

Decision No. 23651

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 GEORGE H. COX to sell, and K. N. DEWAR ) Application  
 to purchase an automobile passenger or ) No.17326  
 freight line operated between Eureka )  
 and Bridgeville, California. )

ORIGINAL

BY THE COMMISSION -

OPINION and ORDER

George H. Cox has petitioned the Railroad Commission for an order approving the sale and transfer to K. N. Dewar of an operating right for an automotive service for the transportation of passengers and property between Eureka and Bridgeville, and K. N. Dewar 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 set forth in the application.

The consideration to be paid for the property herein proposed to be transferred is given as \$50.00, all of which sum is declared to be the value of intangibles.

The operating right herein proposed to be transferred was established in Decision No.16494 of April 16, 1926, in Application No.12243, which granted to George H. Cox a certificate for the operation "... of an automotive stage and truck service for the transportation as a common carrier of passengers, freight, express and baggage between Eureka and Bridgeville, serving also the intermediate points of Freshwater, Kneeland, Lawrence Creek, Mullens, Iaqua, Lone Star and Yager."

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.

K. N. Dewar 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 Cox shall immediately unite with applicant Dewar in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Cox on the one hand withdrawing, and applicant Dewar on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicant Cox shall immediately withdraw time schedules filed in his name with the Railroad Commission, and applicant Dewar shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Cox, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Cox, 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 Dewar 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 4th day of May,  
1931.

C. L. Seaver  
Leon Burkhead  
W. H. Van  
M. B. Murphy  
Fred G. Stewart  
COMMISSIONERS.