

Decision No. 25172.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
HARRY B. LEONARD to sell, and JOSEPH  
TIRADO to purchase an automobile pas-  
senger and freight line operated be-  
tween Tres Pinos and San Benito,  
California.

Application No. 18392.

**ORIGINAL**

BY THE COMMISSION:

OPINION AND ORDER

Harry B. Leonard has petitioned the Railroad Commission for an order approving the sale and transfer by him to Joseph Tirado of an operating right for an automotive service for the transportation of passengers and property between Tres Pinos and San Benito and points in San Benito and Monterey Counties and Joseph Tirado 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 \$50.00. No equipment is being transferred.

The operating right herein proposed to be transferred was created by operation between Tres Pinos and San Benito prior to May 1, 1917 and by Decision No. 16874, dated June 10, 1926, on Application No. 12033.

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.

Joseph Tirado 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 Harry B. Leonard shall immediately unite with applicant Joseph Tirado in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Harry B. Leonard on the one hand withdrawing, and applicant Joseph Tirado on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicant Harry B. Leonard shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicant Joseph Tirado shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Harry B. Leonard, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Harry B. Leonard 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 Joseph Tirado 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 12<sup>th</sup> day  
of September 1932.

C. C. Deaver

Leon Whitwell

W. H. Con

M. B. Harris

Fred G. Stewart  
COMMISSIONERS.