

Decision No. 29569

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of James A. Ross, doing business  
under the firm name and style of  
Jim Ross Livestock Transportation,  
to sell, and of Rex W. Boston to  
purchase, and of Rex W. Boston to  
sell and Livestock Transport Inc.,  
a corporation, to purchase an  
automotive truck line authorizing  
service between various points  
within the State of California,  
for the transportation of live-stock.

Application No. 21122

BY THE COMMISSION:

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

James A. Ross, doing business under the firm name and style of Jim Ross Livestock Transportation, has petitioned the Railroad Commission for an order approving the sale and transfer by him to Rex W. Boston of an operating right for the automotive transportation as a highway common carrier of livestock only between Los Angeles Union Stock Yards and various points in Southern California; and Rex W. Boston has petitioned for authority to purchase and acquire said operating right and to immediately sell and transfer said operating right to the corporation Livestock Transport, Inc., which corporation has petitioned for authority to purchase and acquire said operating right, and to hereafter operate thereunder, the sales and transfers to be in accordance with agreements, copies of which, marked Exhibit "A" and Exhibit "B" are attached to the application herein and made parts thereof.

The consideration between applicants Ross and Boston is \$1.00 together with the cancellation of certain indebtedness due

from applicant Ross to Applicant Boston. The consideration between applicants Boston and Livestock Transport Inc. is nominal. No equipment is involved in the proposed transfer.

The operating right proposed to be transferred was created by Decision No. 26734, dated January 15, 1934, on Application No. 19229.

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

Livestock Transport 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.

### 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 Ross shall within twenty (20) days after the effective date of the order herein unite with applicant Livestock Transport Inc. in common supplement to the tariffs on file with the Commission, covering service given under the certificate herein authorized to be transferred, applicant Ross withdrawing and applicant Livestock Transport Inc. accepting and establishing such tariffs and all effective supplements thereto.

3. Applicant Ross 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 Livestock Transport Inc. shall within twenty (20) days after the effective date of the order herein file, in duplicate, in its own name time schedules covering service heretofore given by applicant Ross which time schedules shall be identical with the time schedules now on file with the Railroad Commission, in the name of applicant Ross 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 Livestock Transport 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 authority herein granted 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.

7. Applicant Livestock Transport Inc. shall, prior to the commencement of service authorized herein and continuously thereafter comply with all of the provisions of this Commission's General Order No. 91.

Dated at San Francisco, California, this 12<sup>th</sup> day of April, 1937.

W. J. [Signature]  
Leon [Signature]  
James R. [Signature]  
Carl [Signature]  
Ray [Signature]  
COMMISSIONERS.