

ORIGINAL

Decision No. 47229

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of C. H. SHEPPARD, SR. and C. H.)	
SHEPPARD, JR., Co-Partners, to sell,)	
and NICHOLAS C. CONTEAS and NICHOLAS)	
KAVORAS, Co-Partners, doing business)	Application No. 33382
as CALIFORNIA AUTO TRANSPORT, to)	
purchase operating rights of a high-)	
way common carrier for the trans-)	
portation of motor vehicles.)	

O P I N I O N

C. H. Sheppard, Sr. and C. H. Sheppard, Jr., co-partners, seek authority herein to transfer to Nicholas C. Conteas and Nicholas Kavoras, copartners, doing business as California Auto Transport, such rights as a highway common carrier as the sellers may have pursuant to Decision No. 45990, dated July 24, 1951, on Application No. 31018.

At the time of filing Application No. 31018, the sellers herein were engaged in business under the firm name of Charlie Sheppard Auto Transport, and conducted operations as a highway carrier of motor vehicles in interstate and intrastate commerce. The interstate operations were conducted under a certificate of public convenience and necessity issued by the Interstate Commerce Commission, and the intrastate operations were conducted under permits issued by this Commission. Subsequent to the filing of Application No. 31018, but prior to the issuance of Decision No. 45990, the

sellers transferred to the above-named buyers, for the sum of \$40,000, the good will, certain motor vehicles and equipment, and the interstate operating rights of the business conducted under the firm name of Charlie Sheppard Auto Transport. This sale was approved by the Interstate Commerce Commission and consummated by the parties on March 19, 1951. At that time the sellers orally agreed to transfer to the buyers any operating rights which they might receive from this Commission as a result of Application No. 31018. Under date of July 24, 1951, the sellers received a certificate from this Commission authorizing the transportation of motor vehicles and other specified types of vehicles, parts and equipment, over designated highways between specified points in California. They now request authority to transfer this certificate to the buyers. No additional consideration, except a nominal consideration of \$10, will be paid by the buyers to the sellers for the transfer of these operating rights.

It is alleged that the sellers herein have not conducted any highway carrier operations since the sale of their business and operations on March 19, 1951.

Attached to the application is a schedule of the equipment of the buyers, and also a balance sheet statement as of August 31, 1951, and a profit and loss statement for the period March to August 31, 1951.

After a full consideration of this matter, we hereby find that C. H. Sheppard, Sr. and C. H. Sheppard, Jr. should be permitted to transfer the operative rights herein described

to Nicholas C. Conteas and Nicholas Kavoras, copartners, doing business as California Auto Transport. A public hearing is not necessary.

In authorizing this transfer we are making no finding of value of the operative rights and hereby place the transferee upon notice that operative rights, as such, do not constitute a class of property which may be 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 as above entitled having been made, the Commission being fully advised in the premises and hereby finding it to be in the public interest,

IT IS ORDERED:

(1) That C. H. Sheppard, Sr. and C. H. Sheppard, Jr., after the effective date hereof, may transfer to Nicholas C. Conteas and Nicholas Kavoras, copartners, doing business as California Auto Transport, the certificate of public convenience and necessity to operate as a highway common carrier, granted by Decision No. 45990, dated July 24, 1951, on Application No. 31018, for the sum of \$10.

(2) That Nicholas C. Conteas and Nicholas Kavoras, co-partners, doing business as California Auto Transport, should this transfer be effected, shall file in triplicate, and concurrently make effective, tariffs and time schedules satisfactory to the Commission.

(3) That Nicholas C. Conteas and Nicholas Kavoras, co-partners, doing business as California Auto Transport, within thirty (30) days after making the transfer hereinabove authorized, shall file with the Commission a statement showing the journal entries used to record on its books the purchase of the operating authority.

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

Dated at Los Angeles, California, this 5th day of June, 1952.

R. J. [Signature]
President
Justin S. [Signature]
Harold [Signature]
[Signature]
[Signature]
Commissioners