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Decision No. 23292.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Hurb and T.W. Sesna,)
to sell and James A. Ross, to) Application
purchase an automobile passenger) No. 17103.
and freight line operated between)
Fortuna and Bridgeville, California.)

BY THE COMMISSION: -

OPINION and ORDER

ORIGINAL

Hurb and T.W. Sesna have petitioned the Railroad Commission for an order approving the sale and transfer by them to James A. Ross of an operating right for an automotive service for the transportation of passengers and property between Fortuna and Bridgeville and James A. Ross 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 \$300.00. Of this sum \$250.00 is declared to be the value of equipment and \$50.00 is declared to be the value of intangibles.

The operating right herein proposed to be transferred was established by the Commission which in its Decision No. 15475 of October 1, 1925 in Application No. 10592 granted a certificate of public convenience and necessity to Mark W. Gordon for the operation

"...of an automotive stage and truck service for the transportation of passengers, baggage, express and freight, between Fortuna and Bridgeville, and intermediate points, over the route via Fortuna, Rohnerville, Hydesville, Carlotta, American Tank Co., Riverside, Vann's Camp, Strong's Station, Dunns Camp, Rogers Resort, Maple Grove Resort and Bridgeville."

By Decision No. 19094 of December 2, 1927
in Application No. 14194 C.W. Gordon, as
administrator of the estate of Mark W. Gordon,
was authorized to transfer the herein described
operating right to Hurb and T.W. Sesna.

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.

James A. Ross 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 Hurb and T.W. Sesna shall immediately
unite with applicant Ross in common supplement to the
tariffs on file with the Commission covering service
given under certificate herein authorized to be transferred,
applicants Hurb and T.W. Sesna on the one hand withdrawing,
and applicant Ross on the other hand accepting and
establishing such tariffs and all effective supplements
thereto.
- 3- Applicants Hurb and T.W. Sesna shall immediately
withdraw time schedules filed in their name with the
Railroad Commission and applicant Ross shall immediately
file, in duplicate, in his own name time schedules
covering service heretofore given by applicants
Hurb and T.W. Sesna which time schedules shall be
identical with the time schedules now on file with the
Railroad Commission in the name of applicants Hurb and
T.W. Sesna 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 Ross 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 19th day
of January 1931.

Clarence
Leon O'Keefe
M. P. Quinn
W. B. H. Quinn
Frank G. Stewart
COMMISSIONERS.