

ORIGINAL

Decision No. 47477

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
MELVIN F. ROY, an individual doing)	
business as FLO-DEL COMPANY, for)	
authority to transfer a certificate)	
of public convenience and necessity)	Application No. 33516
to a partnership composed of MELVIN)	
F. ROY and J. M. BRAINERD and of J.)	
M. BRAINERD to acquire an interest)	
in said certificate as such copartner.))	

O P I N I O N

An order is sought permitting Melvin F. Roy to transfer the operative rights granted him by Decision No. 31278, dated September 19, 1938, and Decision No. 40104, dated March 25, 1947, together with all carrier properties, to Melvin F. Roy and J. M. Brainerd as copartners.

Applicants allege that Melvin F. Roy presently transports cut flowers as a highway common carrier between San Francisco Bay points from retail florists to their customers and as a city carrier within the City of San Francisco; that J. M. Brainerd is engaged in the transportation of small parcels within the City of San Francisco upon behalf of retail druggists; that they wish to merge their businesses into a single unit; that such merger will result in an increased volume of city traffic which can be moved on a single unit of equipment, eliminate duplicating routes and produce a financial benefit to them.

Balance sheets attached to the application show that as of December 31, 1951, Melvin F. Roy possessed assets of \$46,817.96, current liabilities of \$18,569.61 and net worth of \$21,034.90 and that J. M. Brainerd's current and fixed assets amounted to \$14,988.49 with a net worth of \$14,852.89.

Under the circumstances here alleged it appears that the proposed transfer will not be adverse to the public interest. No finding is made as to the value of the operative rights and property concerned. The application will be granted. A public hearing is not necessary.

Melvin F. Roy and J. M. Brainerd 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

An application having been filed and the Commission being of the opinion that the authority requested should be granted,

IT IS ORDERED:

(1) That Melvin F. Roy, after the effective date hereof and on or before August 19, 1952, may transfer the operative rights granted by Decision No. 31278, dated September 19, 1938, and Decision No. 40104, dated March 25, 1947, and the properties referred to herein to Melvin F. Roy and J. M. Brainerd, copartners, who may acquire and thereafter operate the same.

(2) That applicants shall file in triplicate and concurrently make effective appropriate tariffs and time schedules

within 60 days after the effective date hereof and on not less than five days' 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 15th day of July, 1952.

A. J. Davidson
President
Harold A. Kulis
Frederick D. Patten

Commissioners