

Decision No. 26193.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application
of Sophia Hodges to sell and
Charles Goodell to purchase an
automobile Freight Line operated
between Plymouth, Ione, and Latrobe,
California, and between Plymouth,
California and Sacramento, California.

ORIGINAL

Application No. 19023.

BY THE COMMISSION:

OPINION AND ORDER.

Sophia Hodges, surviving widow and heir of the estate of Edwin P. Hodges, has petitioned the Railroad Commission for an order approving the sale and transfer by her to Charles Goodell of one-half interest of operating rights for an automotive service for the transportation of property between Sacramento and Plymouth and Plymouth and Latrobe, California, and Charles Goodell has petitioned for authority to purchase and acquire said operating rights and to hereafter operate thereunder, the sale and transfer 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 transferred is given as \$2,000.00. Of this sum \$1,500.00 is declared to be the value of equipment and \$500.00 is declared to be the value of intangibles.

The operating rights herein proposed to be transferred were created by Decision No. 20691, dated January 17, 1929, on

Application No. 15308, and Decision No. 25905, dated May 1, 1933, on Application No. 18721.

Edwin P. Hodges died June 6, 1933. By decree of the Superior Court in and for Amador County his estate in its entirety, including the rights herein sought to be transferred, was assigned to Sophia Hodges, surviving widow, by decree No. 2340, dated July 10, 1933 (Exhibit B). It is this inherited half interest in the rights and equipment that is sought to be transferred.

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.

Charles Goodell 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, Sophia Hodges and Charles Goodell, shall immediately unite with applicant Charles Goodell in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicants Sophia Hodges and Charles Goodell on the one hand withdrawing,

and applicant Charles Goodell on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3. Applicants Sophia Hodges and Charles Goodell shall immediately withdraw time schedules filed in their names with the Railroad Commission and applicant Charles Goodell shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicants Sophia Hodges and Charles Goodell, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicants Sophia Hodges and Charles Goodell, 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 Charles Goodell unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

Dated at San Francisco, California, this 31st
day of July, 1933.

C. C. Harvey
Leon Whiteley
W. J. Cunn
M. B. Harris
Commissioners.