

Decision No. 20560

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 S. C. CLARK to sell, and ALBERT L. SCHNEIDER,)
 OSCAR SCHNEIDER, FRANK SCHNEIDER and)
 WALTER SCHNEIDER to purchase an auto stage) Application
 line operated for the transportation of) No. 15233
 passengers, baggage and express, for compen-)
 sation, between Sacramento and Plymouth,)
 California, and intermediate points.)

BY THE COMMISSION -

OPINION and ORDER

S. C. Clark has petitioned the Railroad Commission for an order approving the sale and transfer by him to Albert L. Schneider, Oscar Schneider, Frank Schneider and Walter Schneider, co-partners, of an operating right for the transportation of passengers and property between Sacramento and Plymouth, and Albert L., Oscar, Frank and Walter Schneider have 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, a copy of which, marked exhibit "A", 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 \$3200, all of which sum is said to represent the value of equipment.

The operating right herein proposed to be transferred was granted to S.C. Clark by the Railroad Commission in its Decision No. 6562, dated August 12, 1919, and issued on Application No. 4655. Said decision authorized the operation by Clark of an automotive service

"*****as a common carrier of passengers, baggage and light freight between Sacramento and Plymouth and intermediate points."

Exhibits "A" and "B", attached to the application, show service via Walsh's Station, Slough House, Michigan Bar and Forest Home. The tariff filed by Clark covering the service authorized to be established placed a limitation of 200 pounds on the "light freight" to be transferred.

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.

Albert L., Oscar, Frank and Walter Schneider are 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 S. C. Clark shall immediately unite with applicants Albert L., Oscar, Frank and Walter Schneider, co-partners, in common supplement to the tariffs on file with the Commission, applicant Clark on the one hand withdrawing, and applicants Schneider on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3- Applicant Clark shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicants Albert L., Oscar, Frank and Walter Schneider, co-partners, shall immediately file, in duplicate, in their own names time schedules covering service heretofore given by applicant Clark, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Clark, 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 Albert L., Oscar, Frank and Walter Schneider 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 6th day of December,
1928.

Leon Whitall

Ch. Sawyer

Thos. D. Lott

M. C. ...
COMMISSIONERS.