

ORIGINAL

Decision No. 46833

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
PRESIDENT TANK LINES, INC., a Cali-)	
fornia corporation, to sell and)	
WILLIAM SIMONOFF and SAM SIMONOFF,)	
doing business as SWIFT TRANSPORTATION))	Application No. 33105
COMPANY, a copartnership, to purchase)	
an auto truck right to transport)	
freight between Los Angeles and Los)	
Angeles Harbor.)	

O P I N I O N

President Tank Lines, Inc., a corporation, requests authority to sell and transfer to William Simonoff and Sam Simonoff, copartners, the highway common carrier operating right which it acquired by Decision No. 37841, dated May 1, 1945⁽¹⁾.

The operating right, a prescriptive one, which this Commission recognized in Decision No. 12823, authorizes the transportation of property as a highway common carrier between "the fixed termini of Los Angeles business district and the harbor district at Wilmington and San Pedro."

The purchasers are now operating as permitted carriers in Los Angeles and vicinity.

The consideration to be paid for said operating right is \$9,500, payable \$1,000 down and the balance within thirty (30) days from date of approval by this Commission. No other property is involved in this sale.

Financial statements filed as exhibits with this application show that President Tank Lines, Inc., for the first 11

(1) Previous sales and transfers were authorized by Decisions Nos. 22580, 24554 and 30657.

months of 1951, had a gross revenue of \$121,016.33, and a total expense of \$117,776.60, or a net profit of \$3,299.73, before income taxes, (Exhibit "B").

The purchasers, doing business as Swift Transportation Company, as of December 31, 1951, had total tangible assets of \$33,859.51, and no liabilities. Each of the partners owns one-half interest in the business. The assets consist of \$17,115.94 in cash and four tractors and four trailers, of recent manufacture, valued at \$16,743.57 after an allowance of \$12,236.34 for depreciation. As indicated they are experienced in the trucking business and appear capable of performing a satisfactory public transportation service.

The application is not opposed, and as it appears that the sale is not adverse to the public interest, it will be granted.

The action taken herein shall not be construed to be a finding of value of the property herein authorized to be transferred.

William Simonoff and Sam Simonoff 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.

O R D E R

Application having been made, the Commission being fully advised in the premises and good cause appearing,

IT IS ORDERED:

(1) That President Tank Lines, Inc., a corporation, bc, and it hereby is, authorized to sell and transfer on or before May 31, 1952, to William Simonoff and Sam Simonoff, copartners, and the latter are authorized to acquire and operate the highway common carrier operating right referred to in the foregoing opinion.

(2) That applicants shall file in triplicate and concurrently make effective, appropriate tariffs and time schedules, within sixty (60) days after the effective date hereof and on not less than one (1) day's notice to the Commission and the public.

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

Dated at San Francisco, California, this 11th day of March, 1952.

[Signature]
President
[Signature]
[Signature]
[Signature]

Commissioners