Decision No. _____

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of W. W. POWERS, Receiver of the ROBB-BAILEY TRANSIT COMPANY, a copartnership, to sell, and ERUCE W. ROBB to purchase, an automobile passenger line operated between the intersection of Del Monte and Rider Avenues, East Salinas, and Salinas Airport, West Salinas, and intermediate points via Salinas, California.

BY THE COMMISSION:

<u>O P I N I O N</u>

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Application

No. 23560

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It appears from the above application that W. W. Powers was appointed receiver of a partnership consisting of Bruce W. Robb and Ira C. Bailey, operating as a passenger stage corporation, and that pursuant to an order of the Superior Court, said receiver sold the equipment and certificate of such partnership to Bruce W. Robb subject to the approval of this Commission. The instant application seeks such approval.

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

Bruce W. Robb 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.

ORDER

IT IS ORDERED that such transfer is hereby approved and Bruce W. Robb is hereby authorized to exercise the rights

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heretofore conferred upon Bruce W. Robb and Ira C. Bailey, a co-partnership, doing business as Robb-Bailey Transit Company, by that certain certificate granted by Decision No. 30431, dated December 20, 1937, in Application No. 21595, subject to the following conditions:

1. The authority herein granted shall lapse and be void if applicants 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.

2. 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.

3. Applicant W. W. Powers, as Receiver of Robb and Bailey Transit Company, shall within thirty (30) days after the effective date of the order herein, and upon not less than five (5) days' notice to the Commission and the public, unite with applicant Bruce W. Robb in common supplement to the tariffs on file with the Commission covering the service given under the operative rights herein authorized to be transferred, applicant W. W. Powers, as Receiver of Robb and Bailey Transit Company, withdrawing, and applicant Bruce W. Robb accepting and establishing such tariffs and all effective supplements thereto.

4. Applicant W. W. Powers, as Receiver of Robb and Bailey Transit Company, shall within thirty (30) days after the effective date of the order herein, and upon not less than five (5) days' notice to the Commission and the public, withdraw all time schedules filed in their names with the Railroad Commission and applicant Bruce W. Robb shall within thirty (30) days after the effective date of the order herein, and upon not less than five (5) days' notice to the Commission and the public, file in triplicate, in his own name, time schedules covering service heretofore given by applicant W. W. Powers, Receiver of Robb and Bailey Transit Company, which time schedules shall be satisfactory to the Railroad Commission.

5. 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. 6. No vehicle may be operated by applicant Bruce W. Robb 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.

The effective date of this order shall be the date hereof. Dated at San Francisco, California, this <u>30</u> day of <u>1940</u>.

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