

Decision No. 37846

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
COAST LINE EXPRESS, a corporation, to)
transfer to CALIFORNIA MOTOR EXPRESS,)
LTD., a corporation, the express opera-)
tive rights acquired by COAST LINE.)
EXPRESS subsequent to the submission)
of Application No. 24366 which was)
granted by Decisions Nos. 27475 and)
37743, and to merge said operative)
rights with the express operative)
rights of CALIFORNIA MOTOR EXPRESS, LTD.)

ORIGINAL

Application No. 26646

BY THE COMMISSION:

OPINION AND ORDER

Coast Line Express seeks authority to transfer to California Motor Express, Ltd. express operative rights acquired from Northwest Forwarders, Inc. under Decision No. 36879 of February 15, 1944, in Application No. 25891. California Motor Express, Ltd. seeks authority to acquire these rights and to merge them with its own. The consideration is one dollar.

The verified application shows that Coast Line Express has been authorized to transfer all of its other express operative rights to California Motor Express, Ltd. in the interest of operating economy and efficiency (Decision No. 37475 of November 9, 1944, in Application No. 24366); that the rights here involved were acquired subsequent to submission of the application covering the other rights; and that the granting of the instant application is necessary to complete the transfer of all the Coast Line Express rights to California Motor Express, Ltd.

It appears that this is a matter in which a public hearing is not necessary and that the application should be granted.

California Motor Express, Ltd. is hereby 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.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that Coast Line Express, a corporation, be and it is hereby authorized to transfer to California Motor Express, Ltd., a corporation, whatever operative rights it acquired from Northwest Forwarders, Inc. pursuant to Decision No. 36879 in Application No. 25891 and that California Motor Express, Ltd. be and it is hereby authorized to acquire and merge said rights with its other rights.

IT IS HEREBY FURTHER ORDERED that applicants shall comply with the provisions of Tariff Circular No. 2 by filing, in triplicate, and concurrently making effective appropriate tariff withdrawal and adoption supplements satisfactory to the Commission, within sixty (60) days from the date hereof and on not less than one (1) day's notice to the Commission and the public.

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

Dated at San Francisco, California, this 1st day of
May, 1945.

L. Harold Anderson
Justice D. C. C. C. C.
Richard L. L. L.
Brown
W. H. H. H.
Commissioners