

**ORIGINAL**Decision No. 23126.

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Wilmington Transfer & Storage Co. to sell and J. P. Puckett to purchase an automobile freight line operated between Wilmington and various points, California.	) ) ) ) ) )	Application No. 17016.
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BY THE COMMISSION:

OPINION and ORDER

Wilmington Transfer and Storage Company, a corporation, and J.P. Puckett have petitioned the Railroad Commission for an order approving the sale and transfer by Wilmington Transfer and Storage Company, a corporation to J. P. Puckett of an operating right for an automotive service for the transportation of property between Wilmington and various points in southern California and J. P. Puckett 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 \$17,500. Of this sum \$16,500 is declared to be the value of equipment and \$1,000. is declared to be the value of intangibles.

The operating right herein proposed to be transferred was established by Decision No. 18150 of March 31, 1927 in Application No. 10858 for the operation

".....of an automotive freight service, on demand, for the transportation of oils, acetylene and oxygen gas, vegetable oils, laundry supplies, machinery, between (a) Los Angeles Harbor (includes Wilmington, San Pedro, East San Pedro, Terminal and Marmon Islands), to routes 1-6, inclusive, viz:

"(1) districts 1, 2, 3 and 4 in the City of Los Angeles (as set out in Exhibit "A" attached to the application), (2) Long Beach, (3) Compton, Downey, Clearwater, Puente, Pomona, Ontario, and the directly intermediate points thereto, (4) Seal Beach, Sunset Beach, Huntington Beach, Newport Beach, Balboa Beach, Santa Ana, Orange, Anaheim, Fullerton and the directly intermediate points, (5) Watts, Glendale, Pasadena, Alhambra, El Monte, Sierra Madre, Monrovia, Azusa, Glendora, Covina, and the directly intermediate points, and (6) Lomita, Torrance, Hawthorne, Hermosa, Redondo, El Segundo, Inglewood, Venice, Ocean Park and directly intermediate points; and machinery, construction steel, cement, sand, rock, lumber, and incidentals to be used on harbor construction work, from points designated in (a) to points designated in (6); all shipments to or from points in routes (3), (4), (5) and (6) shall have a minimum load restriction of 3 tons, except that no restriction is placed on the return of empty containers; that loads for points in routes (3), (4), and (5) shall originate at points designated in (a) and have no return shipments except empty containers; that shipments may move both ways on routes (1), (2) and (6) except that no movement may occur from point to point within a route, or from a point within a route to a point in another route."

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.

J. P. Puckett 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 Wilmington Transfer and Storage Company shall immediately unite with applicant J.P. Puckett in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Wilmington Transfer and Storage Company on the one hand withdrawing, and applicant J. P. Puckett on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3- Applicant Wilmington Transfer and Storage Company shall immediately withdraw time schedules filed in its name with the Railroad Commission and applicant J. P. Puckett shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Wilmington Transfer and Storage Company which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Wilmington Transfer and Storage Company 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 J. P. Puckett 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 28<sup>th</sup> day  
of November 1930.

Wm. J. Puckett  
Leon Whiskey

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COMMISSIONERS.