

ORIGINALDecision No. 43866

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
DANIEL R. FRANKLIN and JOHN PAUL)	
STERLING, co-partners, doing business)	
under the firm name and style of)	Application No. 31003
"ANTIOCH COACH LINES" to Sell and)	
ELMER L. TODD, to purchase certain)	
Operative Rights and Equipment of)	
the "ANTIOCH COACH LINES".)	

O P I N I O N

The above entitled matter is a joint amended application in which Daniel R. Franklin and John Paul Sterling, doing business as Antioch Coach Lines and Elmer L. Todd request the Commission to authorize the former to sell and the latter to buy passenger stage operative rights in the City of Antioch and other adjacent areas. The rights were created by Decision No. 36460, dated June 29, 1943, in Application No. 25610; Decision No. 38875, dated April 23, 1946, in Applications Nos. 27143, 27144; Decision No. 39593, dated November 4, 1946, in Application No. 27605; and Decision No. 39690, dated December 3, 1946, in Application No. 27608. These operative rights were transferred to sellers by Decision No. 40870, dated November 4, 1947, in Application No. 28785, and were subsequently enlarged by Decision No. 42697, dated April 12, 1949, in Application No. 29999.

The proposed sale and transfer will be in accordance with an Agreement of Sale executed by the applicants, which specifies a consideration of eight thousand dollars. The sum of six thousand dollars is the agreed value of five buses and other personal property and the sum of two thousand dollars is allocated as the value of the operative rights and good will. A down payment of eight hundred dollars has been made. The balance of seven thousand two hundred dollars has been placed in escrow pending the Commission's approval of the proposed sale and transfer.

The financial statements of applicants disclose the following information as of February 10, 1950.

	<u>Total Assets</u>	<u>Mtg Real Property</u>	<u>Notes Payable</u>	<u>Net Worth</u>
Daniel R. Franklin	\$17,300	\$ 5,000		\$12,300
John Paul Sterling	19,400		\$ 1,000	18,400
Elmer L. Todd	26,000			26,000

As justification for the authority sought applicants allege that Daniel R. Franklin has been in poor health and has been advised by his physician that his condition will not permit an active continuance in the transportation business.

After reviewing the facts the Commission is of the opinion and finds that the proposed sale is not adverse to the public interest and should be authorized. A public hearing is not necessary.

Elmer L. Todd 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.

ORDER

Application having been made as above entitled, and the Commission being duly advised in the premises,

IT IS ORDERED as follows:

(1) That after the effective date hereof and on or before May 1, 1950, Daniel R. Franklin and John Paul Sterling may sell and transfer to Elmer L. Todd and the latter may acquire from the former, the operative rights referred to in the foregoing opinion and thereafter operate thereunder.

(2) That within 30 days after consummation of the transfer herein authorized, Elmer L. Todd 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 May 1, 1950, 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 on not less than five (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 28th day of February, 1950.

R. F. [Signature]
Justice F. [Signature]
[Signature]
[Signature]
[Signature]
Commissioners