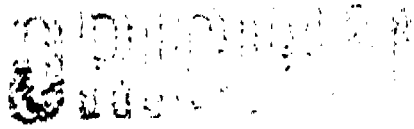


Decision No. 26606.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
WILLARD E. MULLIKIN, JR., doing busi-  
ness under the fictitious name and  
title of HIGHWAY EXPRESS AND FORWARD-  
ING COMPANY, for a certificate of  
public convenience and necessity to  
continue in effect the rates and ser-  
vices as provided by applicant's Lo-  
cal Express Tariff C.R.C. No. 2, now  
on file with the Railroad Commission  
of the State of California. )



Application No. 19202.

BY THE COMMISSION:

O P I N I O N

Applicant is an express corporation<sup>1</sup> engaged in transporting property over the lines of various common carriers in this state. By application filed November 18, 1933, it seeks a certificate of public convenience and necessity authorizing it to continue in effect the service it now performs.

Section 50(f) of the Public Utilities Act reads in part as follows:

"No express corporation or freight forwarder shall after August 1, 1933, commence operating between points in this State or extend its operations to or from any point or points in this State not theretofore served by it, unless and until it shall first secure from the Railroad Commission, upon formal application therefor, a certificate that public conven-

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<sup>1</sup> Section 2(k) of the Public Utilities Act reads:

"The term 'express corporation', when used in this act, includes every corporation or person, their lessees, trustees, receivers or trustees appointed by any court whatsoever, engaged in or transacting the business of transporting any freight, merchandise or other property for compensation on the line of any common carrier or stage or auto stage line within this state."

ience and necessity require such operation. Any express corporation or freight forwarder having between May 1, 1933, and the effective date of this act, commenced operations or extended its service as aforesaid, shall have ninety (90) days after the effective date of this act to file with the Railroad Commission a formal application for a certificate of public convenience and necessity for such service. The Railroad Commission shall have power, with or without hearing, to issue such certificate, or to refuse to issue the same, or to issue it for the partial exercise only of the privilege sought, and may attach to its order granting such certificate such terms and conditions as, in its judgment, the public convenience and necessity require."

Applicant commenced the operation of its express business on July 24, 1933. The points it serves are fully set forth in its Local Express Tariff C.R.C. No. 2, filed with the Commission July 21, 1933, effective July 24, 1933.

Applicant alleges that since its operations were commenced it has promptly forwarded all property that was offered and asks that it be authorized to continue its operations.

It appears that this is a matter in which a public hearing is not necessary, and that the certificate prayed for should be granted.

Applicant Willard E. Mullikin, Jr., doing business under the fictitious name and title of Highway Express and Forwarding Company, 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. The monopoly 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.

O R D E R

An application having been filed with the Commission, and

