

Decision No. 29179

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 F. W. Granger- Granger Truck Service  
 to sell and Waldon Carnall to purchase  
 an automobile Freight Line operating  
 between Los Angeles, Pasadena, Pomona  
 and various other points in Southern  
 California.

Application No. 20780

BY THE COMMISSION:

**ORIGINAL**O P I N I O N

F. W. Granger operating under the name and style of Granger's Truck Service has petitioned the Railroad Commission for an order approving the sale and transfer by him to Waldon Carnall of an operating right for the automotive transportation as a highway common carrier of property between Los Angeles, Riverside, San Bernardino, Redlands, Elsinore, Laguna and Huntington Beach and intermediate points; and Waldon Carnall 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 \$1,000 which is alleged by the applicant to be the value of the intangibles.

The agreement provides for a Three Hundred Dollar (\$300) payment upon execution thereof and balance of Seven Hundred Dollars (\$700) to be paid in twelve equal monthly installments of

of Fifty-eight Dollars and thirty-three cents (\$58.33) plus interest. Payments to commence on date of transfer by the California Railroad Commission. No equipment is to be transferred.

The operating right herein proposed to be transferred was created by Decision No. 13355, dated April 2, 1924, on Application No. 2802.

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

Waldon Carnall 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 for any purpose other than the transfer herein authorized.
2. Applicant F. W. Granger shall within twenty (20) days after the effective date of the order herein unite with applicant Waldon Carnall in common supplement to the tariffs on file with the Commission, covering service given under the certificate herein authorized to be transferred, applicant F. W. Granger withdrawing and applicant Waldon Carnall accepting and establishing such tariffs and all effective supplements thereto.

3. Applicant F. W. Granger shall within twenty (20) days after the effective date of the order herein withdraw all time schedules filed in his name with the Railroad Commission and applicant Waldon Carnall 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 F. W. Granger which time schedules shall be identical with the time schedules now on file with the Railroad Commission, in the name of applicant F. W. Granger 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 Waldon Carnall 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 13<sup>th</sup> day of October, 1936.

M. B. Davis

Leon Whisell

M. A. Cur

W. H. ...

Frank ...

COMMISSIONERS.