

**ORIGINAL**Decision No. 50964

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
Charles W. Schenk, doing business as	)	
CORONADO TRANSFER, to sell, and	)	
Thomas L. Dease, doing business as	)	
Thomas L. Dease Package and Delivery	)	Application No. 36523
Service, to purchase, an automobile	)	
freight line operated between San	)	
Diego, California, Coronado,	)	
California, and North Island, Cali-	)	
fornia.	)	

O P I N I O N

Charles W. Schenk, doing business as Coronado Transfer, has authority from the Commission to render service as a highway common carrier, as defined in Section 213 of the Public Utilities Code, for the transportation of general merchandise, pianos, trunks, suitcases, sewing machines, phonographs, and furniture, between San Diego and Coronado via the San Diego and Coronado Ferry. (1) By the application herein the Commission is requested to authorize Charles W. Schenk, doing business as Coronado Transfer to sell, and Thomas L. Dease, doing business as Thomas L. Dease Package and Delivery Service, to purchase, the former's operative rights above described for the sum of \$3,500, payable

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(1) The rights were originally acquired by Robert E. Hunt (Decision No. 16298, dated March 25, 1926, on Application No. 11861), who in turn transferred them to Robert A. Shultz (Decision No. 44203, dated May 23, 1950, on Application No. 31311). Robert A. Shultz in turn transferred the rights to Charles W. Schenk (Decision No. 49529, dated January 5, 1954, on Application No. 34883.)

on the effective date of the Commission's order authorizing their transfer. The application states that the agreement is oral, but a copy of the purported agreement, signed by both parties, is attached to the application and marked Exhibit "A". No property other than the operative rights is to be transferred.

The application alleges that Charles W. Schenk's reason for selling is that he desires to devote his time to sales and promotional work.

The Commission's records reflect that Thomas L. Dease, doing business as Thomas L. Dease Package and Delivery Service, holds the following permits issued by the Commission: city carrier permit No. 37-2834, issued August 22, 1950; radial highway common carrier permit No. 37-2972, issued December 11, 1951; contract carrier permit No. 37-2639, issued December 11, 1951; and household goods carrier permit No. 37-4107, issued September 2, 1952. Pursuant to Decision No. 50448, dated August 17, 1954, in Case No. 5478, he has filed Application No. 36233 requesting a certificate of public convenience and necessity as a highway common carrier. The extent of his proposed operations is not set forth in that application.

In the application herein it is alleged that Thomas L. Dease operates a package and delivery service in San Diego County within a radius of approximately twenty-five miles of the city limits of San Diego, but not including Coronado, and that the acquisition of the operation of Charles W. Schenk, doing business as Coronado Transfer, will amplify the service of Thomas L. Dease and will result in a completely rounded out service for shippers

and receivers in the San Diego and Coronado areas without added cost to the shipping public. It is further alleged that he has six pieces of trucking equipment. He appears to be in a sound financial position (Exhibit "D" on the application).

The parties have informed the Commission that the seller is not a party to any through routes or joint rates with any other carrier.

We find that the proposed sale is not adverse to the public interest. The application will be granted. A public hearing is not necessary.

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

Thomas L. Dease 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 as to the number of rights which may be given.

O R D E R

Application having been made and the Commission having been fully advised in the premises,

IT IS ORDERED:

(1) That Charles W. Schenk may sell and transfer to Thomas L. Dease, within sixty days after the effective date hereof, the operating rights hereinbefore described, for the sum of \$3,500, payable on or before the effective date of this order, and Thomas L. Dease may acquire said operating rights.

(2) That within thirty days after the consummation of the transfer herein authorized, Thomas L. Dease shall notify this Commission in writing of that fact.

(3) That within sixty days after the effective date hereof, and on not less than five days' notice to the Commission and to the public, applicants shall supplement or revise the tariffs and time tables on file with the Commission, naming rates, rules, regulations and schedules governing the common carrier operations herein involved to show that Charles W. Schenk has withdrawn or cancelled, and Thomas L. Dease has adopted or established as his own, said rates, rules, regulations and schedules.

The effective date of this order shall be twenty days from the date hereof.

Dated at San Francisco, California, this 10th day of January, 1955.

[Signature] President  
Justus J. Cramer  
Ray Stutsman  
William L. Dool  
Commissioners