

Decision No. 27122

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PIONEER TRUCK AND TRANSFER COMPANY,)
a copartnership, to sell, and)
COAST TRUCK LINE, a corporation, to) Application No.19457
purchase an auto truck line operated)
between Calexico, El Centro and)
Calipatria, California, and)
intermediate points.)

ADDITIONAL

BY THE COMMISSION -

OPINION and ORDER

Pioneer Truck and Transfer Company, a copartnership of D. D. Stafford and Percie C. Thacker, has petitioned the Railroad Commission for an order approving the sale and transfer by it to Coast Truck Line, a corporation, of operating rights for an automotive service for the transportation of property between Calexico, El Centro and Calipatria and Westmorland, and Coast Truck Line 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 \$1500.00, which is declared to be the value of intangibles only. No equipment is involved. The amount is to be paid in twelve equal monthly installments.

The operating rights herein proposed to be transferred were created by Decision No.10477, dated May 18, 1922, on Application No.7858, and by Decision No.12255, dated June 23, 1923, on Application No.8895; also by Decision No.15550, dated October 21, 1925, on Application No.11713, authorizing through service .

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.

Coast Truck Line, a corporation, 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 D. D. Stafford and P. C. Thacker, copartners, shall within twenty (20) days after the effective date of the order unite with applicant Coast Truck Line in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicants D. D. Stafford and P.C.Thacker on the one hand withdrawing, and applicant Coast Truck Line on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicants D. D. Stafford and P.C.Thacker shall within twenty (20) days after the effective date of the order withdraw time schedules filed in their names with the Railroad Commission and applicant Coast Truck Line shall within twenty (20) days after the effective date of the order file, in duplicate, in its own name time schedules covering service heretofore given by applicants D. D. Stafford and P.C.Thacker, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the names of applicants D.D.Stafford and P.C.Thacker, 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 Coast Truck Line 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.

6. The authority granted to sell and transfer the rights and/or property shall lapse and be void if the parties hereto shall not have complied with all the conditions within the periods of time fixed herein unless, for good cause shown, the time shall be extended by further order of the Commission.

Dated at San Francisco, California, this 4th day of
June, 1934.

W. C. Seaver
Leon Curdwell
W. H. Carr
W. B. Harris
C. M. MacFarlane
COMMISSIONERS.