

Decision No. 37122

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
GENE MORRISON, dba ASSOCIATED)
TRANSPORTATION COMPANY, to sell and of)
DOYLE R. SORENSON to purchase equipment)
and operating rights as a highway common)
carrier between Marysville and Yuba City,)
California, and between Marysville and)
Camp Beale (Marysville Army Cantonment))
Marysville, California.)

Application
No. 25986

BY THE COMMISSION:

ORIGINAL

O P I N I O N

In the above entitled application Gene Morrison, doing business as Associated Transportation Company, requests authority of the Commission to sell and transfer his highway common carrier operative rights and equipment to Doyle R. Sorenson. Sorenson joins in the application as the prospective purchaser and operator of said operative rights and equipment.

The operative rights proposed to be transferred were created by Decision No. 34343, rendered on June 24, 1941, which granted a certificate to T. F. Burns authorizing the transportation of freight shipments between Marysville and Yuba City which had prior or subsequent rail-haul over the Sacramento Northern Railway. By Decision No. 35253, dated April 14, 1942, Burns was authorized to operate as a highway common carrier between Marysville and the Marysville Army Cantonment, approximately ten miles east of Marysville. This certificate was subsequently amended (Decision No. 35405) to restrict the service to shipments which had a prior or subsequent rail-haul on the Western Pacific Railroad or Sacramento Northern Railway.

The Burns operative rights were acquired by Gene Morrison, applicant herein, by virtue of Decision No. 36355, dated May 11, 1943.

The consideration involved in the transaction is \$1,200, all of which sum is alleged to represent the value of equipment, including two trucks. The operation has been conducted by the vendor for approximately one year with an average gross of somewhat less than \$600 per month.

It would appear that the authorization of the transfer is in the public interest and the application will, therefore, be granted. It is not necessary to hold a public hearing.

Doyle R. Sorenson is placed upon notice that "operative rights" as such do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. 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

Application having been made in the above entitled matter and the Commission being duly advised, and hereby finding that public convenience and necessity so require,

IT IS ORDERED:

(1) That Gene Morrison is hereby authorized to sell and transfer, and Doyle R. Sorenson is authorized to purchase and acquire, and thereafter to operate thereunder, the operative rights created by Decision No. 34343, dated June 24, 1941, as amended by Decision No. 35253, dated April 14, 1942, and the equipment described in the foregoing opinion.

(2) That applicants herein shall comply with the rules of the Commission's General Order No. 80 and Part IV of General Order No. 93-A by filing, in triplicate, and concurrently making effective appropriate tariffs and time tables within sixty (60) days from the effective date hereof and on not less than five (5) days' notice to the Commission and the public.

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

Dated at San Francisco, California, this 13th
day of June, 1944.

Richard L. Locke
Justin F. Cannon
Francis R. Havenner
Francis E. Ovi
Walter A. Sweeney
COMMISSIONERS