

ORIGINAL

Decision No. 41452

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
MALCOM WORD dba ALTURAS-FORT BIDWELL STAGE
LINE, to sell and LYNN E. SIGLER to
purchase an automotive freight line
operated between Alturas and Fort Bidwell,
California.

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) Application
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No. 29224
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O P I N I O N

This is an application for an order of the Public Utilities Commission authorizing Malcom Word, hereinafter referred to as Seller, to sell certain highway common carrier operative rights and properties to Lynn E. Sigler, hereinafter referred to as Buyer.

Seller is engaged in the transportation of freight generally between Alturas and Fort Bidwell under a certificate of public convenience and necessity acquired by him pursuant to authority granted by Decision No. 38832, dated April 9, 1946, as amended by Decision No. 38895, dated April 23, 1946. The application shows that he desires to withdraw from his freight operations and that accordingly he has made arrangements, and now asks permission, to transfer such operations to Buyer under and pursuant to the terms of a contract dated March 1, 1948, a copy of which is attached to the application as Exhibit "A".

The properties proposed to be transferred include the highway common carrier operative rights and one 1938 International truck. The agreed purchase price is \$5,000, of which amount

\$1,500 is said by applicants to represent the value of the properties and \$3,500 the value of the operative rights.

The contract between the two parties provides for the payment by the Buyer of \$2,600 of the purchase price on execution of the agreement and for the payment of the balance of \$2,400 in monthly installments of \$100, with interest on all unpaid sums at the rate of 6% per annum.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred. Further, we wish to place Lynn E. Sigler 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 to the Public Utilities Commission for an order authorizing the transfer of operative rights and properties, and the Commission having considered the matter and being of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, and that the money, property or labor to be procured or

paid for through the execution of the contract of sale is reasonably required by Buyer for the purpose specified herein, therefore,

IT IS HEREBY ORDERED as follows:

1. Malcom Word, after the effective date hereof and on or before June 30, 1948, may sell and transfer to Lynn E. Sigler his highway common carrier rights and properties referred to herein, and Lynn E. Sigler may acquire and thereafter operate the same, such sale and transfer to be made in accordance with the terms and conditions of the contract of sale dated March 1, 1948, filed in this proceeding as Exhibit "A", and Lynn E. Sigler, pursuant to the terms of said contract of sale, may incur indebtedness of \$2,400, payable as indicated therein.

2. Applicants shall comply with the provisions of 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 one (1) day's notice to the Commission and to the public.

3. The authority herein granted will become effective when Lynn E. Sigler has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is twenty-five (\$25.00) dollars.

Dated at San Francisco, California, this 13th day
of April, 1948.

R. B. Johnson
Justus J. Casner
Joseph P. ...
Harold ...
Kenneth Potter
Commissioners

PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
7969
APR 20 1948
W. A. Klippel