

present traffic between San Jose and Santa Cruz via Los Gatos over a narrow circuitous road. The change in point of reception and discharge will also eliminate necessary extra trips which are now operated from San Jose and will result in a saving of approximately \$160.00 per month.

No change of rates or time schedules is contemplated except, of course, the necessary change of schedule between Watsonville Junction and Santa Cruz.

There appear good reasons why the request should be granted and an order accordingly should be entered.

Pacific Motor Transport Company, a corporation, 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.

The following form of order is recommended:

O R D E R

A public hearing having been held on the second supplemental application herein and good cause appearing therefor,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted applicant Pacific Motor Transport Company, a corporation, as an extension and enlargement of its rights heretofore granted by Decisions Nos. 22558 and 25078, on Application No. 16228, for the operation by automotive trucks for the transportation of property between San Jose, Santa Clara, Campbell, Los Gatos and Santa Cruz, by interchanging freight in transit with Southern Pacific Company at Watsonville Junction when such freight is destined to or originates at Soquel, Capitola and Santa Cruz and for no other purpose or for local traffic over and along the Watsonville-Santa Cruz highway, via Soquel

and Capitola, and subject to the following conditions:

1. Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof, stipulating in said acceptance that said certificate is an extension and enlargement of the original certificate and not a new or separate grant.

2. Applicant shall file, in triplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than ten days' notice to the Commission and the public a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application insofar as they conform to the certificate herein granted.

3. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from date hereof, on not less than five days' notice to the Commission and the public, time schedules covering the service herein authorized, in a form satisfactory to the Railroad Commission.

4. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.

5. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 21st day of November, 1932.

C. C. Neasey
Leon A. Whittell
M. A. Cunn
M. B. Harris
Fred G. Stewart
COMMISSIONERS.