

ORIGINAL

Decision No. 42543

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC GREYHOUND LINES, a corporation,)
to sell, and of F. B. ARCHER and F. B.)
ARCHER, JR., a copartnership, to pur-)
chase passenger stage certificate)
authorizing operations between Redwood)
City and Pescadero and between La Honda)
and San Gregorio.)

Application No. 30014

O P I N I O N

Applicant Pacific Greyhound Lines was granted a certifi-
cate by Decision No. 30063 in Application No. 21409 authorizing
passenger stage service for the transportation of passengers,
baggage and express between Redwood City, San Gregorio and Pescadero
via Woodside and La Honda.

In the above-entitled proceeding the Commission is
requested to authorize Pacific Greyhound Lines to sell, and F. B.
Archer and F. B. Archer, Jr., partners, to purchase the operative
rights described herein for a nominal consideration of \$10.⁽¹⁾

(1) The operative rights proposed to be transferred were created by
Decision No. 30063 and authorized the transportation of passen-
gers, baggage and express between:

"Redwood City and Pescadero over the following routes:

- "(a) Between Redwood City and Skylonda via State Route 107;
- (b) Between Skylonda and La Honda via La Honda Road;
- (c) Between La Honda and Pescadero via Pescadero Creek Road
through San Mateo Memorial Park and Loma Mar.
- (d) Between La Honda and San Gregorio via San Gregorio Creek
Road."

These operative rights were granted subject to the following
restrictions:

- "1. No passengers, baggage, and express shall be transported
locally between Redwood City and Woodside and inter-
mediate points on the route between Redwood City and
Pescadero."

Footnote (1) continued next page.

The proposed transfer would be made pursuant to the terms of an agreement attached to the application and marked Exhibit "A". According to the agreement the seller would assign to the buyers a contract with the United States Post Office for the transportation of United States mail. The application states that the buyers have net assets of approximately \$20,000 and have made arrangements to acquire the equipment necessary to conduct operations if authorized. Initially they would operate the same schedules as presently operated by the seller. There is no proposal to make any changes in the rates or charges now in effect. It is stated that as the service is essentially local in character it could be operated more efficiently and economically by the buyers who are thoroughly familiar with the territory. The buyers are engaged in for-hire trucking operations which would be combined to some extent with the operation they seek to acquire.

The transfer of operative rights as requested does not appear to be adverse to the public interest and will be authorized. However, the action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred. No public hearing is necessary.

(1) Continued

- "3. In the handling of express no single package shall be accepted for shipment that weighs in excess of one hundred (100) pounds, and all express must be transported on passenger vehicles only, except as to property transported for or through Railway Express Agency, Incorporated, and milk and cream and empty containers of such commodities when being transported to or from a rail junction point in connection with rail transportation thereof, to which said restrictions as to weight and vehicles shall not apply."

Thereafter the limitation on the right to transport express was amended to apply to "shipments of express weighing not to exceed 100 pounds each" instead of "Packages" of the same weight. (Decision No. 32506 in Application No. 22995).

F. B. Archer and F. B. Archer, Jr., 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.

O R D E R

An application therefor having been filed, the Commission being fully informed in the premises and good cause appearing,

IT IS ORDERED:

(1) That on or before May 1, 1949, Pacific Greyhound Lines is hereby authorized to transfer to F. B. Archer and F. B. Archer, Jr., the operative rights referred to in the foregoing opinion, and F. B. Archer and F. B. Archer, Jr., may acquire said operative rights and thereafter conduct operations under said rights.

(2) That applicants shall comply with the provisions of General Orders Nos. 79, 80 and 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.

(3) That within 30 days after the consummation of the transfer herein authorized, F. B. Archer and F. B. Archer, Jr., shall

within said period file with the Commission a true copy of any bill of sale or other instrument of transfer which may have been executed to effect the transfer authorized.

The effective date of this order shall be 20 days after the date hereof.

Dated at San Francisco, California, this 23rd day of February, 1949.

[Signature]
James F. Caseman
[Signature]
Harold P. Hale
[Signature]
COMMISSIONERS