

ORIGINAL

Decision No. 28143

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
GEORGE DOSTER, doing business as
STOCKTON, OAKDALE EXPRESS CO., to
sell, and Valley Motor Lines, Inc.
to purchase an automobile freight
line, operating between Stockton on
the one hand, and Oakdale on the
other hand, and intermediate points.

Application No. 22572

BY THE COMMISSION:

O P I N I O N

George Doster, an individual, operating under the fictitious name and style of Stockton - Oakdale Express has petitioned the Railroad Commission for an order approving the sale and transfer by him to Valley Motor Lines, Inc., a corporation, of an operating right for the automotive transportation as a highway common carrier of property between Stockton and Oakdale and intermediate points, and Valley Motor Lines, Inc. 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 option agreement, a copy of which, marked Exhibit "A", is attached to the application herein and made a part thereof. Also attached to the application and made a part thereof is a Bill of Sale marked Exhibit "B".

The consideration to be paid for the property herein proposed to be transferred is given as \$2750. Of this sum, \$1,000 is alleged by the applicant to be the value of the equipment and \$1,750 is alleged to be the value of the intangibles.

The operating right herein proposed to be transferred was created by Decision No. 28143, dated July 31, 1935, and Decision

No. 28443, dated December 16, 1935 on Applications Nos. 20070 and 20180, respectively.

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

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

George Doster which time schedules shall be identical with the time schedules now on file with the Railroad Commission, in the name of applicant George Doster 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 Valley Motor Lines, 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 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 27th day of February, 1939.

Robert W. [unclear]
Frank [unclear]
Ray L. [unclear]
[unclear]
Justin F. [unclear]
COMMISSIONERS