase and acquire said one-half interest and with her brother continue the operation of said truck line.

The consideration to be paid for the property herein proposed to be transferred is given as the nominal sum of One Dollar.

The operating right, a one-half interest in which is herein proposed to be transferred, was acquired by Carl B. Trueblood under authority of Railroad Commission Decision No.17757, dated December 13, 1926, and issued on Application No.13156. It was originally established by Carl B. Trueblood, C.E. Trueblood and A. G. Gruber through operation prior to May 1, 1917. Gruber, who had retired as a partner, selling his interest to the Truebloods in ignorance of the law requiring that approval of the Commission must be obtained for a transfer of an interest in an operating right, joined in the application No.13156 and requested authority to transfer interest to Carl B. Trueblood, one of the applicants herein.

We are of the opinion that this is a matter in which a public hearing is not necessary and that the application should be granted.

The purchaser is hereby placed upon notice that "Operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state which is not in any respect limited to the number of rights which may be given. The Commission at the early stages of the development of this kind of transportation should be extremely careful not to lend encouragement to the idea that these rights possess a substantial element of value, either for rate fixing or capitalization.

IT IS HEREBY ORDERED that the above entitled application be and the same hereby is granted, subject to the following conditions:

- 1- The consideration to be paid for the property herein authorized to be transferred shall never be urged before this Commission or any other rate fixing body as a measure of value of said property for rate fixing, or any purpose other than the transfer herein authorized.
- 2- Applicant Carl B. Trueblood shall immediately unite with applicants Carl B. Trueblood and Estelle Trueblood in common supplement to the tariffs on file with the Commission, applicant Carl B. Trueblood on the one hand withdrawing, and applicants Carl B. Trueblood and Estelle Trueblood on the other hand accepting and establishing such tariffs and all effective supplements thereto.
- 3- Applicant Carl B. Trueblood shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicants Carl B. and Estelle Trueblood shall immediately file, in duplicate, in their own names, time schedules covering the service heretofore given by applicant Carl Trueblood which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Carl Trueblood or time schedules satisfactory to the Railroad Commission.

4- The rights and privileges herein authorized may not be sold, leased, transferred nor assigned, nor service thereunder discontinued, unless the written consent of the Railroad Commission to such sale, lease, transfer, assignment or discontinuance has first been secured.

5- No vehicle may be operated by applicants Carl B. and Estelle Trueblood unless such vehicle is owned by said applicants or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

Dated at San Francisco, California, this 4<sup>th</sup> day of October, 1927.

Ernest

W. H. H. H.

Leon Whittell

Thos. B. Lott

M. J. L.  
COMMISSIONERS.