

ORIGINALDecision No. 47624

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SUNRISE DELIVERY, INC.; a corporation;)
 to sell and of FURNITURE FAST FREIGHT,) Application No. 33605
 a corporation; to buy certain highway)
 common carrier rights:)

O P I N I O N

Applicant Sunrise Delivery, Inc. operates as a highway common carrier transporting new furniture and parts thereof, uncrated new lamp standards, uncrated household refrigerators, uncrated radio receiving sets, uncrated new household washing machines, uncrated new stoves, and certain other similar articles between numerous points and places located between Santa Rosa, Sacramento and San Ysidro, California.⁽¹⁾ This corporation now proposes to transfer its operating rights to applicant Furniture Fast Freight, a California corporation for a total consideration of \$100, contemporarily with the delivery of the bill of sale and within ten days after an order authorizing the sale becomes final and effective. No physical properties are included in the proposed sale.

The reasons for entering into the proposed transaction are alleged in the application to be as follows: Sunrise Delivery, Inc. desires to dispose of said operating right because it has operated at a loss thereunder and it cannot financially afford to continue operating under the certificate of public convenience and necessity here involved. Said operating loss has been due to the fact that there are numerous radial highway common carriers and highway contract carriers who perform the same transportation service as Sunrise Delivery, Inc. but at much lower rates, and

(1) Decision No. 43440 dated October 25, 1949, in Application No. 30303.

therefore they obtain the bulk of the traffic in the area comprehended.

Furniture Fast Freight desires to obtain said operating right because it presently owns highway common carrier operating rights covering the transportation of new uncrated furniture and parts thereof and new uncrated lamp standards and electric lamps with shades combined between San Diego on the south and the San Francisco Bay area and North Sacramento on the north. Therefore, Furniture Fast Freight can handle the additional tonnage which is now being transported by Sunrise Delivery, Inc. without materially increasing its operating costs.

Furniture Fast Freight does not at the present time have any highway common carrier operating rights to serve such points north of San Francisco as Sausalito, San Anselmo, San Rafael, Shellville, Sonoma, Petaluma, or Santa Rosa, nor does it have any such right to serve points in and near San Diego, such as National City, Chula Vista, San Ysidro, La Mesa, El Cajon, Rancho Santa Fe, or Escondido, California. On shipments originating in Southern California and destined to points in the San Joaquin Valley or south of Santa Ana, Furniture Fast Freight may not make deliveries direct from manufacturers or from retail stores to homes or other places; such shipments must be consigned to a retail furniture dealer. The acquisition by Furniture Fast Freight of the Sunrise Delivery, Inc. certificate will enable it to serve the territory north of San Francisco and south and east of San Diego, and it would enable it to make deliveries to homes and points and places, other than furniture dealers, or direct from manufacturers or from retail stores to homes or other places for which service there is alleged to be a considerable demand.

Furniture Fast Freight, the transferee, is, and for a number of years last past has been engaged in the transportation of new uncrated furniture from, to and between points from San Diego on the south to the San Francisco Bay area and North Sacramento on the north. It has sufficient equipment and the financial ability to serve the additional territory and to make deliveries direct to homes and to other places which it may not presently serve, and it can accomplish such additional service without materially adding to its expenses.

In the event the proposed sale is not approved by the Public Utilities Commission, Sunrise Delivery, Inc. alleges that it will be forced by financial considerations to abandon its said operating authority. Such action would result in a loss to the public of a highway common carrier service to the points north of San Francisco as far as Santa Rosa and south and east of San Diego, and in the San Joaquin Valley and the points south of Santa Ana it would deprive the public of direct home deliveries by such a carrier. The abandonment of the certificate herein proposed to be sold by Sunrise Delivery, Inc. and to be purchased by Furniture Fast Freight, would also deprive the public of any highway common carrier service for the transportation of uncrated household refrigerators; radio receiving sets, radio receiving sets and talking machines combined, television sets, vision receiving sets, television and vision receiving sets and talking machines or radio sets combined; household laundry machines, including drying machines, ironing machines, washing machines, ironing boards, ironing tables, and electric, gas, gasoline or oil stoves and ranges. That portion of the public located in the areas now served by Sunrise Delivery, Inc. but not served by Furniture Fast Freight, requires the continuance of the present service now being

supplied by Sunrise Delivery, Inc. and Furniture Fast Freight desires to continue it.

The consummation of the proposed transfer would result in the consolidation of such operative rights with the operative rights now held by the transferee.

The Commission finds that the proposed transfer of the operating rights held by Sunrise Delivery, Inc. to applicant Furniture Fast Freight will not be adverse to the public interest. The sum of \$100 proposed to be paid for said operative rights is found by the Commission to be reasonably required for said purchase and not reasonably chargeable to operating expenses or income. The authority requested will therefore, be granted. A public hearing is unnecessary. The action taken herein shall not be construed to be a finding of the value of the operative rights herein authorized to be transferred.

O R D E R

Application having been made to the Public Utilities Commission for an order authorizing the transfer of operative rights, and the Commission having considered the matter and being of the opinion that a public hearing is not necessary and that the application should be granted as herein provided,

IT IS ORDERED:

(1) That Sunrise Delivery, Inc., a California corporation, after the effective date hereof may upon payment of \$100 in cash transfer its operative rights to Furniture Fast Freight, a California corporation, which may make such payment and thereafter exercise such operative rights.

(2) That the authority herein granted is subject to the following conditions:

- (a) Within 30 days after the consummation of the transfer herein authorized the applicant Furniture Fast Freight shall notify the Commission of that fact, and shall within said period, file with the Commission a true copy of the bill of sale and any other instrument of transfer, if any, which may have been executed to effect such transfer.
- (b) Within sixty (60) days after the consummation of the transfer herein authorized Sunrise Delivery, Inc. shall cancel its tariffs and Furniture Fast Freight shall file in triplicate, and concurrently make effective, appropriate tariffs, on not less than five days' notice to the Commission and the public covering all the operations now held and to be hereby acquired.

Except as otherwise expressly provided herein, the effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 26th day of August, 1952..

 J. J. Cameron PRESIDENT

 Harold A. Hild

 Kenneth Potter

 E. E. Hill

 (COMMISSIONERS)