Decision No. 20635

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) George Erickson and C. S. Crowell, (copartners, doing business as "Trans-) Bay Commercial Service Company" for a certificate of public convenience) and necessity to transport property (by automobile between San Francisco) and East Bay Cities.

Application No. 15173.

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Gwyn H. Baker, for Applicant.

BY THE COMMISSION:

OPINION.

The above applicants seek a certificate of public convenience and necessity to conduct a service for the transportation of property by motor vehicle between San Francisco and East Bay cities. The service proposed is of a type which they claim is distinct from any which is now being rendered and will not in any way be competitive with the services of those carriers of property now authorized to operate between such points. It is distinct they claim for the following reasons:

First: The service will be maintained to meet the needs of those who require the most rapid transportation possible of small parcels between the bay cities. There will be no limit placed on the value of parcels which will be carried, they being at all times in the possession of a bonded messenger and also insured against theft.

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Second: The collection and delivery of parcels will be at business houses only. No service will be rendered to residences, and no depots retained for the reception of parcels from consignors.

Third: The automobile equipment to be used will be of closed passenger type exclusively and of limited capacity.

A public hearing thereon was held in San Francisco on December 3, 1928. Permission was asked to substitute the name of George W. Elliott as an applicant in place of George Erickson. A number of persons testified as to the need for such a service, the demand coming chiefly from those business concerns which heretofore have found it necessary to employ special meesengers or to send their own employes on special trips when occasion required the quick delivery of a parcel or the transfer of an article of unusual value. No protest was made to the granting of the application. We are of the opinion that it should be granted.

George W. Elliott and C. S. Crowell 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.

ORDER

A public hearing having been held on the above on-

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titled application, the matter submitted and now being ready for decision

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby finds that public convenience and necessity require the operation by George W. Elliott and C. S. Crowell of an automobile service for the transportation of property between San Francisco and Oakland, Alameda, Everyville, Berkeley, San Leandro, Albany and Piedmont, said service to be limited to the transportation of parcels weighing not in excess of one hundred pounds each between business houses exclusively and in motor vehicles of closed passenger type of not more than seventy cubic feet inside capacity.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such service be and the same is hereby granted to George W. Elliott and C. S. Crowell subject to the following conditions:

- 1. Applicants shall file their written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof.
- 2. Applicants shall file, in duplicate, within a period of not to exceed twenty (20) days from the date hereof, tariff of rates and time schedules, such tariff of rates and time schedules to be those attached to the application herein, or rates and time schedules satisfactory to the Railroad Commission, and shall commence operation of said service within a period of not to exceed thirty (30) days from the date hereof.
- 3. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuence, sale, lease, transfer or assignment has first been secured.
- 4. No vehicle may be operated by applicants herein 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.

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For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this <u>28775</u> day of December, 1928.

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