AZ Decision No. 24744 BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA In the Matter of the Application of PUCKETT FREIGHT LINES LTD., to sell and LEE B. HAWKINS, to purchase an automobile freight Application line operated between Los Angeles, No. 18104. Wilmington and Moneta and various points in California. BY THE COMMISSION: OPINION and ORDER Puckett Freight Lines Ltd. and Lee B. Hawkins have petitioned the Railroad Commission for an order approving the sale and transfer by Puckett Freight Lines Ltd. to Lee B. Hawkins of an operating right for an automotive service for the transportation of property between Los Angeles, Wilmington, Moneta and other points in California and Lee B. Hawkins 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 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 \$5,000.00 which is declared to be the value of the right, no equipment being involved. The operating right herein proposed to be transferred was originally granted to Lee B. Hawkins by Decision No. 18150 of March 31, 1927 in Application No. 10859 for the operation "....of an automotive freight service, on demand, for the transportation of steel, tanks, lumber, cement, sand, rock, stucco, wallboard, doors, windows, roofing, builders hardware, hollow concrete blocks and tile, pipe, tubular goods, oil well supplies, seeds, vegetable and fish oils and commercial fertilizer between (a) Los Angeles, Wilmington and Moneta and route 1-7, inclusive, as follows, (1) San Pedro, Wilmington, Compton, Watts, Huntington Park, Sherman, Beverly Hills, Sawtelle, Santa Monice, Ocean Park, Venice, Playa Del Rey,

"El Segundo, Manhattan Beach, Hermosa Beach, Redondo Beach, Clifton, Harbor City, Torrance, Moneta, Gardena, Culver City, and Palms, (2) Clearwater, Downey, Santa Fe Springs, Los Nietos, Norwalk, Artesia, Buena Park, Fullerton, La Habra, Brea and Walnut, (3) Alhambra, Pasadena, Altadena, Arcadia, Sierra Madre, Monrovia, Duarte, Azusa, Glendora, and Claremont, (4) Montebello, Whittier, Bassett, Baldwin Park, Covina, San Dimas, El Monte, Puente, Pomona, Ontario, Riverside, Colton, Redlands, Yucaipa, Beaumont, and Banning, (5) Long Beach, Seal Beach, Sunset Beach, Westminster, Huntington Beach, Newport Beach and Laguna, (6) Anaheim, Olive, Santa Ana, Orange and Irvine, (7) Glendale, Hollywood, Burbank, San Fernando, Newhall, Saugus, Castaic, Palmdale and Lancaster; and fruit between points designated in (a) and points in routes 1, 2 and 7; and hay and grain between points designated in (a) and points in routes l and 2; and flowers between points designated in (a) and routes l-7, inclusive, being included, and an area of 5 miles on each side of the route traversed, movements to be over the most direct and practical route; and all movements must have their origin or destination in points designated in (a), and minimum load will be 3 tons, except that weight restriction will not apply to the return of empty containers."

This right was transferred by Hawkins to Puckett Freight Lines, Ltd. by authority of Decision No. 23323 on Application No. 17109, dated February 27, 1931.

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.

Lee B. Hawkins 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,

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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 Puckett Freight Lines, Ltd. shall immediately unite with applicant Lee E. Hawkins in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Puckett Freight Lines, Ltd. on the one hand withdrawing, and applicant Lee B. Hawkins on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3- Applicant Puckett Freight Lines, Ltd. shall immediately withdraw time schedules filed in its name with the Railroad Commission and applicant Lee E. Hawkins shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Puckett Freight Lines, Ltd. which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Puckett Freight Lines, Ltd. 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 Lee B. Hawkins 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 Francis co, California, this guel day of

May 1932.

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COMMISSIONERS.