

**ORIGINAL**

Decision No. 24675

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 G.C. SCRIBNER to sell and of  
 VALLEY MOTOR LINES, INC. to purchase  
 an automobile freight line, known and  
 designated as Fresno-Visalia Freight  
 & Express Truck Line, operated between  
 Fresno, Kings River Bridge, Traver,  
 Goshen Junction and Visalia and points  
 intermediate Kings River Bridge and  
 Visalia, and on shipments originating  
 in Visalia, serving intermediate points  
 to Fresno, California.

)  
 )  
 )  
 )  
 ) Application  
 ) No.18080  
 )  
 )  
 )

BY THE COMMISSION -

OPINION and ORDER

G. C. Scribner, operating as Fresno-Visalia Freight and Express Line, and Valley Motor Lines, Inc. have petitioned the Railroad Commission for an order approving the sale and transfer by G. C. Scribner to Valley Motor Lines, Inc. of an operating right for an automotive service for the transportation of property between Fresno and Visalia, serving as intermediate points Kings River Bridge, Traver and Goshen Junction, and Valley Motor 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.

The consideration to be paid for the property herein proposed to be transferred is given as \$12,500.00. Of this sum \$9500.00 is declared to be the value of equipment and \$3000.00 is declared to be the value of intangibles.

The operating right herein proposed to be transferred was created by Decision No.9461, dated September 3, 1921, on Application No.6381, as follows:

"THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require the operation by G. C. Scribner of an automobile truck freight and express service between Fresno and Visalia, under the fictitious name of Fresno and Visalia Freight & Express Truck Line, for the common carriage of property between Fresno and Visalia, serving as intermediate points Goshen Junction, Traver, and Kings River Bridge."

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, provided that Valley Motor Lines, Inc. may not charge to its plant and equipment account more than \$9500.00. Any sum paid in excess of \$9500.00 for the aforementioned properties must be charged to Account No.315, "Miscellaneous Charges to Income."

Valley Motor 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 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 G. C. Scribner shall immediately unite with applicant Valley Motor Lines, Inc. in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Scribner on the one hand withdrawing, and applicant Valley Motor Lines, Inc. on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3. Applicant G. C. Scribner shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicant Valley Motor Lines, Inc. shall immediately file, in duplicate, in its own name time schedules covering service heretofore given by applicant G. C. Scribner, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Valley Motor Lines, Inc., 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 Valley Motor 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.

6. This order shall not become effective unless and until applicant Valley Motor Lines, Inc. shall have paid to the Railroad Commission the minimum fee of \$25.00, as provided in Section 6, Auto Stage and Truck Transportation Act, Chapter 213, Statutes 1917, as amended.

Dated at San Francisco, California, this 11<sup>th</sup> day of April, 1932.

Fee \$25<sup>00</sup>/<sub>100</sub>  
RAILROAD COMMISSION  
APR 12 1932  
*A. G. Mackay*  
Fee # 23571

*C. J. Sawyer*  
*Leon A. White*  
*W. J. Linn*  
*M. B. Harris*  
*James G. Stewart*  
COMMISSIONERS.