

Decision No. 26082

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
CARL B. and ESTELLA TRUEBLOOD, doing
business as partners under the
fictitious firm name of Independent
Truck Company, to lease with option
to sell to Citizens Truck Co., Ltd.,
a corporation, operative rights for the
transportation of property in Southern
California.

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} Application No. 18936
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BY THE COMMISSION -

OPINION and ORDER

Carl B. and Estella Trueblood, doing business under the fictitious name of Independent Truck Company, have petitioned the Railroad Commission for an order approving the leasing by them, with option to sell to Citizens Truck Co., Ltd., of operating rights for an automotive service for the transportation of property between Los Angeles, Montebello and Whittier, and Citizens Truck Co., Ltd. has petitioned for authority to lease, with option to purchase said operating rights and to hereafter operate thereunder, the lease and option 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 leased is given as \$5000.00, payable \$100.00 per month for 36 months, and \$1400.00 at the expiration of the period. No equipment is to be transferred.

The operating rights herein proposed to be transferred were established by virtue of operation prior to 1917. Subsequent ownership changes were approved by Decision No. 17757, dated December 13, 1926, on Application No. 13156, and Decision No. 18887, dated October 4, 1927, on Application No. 14076.

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.

Citizens Truck Co., Ltd. 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 purposed other than the transfer herein authorized.
2. Applicants Carl B. and Estella Trueblood shall immediately unite with applicant Citizens Truck Co., Ltd. in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicants Carl B. and Estella Trueblood on the one hand withdrawing, and applicant Citizens Truck Co., Ltd. on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicants Carl B. and Estella Trueblood shall immediately withdraw time schedules filed in their names with the Railroad Commission, and applicant Citizens Truck Co., Ltd. shall immediately file, in duplicate, in its own name time schedules covering service heretofore given by applicants Carl B. and Estella Trueblood, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Carl B. and Estella Trueblood, 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 Citizens Truck Co., Ltd. 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 19th day of June, 1933.

C. S. Lewis
Leon Whitney
W. J. Cunn
M. B. Lewis
W. H. [unclear]
COMMISSIONERS.