

**ORIGINAL**

Decision No. 41291

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of )  
LEONARD A. SHIPKOWSKI to sell, and )  
PETER RAVALIN to purchase an auto- )  
mobile freight line between points )  
in Santa Clara and San Mateo Counties )  
and San Francisco, California. )

Application No. 29074

O P I N I O N

In this application the Commission is requested to authorize Leonard A. Shipkowski to sell and transfer to Peter Ravalin, and the latter requests authority to purchase from the former certain contracts, good will, trade accounts and a highway common carrier operative right authorizing the transportation of fresh fruits and vegetables, including mushrooms, to San Francisco from points in Santa Clara and San Mateo Counties. This operative right was created by Decision No. 40532, dated July 22, 1947, in Application No. 27964.

By the terms of an agreement attached to the application as Exhibit "A" the buyer agrees to pay the seller the sum of \$1,600, \$800 of which is said to represent the value of the operative right and the remainder represents the value of certain contracts, good will and trade accounts. The purchase price is to be paid to the seller upon receipt of authority of the Commission to make the proposed transfer.

Applicant Shipkowski, according to the application, began his highway common carrier operations approximately September 1, 1947 and for the period beginning on that date and ending January 31, 1948 reports gross operating revenues of

\$3,158.26, gross operating expenses of \$2,391.30 and net operating revenues of \$766.46.

According to the application, applicant Ravalin has had considerable experience in the operation of automotive equipment for hire and has sufficient facilities of the required type to conduct operations under the operative right he seeks to acquire.

After full consideration we find that the public interest would not be adversely affected by approval of the transfer of the operative rights and properties with which we are here concerned and that a public hearing is not necessary. Accordingly, the application will be granted. However, the action taken herein shall not be construed to be a finding of the value of the properties which will be authorized to be transferred.

Peter Ravalin 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.

#### O R D E R

An application having been filed requesting authority to transfer operative rights and properties, the Commission now being fully informed in the premises and good cause appearing,

IT IS ORDERED:

(1) That on or after the effective date hereof and on or before June 1, 1948, Leonard A. Shipkowski may transfer to Peter Ravalin, and the latter may acquire from the former and thereafter operate thereunder, the operative rights and properties described in the foregoing opinion.

(2) That appropriate tariffs and time tables as required by General Orders Nos. 80 and 93-A shall be filed in triplicate on or after the effective date hereof, to be made effective on not less than 5 days' notice to the Commission and the public.

(3) That within 30 days after the consummation of the transfer herein authorized, Peter Ravalin 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 the transfer authorized.

The effective date of this order shall be 20 days from the date hereof.

Dated at San Francisco, California, this 9<sup>th</sup> day of March, 1948.

R. T. Johnson  
Justice F. Gallen  
Walter D. Powell  
Harold A. Niles  
Kenneth Potter  
COMMISSIONERS