

Decision No. 21216

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
CARLETON H. ECKLES and E. K. ELLSWORTH,
to sell, and IRA E. THATCHER to purchase
an automobile passenger, baggage and
express line, operated between Stirling
City and Chico, California.

)
)
) Application
) No. 15634
)
)

ORIGINAL

BY THE COMMISSION -

OPINION and ORDER

Carleton H. Eckles and E. K. Ellsworth, co-partners, have petitioned the Railroad Commission for an order approving the sale and transfer by them to Ira E. Thatcher of an operating right for an automotige service for the transportation of passengers and property between Chico and Stirling, and Ira E. Thatcher has petitioned for authority to purchase and acquire said operating rights 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 \$500, all of which is declared to be the value of intangibles.

The operating right herein proposed to be transferred was granted to applicants Eckles and Ellsworth by Railroad Commission Decision No. 5704, dated August 26, 1918, and issued on Application No. 4018. Said Decision authorizes Carleton H. Eckles and E. K. Ellsworth to operate an automobile service for the transportation of passengers, baggage and express between Chico and Stirling City and intermediate points.

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.

Ira E. Thatcher 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. Applicants Eckles and Ellsworth shall immediately unite with applicant Thatcher in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicants Eckles and Ellsworth on the one hand withdrawing, and applicant Thatcher on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3. Applicants Eckles and Ellsworth shall immediately withdraw time schedules filed in their names with the Railroad Commission and applicant Thatcher shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicants Eckles and Ellsworth which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicants Eckles and Ellsworth, 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 Thatcher 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.

6. This order shall not become effective until there has been paid to the Railroad Commission the fee required by the Public Utilities Act and the Auto Stage and Truck Transportation Act to be paid on all evidences of indebtedness extending over a period of one year, in this instance the minimum fee of \$25.00.

Dated at San Francisco, California, this 10th day of
May, 1929.

Thor S. Lunt
Chas. S. Seamy
James C. [unclear]
Leon Whittell

COMMISSIONERS.

Fee \$25.00
RAILROAD COMMISSION
STATE OF CALIFORNIA
MAY 15 1929
BY [Signature] SECRETARY
Fee # 3759

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Dated at San Francisco, California, this 10th day of
May, 1929.

Thor S. Lunt
Chas. J. Lewis
~~Ernest J. ...~~
Leon Whitney

COMMISSIONERS.

Fee \$25 ⁰⁰/₁₀₀

RAILROAD COMMISSION
STATE OF CALIFORNIA

MAY 11 1929

BY [Signature]
SECRETARY

Fee #