

Decision No. 49864**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 CLYDE ELI WILSON, doing business)
 as C & W TRANSPORTATION CO. to sell,)
 and RAY COBB, doing business as) Application No. 35215
 C & W TRANSPORTATION CO. to buy)
 petroleum irregular route common)
 carrier rights between points in the)
 State of California.)

O P I N I O N

This application filed March 3, 1954 requests an order of the Commission authorizing Clyde Eli Wilson to sell and transfer the operating rights and equipment of his business carried on as C & W Transportation Co. to Ray Cobb to be continued by him. The operative rights involved were issued by Decision No. 44371 dated June 20, 1950 in Application No. 31053 and acquired by applicant Wilson pursuant to Decision No. 46055 dated August 7, 1951 in Application No. 32465.

A conditional sales contract executed by both applicants, a copy of which is attached to the application, provides for the delivery by seller to the buyer of two trucks, a trailer and certain described equipment and as consideration the payment by buyer of \$2,500 cash and an installment note bearing six per cent interest payable in 18 equal monthly installments of \$277.77 principal and accrued interest on the 21st day of each such month. Title is to be retained by seller until this note is fully paid. The application shows one dollar to be the price to be paid for the operating rights.

The application shows that applicant Wilson desires to retire from the operation of this business in order to devote his time to other business activities. Applicant Cobb, a former partner in this enterprise has been engaged in the transportation of petroleum and petroleum products since 1948. It is alleged that the interests

and rights of the shipping public will be preserved by this proposed transfer of the operations to Ray Cobb who will continue to carry on this business under the same name, C & W Transportation Co.

The verified application shows that applicant Cobb is experienced in the operation of a petroleum irregular route common carrier service and is in a position to finance the acquisition and operation here involved. Upon reviewing this matter we are of the opinion that the proposed transfer will not be adverse to the public interest and should be authorized. A public hearing is not necessary.

Applicant Cobb 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. 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.

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

O R D E R

The Commission having considered the above-entitled matter, and being of the opinion that a hearing is unnecessary, that the proposed transfer of operative rights is not adverse to the public interest, that the money, property or labor to be procured or paid for by the issuance of the note and the execution of the conditional contract of sale herein authorized is reasonably required by applicant Cobb for the purpose specified herein, and that such purpose

is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED:

(1) That Clyde Eli Wilson may sell and transfer to Ray Cobb, on or before June 1, 1954, the operative rights and properties referred to in the preceding opinion, such sale and transfer to be made substantially upon the terms and conditions of the conditional sales contract, a copy of which was attached to this application, and said Ray Cobb may issue in part payment of said properties his promissory note in the principal amount of \$5,000 and may execute said conditional sales contract.

(2) That within said period, applicant Cobb shall notify the Commission in writing of the fact of transfer, and within said period shall file with the Commission any bill of sale or other instrument of transfer which may have been executed to effect such transfer.

(3) That within said period, in accordance with the Commission's General Order No. 80, and concurrently with the transfer authorized by Ordering Paragraph 1 hereof on not less than five days' notice to the Commission and the public applicant Cobb shall institute service and unite with applicant Wilson in common supplements to the tariffs of seller, said Wilson withdrawing and said Cobb adopting and establishing such tariffs and all effective supplements thereto.

(4) That applicant Cobb shall file with the Commission monthly reports as required by General Order No. 24-A which order, insofar as applicable, is made a part of this order.

(5) The authority herein granted will become effective when applicant Cobb has paid the minimum fee prescribed by Section 1904 (b) of the Public Utilities Code, which fee is \$25.00.

Dated at San Francisco, California, this 30th day of March, 1954.

A. J. [Signature]
President
Justin F. [Signature]
Kenneth [Signature]
Ed. E. [Signature]
Deane [Signature]
Commissioners

