

who will continue the service. The purchaser has sufficient financial resources to perform this service. He submitted with the application a certificate of insurance showing ample coverage. The Commission finds that the proposed transfer of operative rights will not be adverse to the public interest.

By Decision No. 49185, supra, W. H. Gilbert was exempted from the minimum rates for this transportation due to the specialized nature of the transportation.² This exemption will also be transferred.

Applicant Stonecypher 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. This monopoly feature may be changed or destroyed at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

The Commission having considered the above-entitled application and being of the opinion that a hearing is unnecessary and that the proposed transfer is not adverse to the public interest; therefore,

IT IS HEREBY ORDERED:

(1) That within the period commencing on the effective date of this order and ending October 11, 1956, W. H. Gilbert may sell

² The exemption was restated in Decision No. 52199 of November 7, 1955, in Case No. 5432.

and transfer to Chester Stonecypher, Jr., the operative rights referred to in the preceding opinion for a total consideration of one dollar in cash.

(2) That within said period, applicant Stonecypher shall notify the Commission in writing of the fact of transfer and within said period shall file with the Commission any bill of sale or other instrument of transfer which may have been executed to effect such transfer.

(3) That within said period, in accordance with the Commission's General Order No. 80, and concurrently with the transfer authorized by Ordering Paragraph (1) hereof, and on not less than five days' notice to the Commission and the public, applicant Stonecypher shall institute service and unite with applicant Gilbert in common supplements to the tariffs of seller, said Gilbert withdrawing and said Stonecypher adopting and establishing such tariff and all effective supplements thereto.

(4) That Chester Stonecypher, Jr., is substituted for W. H. Gilbert in Appendix "C" of Decision No. 52199 of November 7, 1955, in Case No. 5432.

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

Dated at San Francisco, California, this 10th day of April, 1956.

[Signature] President
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Commissioners