

ORIGINAL

In the Matter of the application of SAMUEL JACKSON to sell and HUMBOLDT MOTOR STAGES, INC., a corporation, to purchase operative rights for the transportation of passengers, baggage and express between Weaverville and Hayfork, and Hayfork in Trinity County and Peanut in Shasta County, and of the purchaser to consolidate same with the remainder of its system; also application of Humboldt Motor Stages, Inc. to consolidate leased line between Burnt Ranch and Weaverville with remainder of its system.

Application
No. 19510

OPINION and ORDER

The consideration to be paid for the property herein proposed to be transferred is given as \$1.00, which is declared to be the value of intangibles. No equipment is to be transferred.

Applicant also requests consolidation of the operating right to be acquired with its other rights and this request will be granted with the understanding that should the right between Burnt Ranch and Weaverville, now leased by applicant, with option to purchase, not be acquired by him, the consolidation shall be effective only so long as applicant is in lawful possession thereof.

The operating right herein proposed to be transferred was created by Decision No.17709, dated December 3, 1926, on Application No.13348.

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.

Humboldt Motor Stages, Inc. 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 Humboldt Motor Stages, Inc. shall within twenty (20) days after the effective date of the order unite with applicant Samuel Jackson in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Samuel Jackson on the one hand withdrawing, and applicant Humboldt Motor Stages, Inc. on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicant Samuel Jackson shall within twenty (20) days after the effective date of the order withdraw time schedules filed in his name with the Railroad Commission, and applicant Humboldt Motor Stages, Inc. 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 applicant Samuel Jackson, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Samuel Jackson, 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 Humboldt Motor Stages, Inc. 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 right herein transferred is hereby consolidated with applicant's existing operating rights as granted by Decision No.26338, dated September 18, 1933, on Application No.19036, and Decision No.26946, dated April 16, 1934, on Application No.19389, said consolidated to terminate whenever applicant herein ceases lawfully to operate between Burnt Ranch and Weaverville, as provided in said Decision No.26946.

7. The authority granted to sell and transfer the right 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 17th day of

July, 1934.

CL Weaver
Leon A. Dwyer

Walter H. Ware
COMMISSIONERS.