

ORIGINAL

Decision No. 43709

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of J. E. Walstrom to sell and)	
Dave M. Franklin to purchase a)	Application No. 30769
Freight line operated between)	
Crescent City, California and)	
the California-Oregon State line.)	

O P I N I O N

In this proceeding J. E. Walstrom, doing business as Central Transfer Company, requests authority to sell and Dave M. Franklin, doing business as Coast Freight Lines, to purchase highway common carrier operative rights between Crescent City and the California-Oregon State Line on U. S. Highway 101. These operative rights were acquired by the seller pursuant to the authority granted by Decision No. 30591 in Application No. 21523.

Applicant Walstrom has been engaged in interstate and intrastate operations extending from Crescent City, California to North Bend, Oregon. According to the application the operative rights acquired by Walstrom from the Interstate Commerce Commission and Oregon Public Utilities Commission have previously been transferred to Dave M. Franklin with approval of those Commissions. The total price paid for the operative rights and automotive equipment amounted to \$27,000. All of said amount has been paid with the exception of \$500, which is said to be the value of the California operative rights herein involved.

The 1948 annual report filed by J. E. Walstrom covering intrastate operations discloses a gross operating revenue for that year of \$3,856.25 and gross operating expenses amounting to

\$956.98. His gross operating revenue for the first three and a half months of 1949 is reported to be \$750. No change in the operation or rates is proposed.

After full consideration of all the evidence of record we find that the authorization of the proposed transfer would not be adverse to the public interest. Therefore, the application will be granted. No public hearing appears to be necessary.

Dave M. Franklin 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.

O R D E R

An application having been made in the above entitled matter, the Commission being fully advised therein and good cause appearing,

IT IS ORDERED:

(1) That after the effective date hereof and on or before March 1, 1950 J. E. Walstrom may sell and transfer to Dave M. Franklin and the latter may acquire from the former, the operative rights created by Decision No. 30591 in Application No. 21523 and thereafter operate thereunder.

(2) That within 30 days after consummation of the transfer herein authorized, Dave M. Franklin shall notify the Commission in writing of that fact, and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

(3) That after the effective date hereof and on or before March 1, 1950, applicants shall comply with the provisions of General Orders No. 80 and Part IV of General Orders 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 20 days after the date hereof.

Dated at San Francisco, California, this 17th day of January, 1950.

R. J. [Signature]
Justin F. [Signature]
[Signature]
[Signature]
[Signature]
Commissioners