

Decision No. 25231.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PACIFIC GREYHOUND LINES, INC., a cor-
poration, to sell and D. Moyers, doing
business under the name and style of
WEST SIDE STAGE COMPANY to purchase
certain operative rights for the
transportation of passengers, baggage
and express between Tracy and Fresno,
Gilroy and Los Banos, and Wheel Inn
and Merced.

Application
No. 18423

ORIGINAL

BY THE COMMISSION:

OPINION and ORDER

Pacific Greyhound Lines, Inc. has petitioned the Railroad Commission for an order approving the sale and transfer by it to D. Moyers, operating under the name West Side Stage Company of operating rights for an automotive service for the transportation of passengers and property between Tracy and Fresno, Gilroy and Los Banos and Wheel Inn to Merced and D. Moyers has petitioned for authority to purchase and acquire said operating rights 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 \$1.00. No equipment is involved.

The operating rights herein proposed to be transferred were created by Decisions Nos. 23244 and 23667 on Application No. 16989. These rights represent all its rights in the area west of the main state highway and have been maintained as connecting lines. According to Exhibit "B" attached to the application, for June and July 1932 the operations called for 32,694 bus miles at a cost of \$4,346.51, or \$.25719 per mile. The operating revenue amounted to \$3,099.89 showing an out-of-pocket loss of

\$1,246.62. Applicant Pacific Greyhound Lines asserts that it cannot further put this burden on its main line operations and must discontinue. Applicant Moyers formerly operated the lines sought to be transferred and is experienced in operation under the jurisdiction of this Commission, now owning North Fork Stage Line. The rights to be transferred are a part of the Pacific Greyhound Lines consolidated system and will be transferred to applicant as an entity and not as separate rights.

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.

D. Moyers 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 Pacific Greyhound Lines shall immediately unite with applicant D. Moyers in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Pacific Greyhound Lines on the one hand withdrawing, and applicant D. Moyers on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicant Pacific Greyhound Lines shall immediately withdraw time schedules filed in its name with the Railroad Commission and applicant D. Moyers shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant Pacific Greyhound Lines which time schedules shall be

identical with the time schedules now on file with the Railroad Commission in the name of applicant Pacific Greyhound Lines 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 D. Moyers 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 3^d day of October 1932.

C. C. Seaman
Leon A. Whelan

W. A. Cline
W. B. Haines

Fred G. Stewart
COMMISSIONERS.