

Decision No. 30703

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PICCARDO BROS. to sell and EL DORADO)
MOTOR TRANSPORT COMPANY, to purchase)
an automobile freight line operated)
between Jackson and Sacramento,)
California.)

Application No. 21809

ORIGINAL

BY THE COMMISSION:

O P I N I O N

Piccardo Bros., a copartnership composed of Angelo and Andrea Piccardo, doing business as Amador County Freight Lines, have petitioned the Railroad Commission for an order approving the sale and transfer by them to El Dorado Motor Transport Company, a corporation, of an operating right for the automotive transportation as a highway common carrier of property between Sacramento and Jackson; and El Dorado Motor Transport Company 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 \$5,000. Of this sum \$2,500 is alleged by the applicant to be the value of the equipment and \$2,500 is alleged to be the value of the intangibles.

The operating right herein proposed to be transferred was acquired under authority of Decision No. 30007, dated August 9, 1937, on Application No. 21380. This appears to be a matter in which a public hearing is not necessary; the application will be granted.

El Dorado Motor Transport Company 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 Piccardo Bros. shall within twenty (20) days after the effective date of the order herein unite with applicant El Dorado Motor Transport Company in common supplement to the tariffs on file with the Commission, covering service given under the certificate herein authorized to be transferred, applicant Piccardo Bros. withdrawing and applicant El Dorado Motor Transport Company accepting and establishing such tariffs and all effective supplements thereto.
3. Applicant Piccardo Bros. 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 El Dorado Motor Transport Company 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 Piccardo Bros. which time schedules shall be identical with the time schedules now on file with the Railroad Commission, in the name of applicant Piccardo Bros. 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 El Dorado Motor Transport Company 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 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.

7. Applicant El Dorado Motor Transport Company 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.

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

Dated at San Francisco, California, this 21st day of
March, 1938.

William W. Ware
Leon A. Whittell
Frank R. Bennett
Katherine A. Bennett
W. H. C. Ciley
COMMISSIONERS