

Decision No. 22844

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
M. F. ROHN to sell, and W. M. SANFORD
to purchase an automobile passenger
and baggage line operated between
Weed, California, and the California-
Oregon State Line at a point approximately
five miles north of Dorris, California.

Application
No. 16864

BY THE COMMISSION -

OPINION and ORDER

M. F. Rohn has petitioned the Railroad Commission for an order approving the sale and transfer by him to W. M. Sanford of an operating right for an automotive stage service for the transportation of passengers and baggage between Weed and a point on the California-Oregon State line north of Dorris, and W. M. Sanford 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.

The consideration to be paid for the property herein proposed to be transferred is given as \$500.00, the whole of which consideration is declared to be the value of equipment and intangibles.

The operating right herein proposed to be transferred was acquired by Rohn in Decision No. 18574 of July 3, 1927, in Application No. 13648, which granted him a certificate for the operation of an automobile stage line as a common carrier of passengers and baggage between Weed, California, and a point on the California Oregon State Line between the towns of Midland, Oregon, and Dorris, California, serving Tennant, Bray, Mt. Hebron, Macdoel, Dorris and all 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.

W. M. Sanford 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 W. M. Sanford shall immediately unite with applicant M. F. Rohn in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Rohn on the one hand withdrawing, and applicant Sanford on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3- Applicant Rohn shall immediately withdraw time schedules filed in his name with the Railroad Commission, and applicant Sanford shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Rohn, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Rohn, 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 Sanford 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 8th day of September, 1930.

W. S. Seaver
Ernest J. ...
Leon ...
W. S. ...

COMMISSIONERS.