

Decision No. 19773

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
PETERWILLIAMSON to sell, and )  
SAM M. LLOYD to purchase an automobile ) Application  
freight line operating between Los Angeles, ) No.14601  
Montrose, Tujunga, Pasadena, South Pasadena )  
and Alhambra, California. )

**ORIGINAL**

BY THE COMMISSION -

OPINION and ORDER

Peter Williamson has petitioned the Railroad Commission for an order approving the sale and transfer by him to Sam M. Lloyd of an operating right for an automotive service for the transportation of moving picture films, advertising matter in connection with such films and carbon for projection machines between Los Angeles, Pasadena, South Pasadena, Alhambra, Montrose and Tujunga and Sam M. Lloyd has asked for authority to purchase and acquire said operating right and to hereafter operate thereunder, the sale and transfer to be in accordance with an agreement marked Exhibit "A", a copy of which is attached to the application herein and made a part thereof.

The consideration to be paid for the property herein proposed to be transferred is given as \$2500, which sum is said to represent the value of intangibles.

The operating right herein proposed to be transferred was granted to Peter Williamson by the Railroad Commission in its Decision No.16452, dated April 9, 1926, and issued on Application No.12509. Said decision declares that public convenience and necessity require the operation of a motor service by Williamson

"between Los Angeles, Pasadena, South Pasadena, Alhambra, Montrose and Tujunga for the transportation of moving picture film, advertising matter in connection with such film and carbon for projection machines."

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.

Sam M. Lloyd 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.

IT IS HEREBY ORDERED that the above entitled application be, and the same is hereby 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 Peter Williamson shall immediately unite with applicant Sam M. Lloyd in common supplement to the tariffs on file with the Commission, applicant Williamson on the one hand withdrawing, and applicant Lloyd on the other hand accepting and establishing such tariffs and all effective supplements thereto.
- 3- Applicant Williamson shall immediately withdraw time schedules filed in his name with the Railroad Commission, and applicant Lloyd shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Williamson which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Williamson, 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 applicant Lloyd unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

Dated at San Francisco, California, this 17<sup>th</sup> day of May, 1928.

Leon Whitely  
Clarence  
Paul R. Lovett  
M. J. [unclear]  
COMMISSIONERS.