

Decision No. 33561

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of GUY)
C. LYONS, doing business under the fic-)
titious firm name and style of HIGHLAND)
TRANSPORTATION COMPANY (Compton), to sell)
and of GUY C. LYONS and LAWRENCE P. GOLTRA,)
co-partners, doing business under the fic-)
titious firm name and style of HIGHLAND)
TRANSPORTATION COMPANY of Compton, to)
purchase, an automobile passenger line)
operated between Compton, Hynes and)
Downey, California.)

ORIGINAL

Application
No. 23890

BY THE COMMISSION:

O P I N I O N

Guy C. Lyons, doing business as Highland Transportation Company, has petitioned the Railroad Commission for an order approving the sale and transfer by him to Guy C. Lyons and Lawrence P. Goltra, a co-partnership, of operative rights for the transportation of passengers between certain points in the vicinity of Compton. Guy C. Lyons and Lawrence P. Goltra, a co-partnership, have petitioned for authority to purchase and acquire said operative rights and hereafter to operate thereunder.

The consideration to be paid for the property herein proposed to be transferred is given as \$4,392.02, which is declared by applicants to be the value of the equipment and physical assets. No value is attached to the intangibles.

The operative rights herein proposed to be transferred were created by Decision No. 20921, dated March 29, 1929, Decision No. 29341, dated December 7, 1936, Decision No. 29624, dated March 29, 1937, and Decision No. 33561, dated October 1, 1940.

This does not appear to be a matter in which a public hearing is required. The application will be granted.

Guy C. Lyons and Lawrence P. Goltra are 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 ORDERED that Guy C. Lyons is authorized to transfer to Guy C. Lyons and Lawrence P. Goltra, a co-partnership, common carrier operative rights referred to in the foregoing opinion and Guy C. Lyons and Lawrence P. Goltra are hereby authorized to acquire said operative rights and hereafter to operate thereunder, 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 Guy C. Lyons 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 applicants Guy C.

Lyons and Lawrence P. Goltra 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 Guy C. Lyons withdrawing, and applicants Guy C. Lyons and Lawrence P. Goltra accepting and establishing such tariffs and all effective supplements thereto.

4. Applicant Guy C. Lyons 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 his name with the Railroad Commission and applicants Guy C. Lyons and Lawrence P. Goltra 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 their own names, time schedules covering service heretofore given by applicant Guy C. Lyons 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 applicants Guy C. Lyons and Lawrence P. Goltra unless such vehicle is owned by said applicant or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

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

Los Angeles
Dated at ~~San Francisco~~, California, this 25th day of February, 1941.

[Signature]
[Signature]
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COMMISSIONERS