

Decision No. 20826

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of W. MONROE SEIBOLD to sell, and )  
GLENN S. MARTIN to purchase, the )  
partnership interest of Seller in )  
an automobile passenger bus line )  
operated between Palm Springs and )  
Cathedral City, also between cer- )  
tain points in the vicinity of )  
Lake Arrowhead, California. )

Application No. 21216

BY THE COMMISSION:

**ORIGINAL**

O P I N I O N

W. Monroe Seibold a co-partner with Glenn S. Martin has petitioned the Railroad Commission for an order approving the sale and transfer by him to Glenn S. Martin of an undivided one-half interest in an operating right for the automotive transportation as a common carrier of passengers between Palm Springs and Cathedral City and intermediate points and between Blue Jay and Cedar Glen; and Glenn S. Martin has petitioned for authority to purchase and acquire said undivided one-half interest in 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 \$1.00 which is alleged by the applicant to be the value of the intangibles.

No equipment is to be transferred.

The operating right herein proposed to be transferred was created by authority of Decisions Nos. 29389, dated December

21, 1936 and 29491, dated January 25, 1937, on Application No. 20315. This appears to be a matter in which a public hearing is not necessary. The application will be granted.

Glenn S. Martin 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 Glenn S. Martin shall within twenty (20) days after the effective date of the order herein unite with applicants W. Monroe Seibold and Glenn S. Martin in common supplement to the tariffs on file with the Commission, covering service given under the certificate herein authorized to be transferred, applicants Glenn S. Martin and W. Monroe Seibold withdrawing and applicant Glenn S. Martin accepting and establishing such tariffs and all effective supplements thereto.
3. Applicants Glenn S. Martin and W. Monroe Seibold shall within twenty (20) days after the effective date of the order herein withdraw all time schedules filed in their name with the Railroad Commission and applicant Glenn S. Martin 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 applicants Glenn S. Martin and W. Monroe Seibold 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 Glenn S. Martin 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 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.

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

Dated at San Francisco, California, this 7<sup>th</sup> day of June, 1937.

Walter H. Brown  
Leon Whelan  
Frederick W. Smith  
Robertson  
Ray C. Riley  
COMMISSION.