



application. At the original hearing Mr. F. D. Howell, Vice President and General Manager of Motor Transit Company, testified that the operation between San Bernardino and Victorville (Oro Grande on call only), was just breaking even, with a traffic of 2.8 passengers, round trip, per day; that, if the application should be denied, Motor Transit Company would not seek to abandon this service but would continue and attempt its development as a feeder line to its system. At the rehearing Mr. Howell testified that the operation (one schedule each way daily) was losing money with a patronage of only one passenger, round trip daily, and that application must be made to suspend service as the loss was too much of a burden on the system. Mr. Howell testified that during the first week of March twenty-nine passengers were carried; during the first week in April seventeen passengers and during the first week in May thirteen passengers, these being representative periods of normal traffic.

I am convinced from the showing that an application to abandon this service based on existing conditions would result in affirmative action, thus leaving the route between San Bernardino and Victorville without any public stage carrier. It appears far better to grant the instant application at this time and permit Pickwick-Greyhound of California, Ltd. to furnish service on its through stages. It has four schedules over this route each way daily and the meager traffic that cannot support a local carrier should adjust itself to this service. Pickwick-Greyhound proposes to adopt the rates of Motor Transit Company, and to pay for the operative rights the sum of \$3000.00. I therefore conclude that the public will be benefited by the granting of this application.

Pickwick-Greyhound of California, Ltd. 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.

O R D E R

IT IS HEREBY ORDERED that Decision No. 23543 on Application No. 16733, dated March 31, 1931, be and the same hereby is revoked and annulled.

IT IS FURTHER ORDERED that the above entitled application be, and the same is hereby granted, subject to the following conditions:

1. Applicants shall file their written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof.
2. Applicants shall file in duplicate and make effective within a period of not to exceed thirty (30) days from the date hereof a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application in so far as they conform to the certificate herein granted.
3. Applicants shall file in duplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof time schedules, covering the service herein authorized, in a form satisfactory to the Railroad Commission.
4. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.
5. No vehicle may be operated by applicants herein unless such vehicle is owned by said applicants or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 18<sup>th</sup> day of January, 1932.

C. L. Deane

Leon White

W. J. Lee

W. B. Harris

Fred G. Stewart

Commissioners.