

purchase of the operating rights, property and business described in Application No. 18714 is prayed for in the interests of economies resulting from unification of assets and operations.

The operating rights herein proposed to be transferred were created by Decision No. 13351, dated March 29, 1924 on Application No. 9773, Decision No. 14103, dated September 27, 1924 on Application No. 10008, Decision No. 22782, dated August 13, 1930 on Application No. 16742 and Decision No. 18113, dated March 28, 1927 on Application No. 13370.

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.

Rice Transportation Company 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. Applicants Donovan Transportation Co. and Glendale & Verdugo Hills Express Company shall immediately unite with applicant Rice Transportation Company in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicants Donovan Transportation Co. and Glendale & Verdugo Hills Express Company on the one hand withdrawing, and applicant Rice Transportation Company on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3. Applicants Donovan Transportation Co. and Glendale & Verdugo Hills Express Company shall immediately withdraw time schedules filed in their names with the Railroad Commission and applicant Rice Transportation Company shall immediately file, in duplicate, in its own name time schedules covering service heretofore given by applicants Donovan Transportation Co. and Glendale & Verdugo Hills Express Company, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicants Donovan Transportation Co. and Glendale & Verdugo Hills Express Company 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 Rice Transportation Company 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.

Dated at San Francisco, California, this 7th day of

March 1933.

C. Leary

Leon Whidbey

M. A. Linn

M. B. Lewis

M. S. Brown

Commissioners.