

Decision No. 22820.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 WARD G. ALLEN and VERN C. LINVILLE,)
 copartners, to sell, and C.A. WINEGAR)
 to purchase an automobile freight line) Application No. 18173
 operated between Redding and Bieber,)
 California, and all intermediate points.)

BY THE COMMISSION:

ORIGINALOPINION and ORDER

Ward G. Allen and Vern C. Linville, copartners, have petitioned the Railroad Commission for an order approving the sale and transfer by them to C.A. Winegar of an operating right for an automotive service for the transportation of property between Redding and Bieber and all intermediate points and C.A. Winegar 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 \$1600.00. This sum is declared to be the value of intangibles. No equipment is to be transferred.

The operating right herein proposed to be transferred was created by Decision No. 22784 on Application No. 16787, dated August 13, 1930, for an automobile trucking service for the transportation of freight between Redding and Bieber and all intermediate points over and along the following routes:

Along the Redding-Alturas State Highway from Redding to Bella Vista, Ingot, Round Mountain, Montgomery Creek, Burney, Cassel, Fall River Mills, Mc Arthur, Pittville, and Bieber; and from a point on the said Redding-Alturas Lateral at Montgomery Creek to Mud Springs; and from Burney, on said Redding-Alturas

Lateral, to Pitt No. 3 and Cayton, serving also all points within two miles on either side of the highways named, provided that service to off-highway points shall be given only when a shipment of 500 pounds, or more is offered.

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.

C. A. Winegar 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. Applicants Allen and Linville shall immediately unite with applicant C.A. Winegar in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicants Allen and Linville on the one hand withdrawing, and applicant C.A. Winegar on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicants Allen and Linville shall immediately withdraw time schedules filed in their names with the Railroad Commission and applicant C.A. Winegar shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicants Allen and Linville which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicants Allen and Linville 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 C.A. Winegar 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 6th day
of June 1932.

C. L. Leary
Leon O. White
W. A. Lee
W. B. Hamer
Fred G. Alpert
COMMISSIONERS.