

Decision No. 25288.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
CLARK BROS., a copartnership composed  
of A.B. CLARK and KENNETH CLARK, co-  
partners, to purchase, and of  
E.F. ZANETTA to sell right to operate  
an automobile truck line between Carmel,  
Pacific Grove, Marina, Monterey, Sea-  
side and Castroville, on one hand, and  
San Jose, San Francisco and Oakland,  
California, on the other.

ORIGINAL

Application  
No. 18455

BY THE COMMISSION:

OPINION and ORDER

E.F. Zanetta has petitioned the Railroad Commission for an order approving the sale and transfer by him to Clark Bros., a copartnership composed of A.B. Clark and Kenneth Clark of an operating right for an automotive service for the transportation of property between Monterey, Carmel, Pacific Grove and other points, on one hand, and San Jose, San Francisco and Oakland on the other hand, and Clark Bros. 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 \$250.00, which is declared to be the value of intangibles. No equipment is involved.

The operating right herein proposed to be transferred was created by Decision No. 22779, dated August 11, 1930, on Application No. 16000.

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.

Clark Bros., a copartnership, 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 E.F. Zanetta shall immediately unite with applicant Clark Bros. in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant E.F. Zanetta on the one hand withdrawing, and applicant Clark Bros. on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicant E.F. Zanetta shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicant Clark Bros. shall immediately file, in duplicate, in its own name time schedules covering service heretofore given by applicant E.F. Zanetta which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant E.F. Zanetta 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 Clark Bros. unless such vehicle is owned by said applicants or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

Dated at San Francisco, California, this 24<sup>th</sup> day  
of October 1932.

Al Seaver  
Leon Whitney  
M. J. Carr  
W. B. Harris  
Fred G. Stewart  
COMMISSIONERS.