

Decision No. 44886**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 COAST VAN LINES, INC. to sell and)
 W. RAY JAMES dba JAMES VAN LINES to) Application No. 31720
 purchase a truck freight line)
 operated between Los Angeles and)
 San Diego, California.)

O P I N I O N

Coast Van Lines, Inc. now operates as a highway common carrier for the transportation of new and secondhand crated and uncrated office, store, and house furniture, show-cases, household goods, pianos, musical instruments, trunks, baggage, and personal effects (as a part of, and in connection with, household goods) between Los Angeles, San Diego, and intermediate points, under authority of this Commission ⁽¹⁾. In this proceeding the Commission is requested to authorize Coast Van Lines, Inc. to sell, and W. Ray James, doing business as James Van Lines, to purchase, the former's operative rights above described. No automotive equipment or other physical property is included in the proposed transfer.

The operative rights to be transferred authorize transportation of the above-described commodities between

(1) Decision No. 36887, dated February 15, 1944, on Application No. 25660.

San Diego and Los Angeles, via the Coast Route and to and from intermediate points and for a distance of 30 miles on either side of the highway comprising such route. The rights also authorize service between Los Angeles and Serra and intermediate points via Long Beach and Seal Beach, as an alternative route between the above termini.

The consideration to be paid for the operative rights herein proposed to be transferred is the sum of Five Thousand Dollars (\$5,000), payable in cash upon approval by the Commission of the proposed transaction. This sum will be provided by applicant W. Ray James as additional capital to be invested by him in the business of James Van Lines.

The buyer applicant is a highway common carrier of used household goods, now serving Sacramento, Stockton, Modesto, San Francisco, Oakland, San Jose, Santa Cruz, Monterey, Salinas, Santa Barbara, Metropolitan Los Angeles and intermediate points⁽²⁾. The effect of the proposed transaction is alleged to be in the nature of an extension of the present operations of the buyer to include service between Los Angeles and San Diego, thereby permitting through service to and from San Diego and all of the points now served by buyer.

The application states that seller, Coast Van Lines, is not a party to any through routes or joint rates with any other carrier, but has operated continuously under its own

(2) Decision No. 35699, dated August 18, 1942, on Application No. 24924; Decision No. 40083, dated March 25, 1947, on Application No. 28071; Decision No. 41045, dated December 17, 1947, on Application No. 28529; and Decision No. 42641, dated March 22, 1949, on Application No. 29559.

tariffs covering service between Los Angeles and San Diego and local service in Los Angeles, with no suspension or discontinuance of service during the preceding three years.

Bekins Van & Storage Co., Lyon Van & Storage Co., and Calmay Van Lines, Inc., all companies which may be affected by the proposed transfer, have each written letters to the Commission, stating that they have no objection to the Commission's approval of the proposed transfer.

After full consideration it is found, as a fact, that public interest and convenience will not be adversely affected by approval of the transfer of the operative rights with which we are here concerned. Accordingly, the application will be granted. A public hearing is unnecessary.

W. Ray James, doing business as James Van Lines, 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 value of the property herein authorized to be transferred. ✓

O R D E R

Application having been made to the Public Utilities Commission for an order authorizing the transfer of operating rights, the Commission having considered the matter and being of the opinion that a public hearing is not necessary, and it appearing that the application should be granted as herein provided; now, therefore,

IT IS ORDERED:

(1) That Coast Van Lines, Inc., after the effective date hereof, and on or before November 15, 1950, may sell and transfer to W. Ray James, doing business as James Van Lines, the operating rights referred to herein, and said W. Ray James may acquire and hereafter operate the same pursuant to the agreement, copy of which was attached to the application as Exhibit "A".

(2) That, within thirty (30) days after the consummation of the transfer herein authorized, said W. Ray James shall notify the Commission in writing of that fact, and 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 said transfer.

(3) Within sixty (60) days after the effective date hereof, and upon not less than five (5) days' notice to the Commission and the public, said W. Ray James shall establish the service herein authorized and 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,

tariffs and time schedules satisfactory to the Commission.

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

Dated at San Francisco, California, this 10th day of October, 1950.

R. Z. [Signature]
Justin J. [Signature]
W. H. [Signature]
Harold F. [Signature]
Frederick [Signature]
COMMISSIONERS