

Decision No. 28036

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
RICHARD E. MOORE to sell; and
JAMES C. RICHARDS to purchase an
automobile passenger line operated
between Brisbane and junction of
San Francisco and San Mateo county
line, California.)
Application
No. 19992

BY THE COMMISSION -

OPINION

ORIGINAL

Richard E. Moore and James C. Richards, co-partners operating under the name of Richards and Moore Transit Service, have petitioned the Railroad Commission for an order approving the sale and transfer by them to James C. Richards of an operating right for an automotive service for the transportation of passengers between Brisbane, San Mateo county, and the San Francisco county line, and James C. Richards 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 \$100.00. Of this sum \$75.00 is declared to be the value of equipment and \$25.00 is declared to be the value of intangibles.

The operating right herein proposed to be transferred was created by Decision No. 27470, dated October 29, 1934, on Application No. 19564.

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.

James C. Richards 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.

O R D E R

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 Richard E. Moore and James C. Richards shall within twenty (20) days after the effective date of the order unite with applicant James C. Richards in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicants Richard E. Moore and James C. Richards on the one hand withdrawing, and applicant James C. Richards on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicants Richard E. Moore and James C. Richards 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 James C. Richards shall within twenty (20) days after the effective date of the order file, in duplicate, in his own name time schedules covering service heretofore given by applicants Richard E. Moore and James C. Richards, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicants Richard E. Moore and James C. Richards, 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 James C. Richards 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.

Dated at San Francisco, California, this 17th day of June, 1935.

Leon Whitely

W. P. Cunn

W. B. Lane

Arthur Brown

Frank R. Dyer

COMMISSIONERS.