

Decision No. 9319

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of JOSEPH HELD to lease to LOUIS LAYKO the right to operate auto stages in connection with the operative right of JOSEPH HELD on a certain schedule filed with the Railroad Commission of the State of California.

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Application No. 7045
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BY THE COMMISSION,

ORDER

In this proceeding Joseph Held has filed a joint application with Louis Layko in which he applies to the Railroad Commission for permission to lease to the latter named applicant the right to operate a so-called "run" between Oakland and San Jose for a period of one year at a monthly rental of \$150.00.

Applicant Held is at the present time the holder of an operative right permitting the operation of an automobile passenger stage line between the cities of Oakland and San Jose, California, such operative right having been secured by Joseph Held through operation in good faith prior to May 1st, 1917, and continuously since that date.

There are at the present time associated together for the purposes of affecting a uniform time schedule seven individuals all of whom hold operative rights between the cities of Oakland and San Jose and in accordance with a verbal agreement each of such seven individuals operate, at specified periods, what are designated as "runs" between the cities above named.

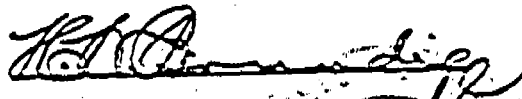
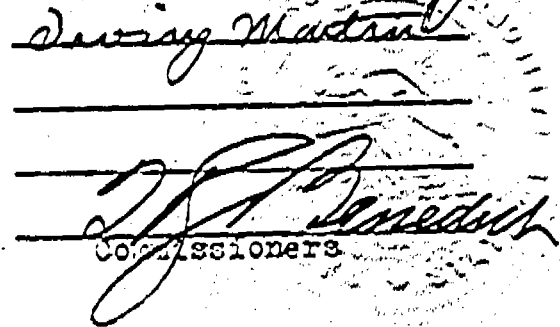
Under the present application applicant Held proposes to lease to applicant Layko the right to operate two round trips per day under his certificate. Applicant Held proposes at the same time to

retain the right to operate other "runs" which he controls also under the same certificate. The proposed agreement, if approved by the Railroad Commission, would in effect, be establishing an additional restricted operative right in addition to the seven existing operative rights between the cities of Oakland and San Jose, while giving to the public no improvement whatsoever in present service conditions, but permitting the lessor under the proposed agreement to benefit from his existing operative right to the extent of the monthly rental stated in such proposed lease, without incurring the expense of operation or assuming any of the obligations incumbent upon this class of common carriers with respect to the leased "runs".

The Railroad Commission is of the opinion that any agreement as herein proposed, which results in dividing the responsibility of a legitimate holder of an operative right and without according any additional or improved service, being intended only to operate to the profit of the holder of an operative right, is against public interest and should not receive our approval. The application will be denied.

IT IS HEREBY ORDERED that the above-entitled application be, and the same hereby is denied.

Dated at San Francisco, California, this 5th day of August, 1921.



Commissioners