

Decision No. 26450

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
ELIZABETH CRANE to sell, and)
G. J. TURNER to purchase a passenger)
and parcel automobile stage line) Application No. 19055
between San Rafael and Hamilton Field,)
California.)

BY THE COMMISSION -

OPINION and ORDER

ORIGINAL

Elizabeth Crane has petitioned the Railroad Commission for an order approving the sale and transfer by her to G. J. Turner of an operating right for an automotive service for the transportation of passengers and property between San Rafael and Hamilton Field, and G. J. Turner has petitioned for authority to purchase and acquire said operating right 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 \$1000.00. Of this sum \$900.00 is declared to be the value of equipment and \$100.00 is declared to be the value of intangibles.

The operative right herein proposed to be transferred was created by Decisions Nos. 25571 and 25659, on Application No. 18555, of Allen A. Crane, in February, 1933.

Service, as authorized, was established and maintained by Crane until July 18, 1933, when he transferred his vehicle and operating right to Elizabeth Crane, his wife, as a part of a settlement of property rights in a divorce proceeding between the Cranes. This agreement, marked Exhibits "A" and "B", is attached to the application. Since its execution applicants allege that Allen A. Crane has left for parts unknown.

Applicants now ask that the transfer by Crane to his wife and by her to Turner be approved.

This appears to be a matter in which a public hearing is not necessary. The application should be granted.

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

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 G. J. Turner 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 23rd day of
October, 1933.

O. C. Leroy
Leon Overman
M. A. Linn
M. B. Harris
W. H. Jones
COMMISSIONERS.