

ORIGINAL

Decision No. 25990.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
A. VILLANTI doing business under the)
firm name CITY AUTO EXPRESS and)
DRAYAGE COMPANY to sell and) Application
A. Gasparotto to purchase an automobile) No. 18872.
trucking service (Half share) operated)
between San Francisco, Colma, Salada)
Beach and Pedro Valley.)

BY THE COMMISSION:

OPINION and ORDER

A. Villanti doing business under the firm name of City Auto Freight and Drayage Company has petitioned the Railroad Commission for an order approving the sale and transfer by him to A. Gasparotto of a one-half interest in an operating right for an automotive service for the transportation of property between San Francisco, Colma, Salada Beach and Pedro Valley limited to farm products and farm implements and supplies in return trips, and A. Gasparotto has petitioned for authority to purchase and acquire said one-half interest in said operating right and to hereafter operate thereunder, the sale and transfer to be in accordance with an agreement dated July 12, 1932, 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 \$3000. Of this sum \$1500. is declared to be the value of equipment and \$1500. is declared to be the value of the operating right.

Exhibit "A" shows that \$800. of the purchase price was payable upon the signing of the agreement and that the balance of \$2200. is payable in monthly installments of \$50. with interest at the rate of six percent per annum.

The operating right herein proposed to be transferred was created by Decision No. 9475, dated September 7, 1921, on Application No. 6483, Decision No. 14441, dated January 8, 1925, on Application

No. 10699, Decision No. 15903, dated January 26, 1926, on Application No. 12390 and Decision No. 17894, dated January 12, 1927, on Application No. 13455.

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.

A. Gasparotto 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 A. Villanti shall immediately unite with applicant A. Gasparotto in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant A. Villanti on the one hand withdrawing, and applicants A. Villanti and A. Gasparotto on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicant A. Villanti shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicants A. Villanti and A. Gasparotto shall immediately file, in duplicate, in their own names time schedules covering service heretofore given by applicant A. Villanti, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant A. Villanti, 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 applicants A. Villanti and A. Gasparotto 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.

6. The authority herein granted will become effective when applicants have paid the minimum fee prescribed by Section 6 of the Auto Stage and Truck Transportation Act, which fee is \$25.00

Dated at San Francisco, California, this 20th day of

May 1933.

C. Seawey

W. H. Cunn

M. B. Harris

Robert Ware
Commissioners.

Fee \$ 25⁰⁰/₁₀₀
RAILROAD COMMISSION
STATE OF CALIFORNIA
MAY 20 1933
RECEIVED
Fee # 28588