

Decision No. 23895

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 W. M. SANFORD to sell, and )  
 PACIFIC GREYHOUND LINES, Inc. to )  
 purchase operative rights for the )  
 transportation of passengers and )  
 baggage between Weed and the California- )  
 Oregon Line north of Dorris, and of the )  
 purchaser to consolidate the same with )  
 the remainder of its system. )

Application  
 No. 17515

**ORIGINAL**

BY THE COMMISSION -

OPINION and ORDER

W. M. Sanford has petitioned the Railroad Commission for an order approving the sale and transfer by him to Pacific Greyhound Lines, Inc., of an operating right for an automotive service for the transportation of passengers and baggage between Weed and a point on the Oregon-California line north of Dorris, and Pacific Greyhound Lines, Inc., 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. Purchaser also asks for an order of the Railroad Commission consolidating the right herein sought to be transferred with its general system as said system was established by Decision No. 23244 on Application No. 16929. Purchaser proposes to adopt the rates and fares now on file with the Railroad Commission in the name of seller, but to conduct the service involved under its general system, rules and regulations.

The consideration to be paid for the property herein proposed to be transferred is given as the nominal sum of \$1.00.

The operating right herein proposed to be transferred was acquired by M. F. Roan in Decision No.18574 of July 8, 1927, in Application No.13646, which granted him a certificate for the operation of an automobile stage line as a common carrier of passengers and baggage between Wood, 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. By Decision No.22844, dated September 8, 1930, and issued on Application No.16864, the right was transferred to W. M. Sanford.

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.

Pacific Greyhound Lines, Inc., 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 application of W. M. Sanford to sell and transfer, and Pacific Greyhound Lines, Inc. to purchase and acquire the operating right hereinabove described and to consolidate said right with its main system as established by Decision No.23244 be, and the same is hereby granted, and

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity for such consolidation be and the same is hereby granted to Pacific Greyhound Lines, Inc., 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 Sanford shall immediately unite with applicant Pacific Greyhound Lines, Inc. in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Sanford on the one hand withdrawing, and applicant Pacific Greyhound Lines, Inc. on the other hand accepting and establishing such tariffs and all effective supplements thereto, excepting the rules and regulations, Pacific Greyhound Lines, Inc., by the order herein being authorized to operate the service involved herein under the rules and regulations in force on its general system.

3- Applicant Sanford shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicant Pacific Greyhound Lines, Inc. shall immediately file in duplicate, in its own name time schedules covering service heretofore given by applicant Sanford, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Sanford, 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 Pacific Greyhound Lines, Inc., unless such vehicle is owned by said applicant or is leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission.

The effective date of this order is hereby fixed at twenty (20) days from the date hereof.

Dated at San Francisco, California, this 21st day of July, 1931.

Leon Whitted

W B Levin

Fred G. Cleveland  
COMMISSIONERS.