Decision No. 28914

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of SARAH S. BURGER to sell and A. E. TRAVIS ) to purchase an automobile truck line opporated between Sacramento, Oakland, San Francisco, Redding, Nevada City, Colfax, ) Placerville and Fresno, California, and intermediate points.

Application No. 20606

BY THE COMMISSION:



## OPINION

Sarah S. Burger operating under the name and style of Liberty Van Line has petitioned the Railroad Commission for an order approving the sale and transfer by her to A. E. Travis of operating rights for the automotive transportation as a highway common carrier of property between San Francisco, Oakland, Sacramento and intermediate points via Vallejo; Sacramento, Redding via Woodland and Marysville; Sacramento, Nevada City and Colfax via Audurn; Sacramento, Placerville; Sacramento, San Francisco via Rio Vista; Sacramento, Fresmo and intermediate points subject to certain restrictions set forth in decisions hereinafter referred to and A. E. Travis 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 \$650.00 Of this sum \$600.00 is alleged by the applicant to be the value of the equipment and \$50.00 is alleged to be the value of the intangibles.

The operating rights herein proposed to be transferred were created by Decisions Nos. 13775 dated July 3, 1924, 13902 dated August 8, 1924 and 17916 dated January 18, 1927 on Applications Nos. 9727, supplemental 9727 and 11777 respectively.

This appears to be a matter in which a public hearing is not necessary, the application will be granted.

A. E. Travis 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.

## ORDER

IT IS HEREBY ORDERED that the above entitled application be, and the same is horeby 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 for any purpose other than the transfer herein authorized.
- 2. Applicant Sarah S. Burger shall within twenty (20) days after the effective date of the order herein unite with applicant AL E. Travis in common supplement to the tariffs on file with the Commission, covering service given under the certificate herein authorized to be transferred, applicant Sarah S. Burger withdrawing and applicant A. E. Travis accepting and establishing such tariffs and all effective supplements thereto.
- 3. Applicant Sarah S. Burger shall within twenty (20) days after the effective date of the order herein withdraw all time schedules filed in her name with the Railroad Commission

and applicant A. E. Travis shall within twenty (20) days after the effective date of the order herein file, in duplicate, in his own name time schedules covering service heretofore given by applicant Sarah S. Burger which time schedules shall be identical with the time schedules now on file with the Railroad Commission, in the name of applicant Sarah S. Burger 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 obtained.
- 5. No vehicle may be operated by applicant A. E. Travis 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 herein 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.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 22md day June, 1936.

Commissioners