

ORIGINAL

Decision No. 42654

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
GUY H. BENTON,	:	
doing business under the name of)	
BENTON BUS LINES,	:	
to sell, and)	Application
GEORGE R. SEIDEL	:	No. 30046
to purchase, an automobile passenger)	
line between Norwalk and Bellflower,	:	
California, and way points.)	
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OPINION AND ORDER

Guy H. Benton, doing business as Benton Bus Lines, seeks permission to sell to George R. Seidel his operative rights and equipment used in the business of transporting passengers between Norwalk and Bellflower, and intermediate points. The operative rights proposed to be transferred to George R. Seidel are those established by Decisions Nos. 38517, dated December 14, 1945; 39254, dated July 30, 1946; 39695, dated December 10, 1946; 40562, dated July 29, 1947; 41518, dated April 27, 1948; and 41891, dated July 27, 1948.

In addition to transferring said operative rights, Guy H. Benton has agreed to sell to George R. Seidel a Ford 20-passenger bus and a Reo 30-passenger bus, together with all tools, equipment and accessories appertaining thereto.

A copy of the agreement of sale is on file in this application as Exhibit "A". George R. Seidel agrees to pay for the operative rights and equipment \$10,000. Applicants allege that \$2,950 represents the value of the equipment, and \$7,050 the

value of the operative rights. Under the terms of the agreement, the purchaser will pay \$1,200 of the purchase price in cash upon the execution of the agreement, and \$200 or more per month beginning February 1, 1949, together with interest at 6% per annum on the unpaid balance. The interest is payable annually. The title to the property does not pass to the purchaser until he has made the final payment.

The Commission is advised that Guy H. Benton desires to sell said properties because of ill health, and that George R. Seidel has been in his employ as a driver. The purchaser 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.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

The Commission has considered this application and is of the opinion that a hearing thereon is not necessary, that the application should be granted subject to the provisions of this opinion and order, that the money, property or labor to be procured or paid for through the execution of the agreement of sale referred to in the application is reasonably required by George R.

Seidel for the purpose of acquiring said operative rights and properties; therefore,

IT IS HEREBY ORDERED as follows:

1. Guy H. Benton, after the effective date hereof, may sell and transfer the operative rights and properties referred to herein to George R. Seidel, who may acquire said operative rights and properties and engage in the passenger transportation business pursuant to the provisions of said operative rights.
2. Guy H. Benton and George R. Seidel, after the effective date hereof and on or before June 1, 1949, may execute a conditional sales contract in, or substantially in, the form of the contract on file in this application as Exhibit "A".
3. Applicants shall comply with the provisions of General Order No. 79 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.
4. The authority herein granted will become effective when George R. Seidel has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which minimum fee is twenty-five (\$25.00) dollars.
5. Within thirty (30) days after the execution of the conditional sales contract, George R. Seidel shall file a true and correct copy of said contract with the Commission.

Dated at San Francisco, California, this 29th day
of March, 1949.

R. T. Sweeney
Justice J. C. ...
Charles H. ...
Harold P. ...

Commissioners

