

Decision No. 46834**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 Joe West, doing business as Needles)
 Trucking Service, to sell, and)
 Las Vegas-Needles-Phoenix Truck)
 Line, Inc., a Nevada corporation,) Application No. 33110
 to purchase a motor freight common)
 carrier right to transport freight)
 between Los Angeles, California and)
 Needles, California and intermediate)
 points.)

O P I N I O N

Joe West, an individual doing business as Needles Trucking Service, requests authority to sell and transfer to Las Vegas-Needles-Phoenix Truck Line, Inc., a Nevada corporation, the following public utility property for the consideration set forth:

Truck equipment consisting of a semitrailer and two pickups, \$8,600; office equipment, materials and supplies, \$780; certificate of public convenience and necessity, created by Decision No. 40367, and good will, \$20.

Payment will be in cash upon approval of sale.

The operative right, which is the subject of this transfer, authorizes "the transportation of property, except bulk liquids in tank trucks, explosives and commodities requiring special equipment, between Los Angeles, Zone 1, as described in Item 30-A, in Appendix 'A' of the Commission's Decision No. 31605, Case No. 4246, on the one hand, and Needles and points intermediate to Needles and the United States Army Airport Base Hospital, situated approximately eight miles east of Daggett, on the other hand." The route designated is U. S. Highways 99 and 66.

In 1951, Joe West and one Lee Speirs merged their interstate operative rights pursuant to authority granted by the

Interstate Commerce Commission in Docket No. MC-FC52802. Said operations were, generally, between points in the Los Angeles area and harbor district, on the one hand, and certain points along U. S. Highway No. 66 to Needles, on the other hand, and between Las Vegas and Phoenix, via Parker, Arizona.

As justification for the proposed sale, applicants allege that as the purchaser now operates a portion of its interstate transportation service over the same route or routes as the seller operates his intrastate service, a consolidation will result in operating economics which will benefit the shipping public because of added service resulting from more frequent schedules to and from the California points now served by the seller.

The authorized capital of Las Vegas-Needles-Phoenix Truck Line, Inc. is \$200,000 consisting of 200,000 shares of the par value of \$1 each. The officers and directors are:

Lee Speirs, President, 1018 Norman, Las Vegas, Nevada,
Joe West, Vice President and Secretary, 1915 Sacramento
Street, Los Angeles 21, California and
Calvin M. Cory, Treasurer, 608 South 7th Street,
Las Vegas, Nevada.

Its principal address is 727 North Main Street, Las Vegas, Nevada, and its California address 1915 Sacramento Street, Los Angeles, California.

It appears that the purchaser, a Nevada corporation, is now engaged in commerce "among the several States of the Union," to wit: between Arizona, California and Nevada. (Section 704 of the Public Utilities Code)

The financial condition of Las Vegas-Needles-Phoenix Truck Line, Inc., as of December 31, 1951, was as follows:

ASSETS

Current	(cash and accounts receivable)	\$14,600.70
Fixed	(equipment less depreciation)	42,171.94
Prepaid Items	(insurance, licenses, etc.)	2,627.53
Total Tangible Assets		<u>59,400.17</u>

LIABILITIES

Current		15,387.85
Equipment Obligations		8,048.29
Total Liabilities		<u>23,436.14</u>

Capital		35,964.03
Authorized	\$200,000.00	
Unissued	<u>160,000.00</u>	
Issued	40,000.00	

Net operating loss		
February 15 to		
December 15, 1951	<u>4,035.97</u>	35,964.03

Equipment owned by the purchaser as of November 24, 1951, consisted of three tractors, four semitrailers, one van and four pickups.

Joe West, who operates the Needles Trucking Service, had a net operating profit for 1951 of \$2,207.44 and a total operating revenue of \$103,937.60. (Exhibit "E")

We find that the proposed transfer is not adverse to the public interest. The application is not opposed and 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.

Las Vegas-Needles-Phoenix Truck Line, Inc. 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

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

IT IS ORDERED:

(1) That Joe West be, and he hereby is, authorized to sell and transfer, on or before May 31, 1952, to Las Vegas-Needles-Phoenix Truck Line, Inc., a Nevada corporation, and the latter is authorized to acquire and operate the highway common carrier operative right and property referred to in the foregoing opinion.

(2) That applicant shall file in triplicate, and concurrently make effective, appropriate tariffs and time schedules, within sixty (60) days from the effective date hereof and upon 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.

A. F. Anderson
President
Justice J. Calver
Harold P. Hale
W. E. Mitchell
Commissioners