

Decision No. 25184

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
EDMOND H. DE MAR to sell, and
J. NELSON KAGARISE to purchase an
automobile freight line operated
between Los Angeles, Los Angeles Harbor
and Upland, Claremont, Pomona, Azusa,
Baldwin Park, Charter Oak, Covina,
Glendora, La Verne, San Dimas and
orchards adjacent thereto.

Application
No. 18407

ORIGINAL

BY THE COMMISSION -

OPINION and ORDER

Edmond H. De Mar has petitioned the Railroad Commission for an order approving the sale and transfer by him to J. Nelson Kagarise of an operating right for an automotive service for the transportation of property between Los Angeles, Los Angeles Harbor and Upland, Claremont, Pomona, Azusa, Baldwin Park, Charter Oak, Covina, Glendora, La Verne, and San Dimas, and J. Nelson Kagarise 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 \$300.00. No equipment is transferred.

The operating right herein proposed to be transferred was created by Decisions Nos. 16035, dated March 2, 1926, and 17207, dated August 11, 1926, on Application No. 11301.

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.

J. Nelson Kagarise 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 Edmond H. De Mar shall immediately unite with applicant J. Nelson Kagarise in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Edmond H. De Mar on the one hand withdrawing, and applicant J. Nelson Kagarise on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicant Edmond H. De Mar shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicant J. Nelson Kagarise shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Edmond H. De Mar, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Edmond H. De. Mar, 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 J. Nelson Kagarise 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 27th day of September, 1932.

CC Severy
Leon Whitely
W. A. C.
M. B. Harris
Fred G. Stewart
COMMISSIONERS.