

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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ORIGINAL

In the Matter of the Application of)
 EDWARD SERRETTO and LOUIS A. MATTEI,)
 co-partners, operating under the)
 fictitious name and style of COASTSIDE)
 TRANSPORTATION COMPANY; E. MICHEL)
 and NEIL FORREST, operating under the)
 fictitious name of RED STAR STAGE LINE,) Application No. 8963
 for the approval of an agreement, and)
 the authorizing of the purchase and)
 transfer of an automobile transportation)
 company.)

Harry A. Encell, by James A. Miller for
Serretto and Mattei.

Fred C. Peterson for Red Star Stage Line.

BY THE COMMISSION,

O P I N I O N

Neil Forrest, doing business under the fictitious name of Red Star Stage Line, has filed a joint application with E. Michel in which they petition for an order authorizing Forrest to sell and Michel to purchase the automotive stage line at the present time operated by applicant Forrest between San Francisco and Pescadero. Said Michel has also filed a joint application with Edward Serretto and Louis A. Mattei in which they petition for an order authorizing Michel to transfer the operative right secured from Forrest to a co-partnership consisting of himself, Serretto and Mattei and of Serretto and Mattei, co-partners, to transfer to a co-partnership consisting of themselves and Michel the automotive truck line now operated by them between San Francisco, Pescadero and San Mateo.

Neil Forrest, doing business under the fictitious name of Red Star Stage Line is the owner of an operative right authorizing the operation of an automotive stage line as a common carrier of passengers, express and freight between San Francisco and Pescadero and intermediate points, over what is known as the Coast route, secured under the provisions of Section 5 of Chapter 213, Statutes of 1917, through operation in good faith prior to May 1st, 1917, and continuously since that date.

Under Decision No. 11654 in Application No. 8252, dated February 13, 1923, Serretto and Mattei, co-partners, were granted a certificate of public convenience and necessity authorizing the operation of an automotive truck line as a common carrier of freight and express between San Francisco and Pescadero and intermediate points over the so-called Coast route.

Under Decision No. 12052 in Application No. 8949, the same co-partners were granted a certificate of public convenience and necessity authorizing the operation of automotive truck service as a common carrier of freight between Halfmoon Bay and San Mateo in connection with their existing service, San Francisco-Pescadero, of which Halfmoon Bay is an intermediate point.

All of the operative rights it is now proposed to consolidate in the name of applicants Michel, Serretto and Mattei, co-partners, doing business under the fictitious name and style of Coastside Transportation Company. The freight service of Forrest it is proposed to merge with the freight service now operated by the co-partnership consisting of Serretto and Mattei, which co-partnership proposes to establish schedule of freight rates as more specifically set out in Exhibit "D" attached to the application herein. These rates do not effect any increases

over the present schedule as now operated individually under the name of Red Star Stage Line and the Coastside Transportation Company. The passenger business of the Red Star Stage Line it is proposed to carry on as heretofore under existing rates with the exception that the new owners propose to add additional and improved equipment.

The consideration involved with reference to the properties of the Red Star Stage Line is given as the sum of \$31,350.00 and includes in addition to the operative rights some six passenger automobiles with a carrying capacity of from 8 to 18 passengers each, two 3½-ton trucks, two 2½-ton trucks, one 1½-ton truck and two 2½-ton trailers together with miscellaneous supplies, office equipment, etc. The value of the property of the Coastside Transportation Company as set out is the sum of \$38,008.22, less \$6,138.36 covering liabilities now resting against the co-partnership. In addition to the operative rights held by this company, they own some 7 trucks, two trailers, shop equipment, supplies, etc.

A public hearing on the above entitled application was held before Examiner Satterwhite on May 5, 1923, at which time the matter was submitted and it is now ready for decision.

At such hearing testimony was submitted by applicants Forrest, Michel and Serretto. This testimony was to the effect that existing Red Star Stage Service as conducted by applicant Forrest is not now rendering the best of service in that the equipment is not in first class condition and Forrest is not financially able to secure the necessary new equipment to permit his line to render a first class service. Applicants Michel, Serretto and Mattei are financially able to add all necessary equipment required for the operation of the stage service and further testified to the fact that they were financially able and willing to pay the amounts claimed in the application covering intangible property values.

With the distinct understanding that the Commission in no way recognizes such amount as a proper item chargeable as a basis for computing rates or for any purposes other than the transfer herein authorized, we are of the opinion that the application should be granted.

O R D E R

A public hearing having been held in the above entitled proceeding, evidence submitted and the Commission being fully advised,

IT IS HEREBY ORDERED that the above entitled application be, and the same hereby is granted, subject to the following conditions:

1. The consideration to be paid for the properties herein authorized to be transferred may not be urged before this Commission or any other rate fixing body as a measure of value of said properties for rate fixing or any purpose other than the transfer herein authorized.

2. Applicant Neil Forrest shall immediately cancel tariff of rates and time schedules at present on file with the Railroad Commission covering certificates herein authorized to be transferred.

3. Applicants Michel, Serretto and Mattei, co-partners, shall immediately file, in duplicate, or adopt as their own tariff of passenger rates, identical with the tariff of passenger rates at present on file by Neil Forrest and shall immediately file in place of Coastside Transportation Company's tariff of freight rates, tariff of freight and express rates, identical with the rates as set forth in Exhibit "D" attached to the application herein.

4. The rights and privileges herein authorized to be transferred may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.

5. No vehicle may be operated by the co-partnership of Michel, Serretto and Mattei, doing business under the fictitious name of Coastside Transportation Company, unless such vehicle is owned by them or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

Dated at San Francisco, California, this 26th day of May, 1923.

Chas. J. [Signature]
Irving Mattai
Egerton Shere
Commissioners