

Decision No. 27767.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ANDERSON BROTHERS, co-partners, to sell, and M. C. YAHNE, INC., doing business as INLAND STAGES, to purchase certain operative rights for transportation of passengers, baggage and express between Mono Lake and California-Nevada State Line north of Topaz.

Application No. 19664.

BY THE COMMISSION:

OPINION AND ORDER

ORIGINAL

L. N. and E. G. Anderson, co-partners, have petitioned the Railroad Commission for an order approving the sale and transfer by them to M. C. Yahne, Inc., operating under the name Inland Stages, of an operating right for an automotive service for the transportation of passengers between the California-Nevada state line near Coleville and Leovining, and M. C. Yahne, Inc. 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.

The consideration to be paid for the property herein proposed to be transferred is given as \$250.00, which sum is declared to be the value of intangibles. No equipment is to be transferred.

While the passenger right is a part of the general right of Anderson Brothers to transport both property and persons, the purchaser is conducting exclusively passenger and express

service between Reno and Los Angeles (interstate and intrastate), and is better able to furnish adequate service than the sellers, in that he serves all points in Nevada and California, via the High Sierras Highway (State), serving the summer resort region between Bridgeport and Bishop.

The right proposed to be transferred was created by Decision No. 12882, dated October 4th, 1927, on Application No. 13925.

Applicant Yahne also requests that, in connection with the transfer, his present certificate, as granted by Decision No. 26568, on Application No. 19173, be consolidated with the rights herein acquired and asks for the removal of a restriction, contained in Decision No. 26568 against performing local transportation between Mono Lake and the Nevada state line. He also requests consolidation herein with rights, as heretofore identified.

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.

M. C. Yahne, 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 Yahne shall file, in triplicate, and make effective within a period of not to exceed thirty (30) days after the effective date of this order, on not less than ten days' notice to the Commission and the public, a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application, in so far as they conform to the certificate herein granted, or rates satisfactory to the Railroad Commission.
- (3) Applicant Yahne shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days after the effective date of this order, on not less than five days' notice to the Commission and the public, time schedules covering the service herein authorized in a form satisfactory to the Railroad Commission.
- (4) The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.
- (5) No vehicle may be operated by applicant, M. C. Yahne, Inc., 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.
- (6) 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.

IT IS HEREBY FURTHER ORDERED that the rights herein transferred be and the same hereby are consolidated with applicant Yahne's rights as granted by Decision No. 26568, on Application No. 19173, provided applicant may conduct local transportation between all points intermediate to Mono Lake and the

California-Nevada state line near Coleville, California.

Dated at San Francisco, California, this 25<sup>th</sup> day  
of February, 1935.

Leon Wheeler

M. J. Carr

M. B. Davis

William H. Moore

Frank R. Williams

Commissioners.