Decision No. 22045

REFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ANNA BIUTT, Administratrix, of the Estate of Chauncey L. Bluff, deceased, to sell, and Young Johnson Truck Application Company, F. H. Young, sole proprietor, to purchase an automobile freight line operated between Central Manufacturing District, Incorporated, and the City of Los Angeles and Los Angeles Harbor.

BY THE COMMISSION -

## OPINION and ORDER

Anna Bluff, as Administratrix of the Estate of Chauncey
L. Bluff, has petitioned the Railroad Commission for an order
approving the sale and transfer by the Estate of Chauncey L.
Bluff to Young Johnson Truck Company, F. H. Young, sole proprietor,
of an operating right for an automotive service for the transpor tation of property between Central Manufacturing District, Inc.,
and the city of Los Angeles and Los Angeles Harbor, and Young
Johnson Truck Company, F. H. Young, sole proprietor, has petitioned
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. A
copy of an order of the Superior Court of the county of Los Angeles
appointing Anna Bluff as Administratrix of the Estate of Chauncey
L. Bluff is also attached.

The consideration to be paid for the property herein proposed to be transferred is given as \$450. All of this sum is declared to be the value of intangibles, no equipment being involved.

The operating right herein proposed to be transferred was granted to Chauncey (L) Bluff by Decision No.14530, dated
February 5, 1925, and issued on Application No.10034. Said

decision authorizes Bluff to operate an automobile freight service between Central Manufacturing District, Incorporated, and the City of Los Angeles and Los Angeles Harbor over and along the following routes: Via Downey Road and Vernon Avenue between said District and the City of Ios Angeles. Via Ioma Vista Avenue to Slauson Avenue, thence west on Slauson Avenue to Harbor Boulevard, thence south on Harbor Boulevard to the steamship wharves at Wilmington and San Pedro in the City of Tos Angeles. 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. Young Johnson Truck Company, F. H. Young, sole proprietor, 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 CRDERED that the above entitled application be, and the same is hereby granted, subject to the following conditions: 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. Applicant Anna Bluff, Administratrix of the Estate 2of Chauncey L. Bluff, deceased, shall immediately unite with applicant F. H. Young in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transforred, applicant Bluff on the one hand withdrawing, and applicant Young on the other hand accepting and establishing such tariffs and all effective amendments thereto. -23- Applicant Bluff shall immediately withdraw time schedules filed in her name with the Railroad Commission and applicant Young shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Bluff, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Bluff, 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 Young 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 2/1/2 day of January, 1930.

Commissioners.