

Decision No. 38620

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of GUY S.)
ALEXANDER and L. B. LARSON, a copartner-)
ship known as the BISHOP-MONO LAKE STAGE)
LINE, to sell and M. C. YAHNE, INC., dba)
INLAND STAGES, and WESTERN TRUCK LINES,)
LTD., to purchase an automotive passenger,)
baggage, and express line operative right)
between Bishop and Mono Lake, California,)
and certain intermediate points on the)
main highway and stated points located off)
said main highway.)

ORIGINAL

Application No. 27111

O P I N I O N

Guy S. Alexander and L. B. Larson, partners, are conducting an automotive service for the transportation of passengers, baggage and express between Bishop and Mono Lake and certain intermediate and off-route points. These rights were created by Decision No. 11722, on Application No. 6027; Decision No. 19579, on Application No. 13878; and acquired by these applicants pursuant to Decision No. 19689, on Application No. 13819.

Alexander and Larson propose to sell, and M. C. Yahne, Inc., doing business as Inland Stages, a passenger stage corporation, and Western Truck Lines, Ltd., a highway common carrier, propose to purchase the operative rights above referred to. M. C. Yahne, Inc., proposes to purchase the passenger and baggage rights and Western Truck Lines, Ltd., proposes to purchase the express rights. The consideration for the transfer is \$2,500, one-half of such price to be paid by each of the purchasers within ten days after the approval of the Commission, pursuant to the terms of an agreement marked "Exhibit A" attached to the application. No physical property is to be transferred.

The Commission has considered this matter and is of the opinion that the proposed sale and transfer is not adverse to the public interest and the application will be granted as herein provided. No public hearing is necessary. The action taken herein shall not be construed to be a finding of value for any purpose other than the proceeding herein involved. For accounting purposes the purchasers, pursuant to the provisions of the uniform systems of accounts prescribed for Class I carriers, should charge the purchase price paid to Account 1550, Other Intangible Capital.

M. C. Yahne, Inc., and Western Truck Lines, Ltd., are 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.

ORDER

Good cause appearing,

IT IS ORDERED:

(1) That Guy S. Alexander and L. B. Larson, partners, within 90 days from the date hereof may transfer to M. C. Yahne, Inc., the passenger stage operative right for the transportation of passengers and baggage, referred to in the foregoing opinion, and M. C. Yahne, Inc., may acquire such right and thereafter operate thereunder.

(2) That Guy S. Alexander and L. B. Larson, partners, within 90 days from the date hereof may transfer to Western Truck Lines, Ltd., the express operative right, referred to in the foregoing opinion, and Western Truck Lines, Ltd., may acquire such right and thereafter operate thereunder.

(3) That applicants shall comply with the rules of the Commission's General Orders Nos. 79 and 80, where applicable, and Part IV of General Order No. 93-A by filing, in triplicate, and concurrently making effective appropriate tariffs and time tables within 60 days from the effective date hereof and on not less than 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 27th day of January, 1946.

Harold Anderson
Justice J. Green
Francis E. Brown
James M. Lawrence
Harold A. Huls
COMMISSIONERS