

ORIGINAL

Decision No. 40156

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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| In the Matter of the Application of |) | |
| CHARLES H. MASKELL, to sell, and J. J. | : | |
| LEONARDINI, to purchase, a Certificate |) | Application |
| of Public Convenience and Necessity to | : | No. 28327 |
| Operate as a Highway Common Carrier |) | |
| between various points in California. | : | |
| ----- |) | |

OPINION AND ORDER

This application shows that Charles H. Maskell, doing business as Rampone Brothers, is engaged in the operation of a motor freight line between various points in the delta district of the Sacramento and San Joaquin Rivers and San Francisco Bay points under operative rights acquired by him pursuant to authority granted by Decision No. 38414, dated November 20, 1945.

It appears that applicant Maskell desires to sell said operative rights for the reason that he has other business interests which consume the major portion of his time and that he is not in a position to devote his attention to the highway common carrier operations. It is reported that during the nine months ended October 1, 1946, the total revenues aggregated \$11,306.42 and the expenses \$17,500.15, producing a net loss of \$6,193.73 which applicant alleges resulted from the fact that he had been unable to supervise the business. Accordingly, applicant Maskell has agreed to sell the operative rights hereinabove referred to, for the sum of \$2,000, to J. J. Leonardini. It appears that no physical properties are included in the transfer.

J. J. Leonardini, the purchaser, doing business under the firm name and style of O. K. Trucking Co., is engaged in highway common carrier operations between Oakland and Winters and Oakland and Brentwood. His financial reports show his net investment in his assets as of December 31, 1946, at \$195,288 and his operating revenues for 1946 at \$169,199, with net profits, after operating expenses, taxes and depreciation, of \$52,499. It is reported that he has had many years' experience as a carrier of produce in the district covered by the operative rights proposed to be transferred and it is believed, by applicants, that the operations can be put on a profitable basis under his supervision.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary and that the application should be granted, as provided herein. In entering this order the Commission is not making a finding of the value of the rights herein authorized to be transferred. Applicants are 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.

Therefore, good cause appearing,

IT IS HEREBY ORDERED as follows:

1. Charles H. Maskell, after the effective date hereof and on or before August 31, 1947, may transfer to J. J. Leonardini the operative rights heretofore acquired by him pursuant to Decision No. 38414, dated November 20, 1945.

2. Applicants shall 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, appropriate tariffs and time tables within sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and to the public. J. J. Leonardini shall file with the Commission a copy of the accounting entries whereby he records the purchase of said operative rights.

3. The authority herein granted will become effective twenty (20) days from the date hereof.

Dated at San Francisco, California, this 15th day of April, 1947.

Handwritten signatures of four commissioners:
Handwritten Signature 1
Handwritten Signature 2
Handwritten Signature 3
Handwritten Signature 4
 Commissioners