## ORIGINAL

Decision No. 515S1

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
BEKINS VAN & STORAGE CO., BEKINS VAN
LINES, INC., and BEKINS WAREHOUSING
CORP. for authority under Section 1052,
Public Utilities Act, to transfer rights,
privileges, permits and certificates as
warehouseman to BEKINS WAREHOUSING CORP.

Application No. 36929

## OPINION AND ORDER

Bekins Van & Storage Co., and Bekins Van Lines, Inc., its wholly owned subsidiary, (hereinafter called Transferors) conduct public utility warehouse operations at various locations in the State of California. By this application they seek authority to transfer these operations to Bekins Warehousing Corp., (hereinafter called Transferee) also a wholly owned subsidiary of Bekins Van & Storage Co. All of the operations owned by the Bekins Van & Storage Co. are leased to the Bekins Van Lines, Inc., under authority of this Commission. Authority is also sought to cancel these lease arrangements. The consideration agreed upon between the parties for the operations involved is \$10 to each of the transferors.

Transferors operate in San Francisco and Los Angeles under prescriptive rights created by virtue of public utility warehouse operations being conducted prior to the enactment, in 1927, of Sections  $2\frac{1}{2}$  and  $50\frac{1}{2}$  of the Public Utilities Act (now Sections 239 and 1052 of the Public Utilities Code). In Sacramento, San Diego, Hollywood and Wilmington they also have prescriptive rights which they acquired from various other parties. In Oakland the operation is conducted under a certificate of public convenience and necessity granted by Decision No. 46674 in Application No. 32996. Transferors

Decisions Nos. 23879, 23880, 24484 and 34566 in Applications Nos. 17457, 17458, 17915 and 24391, respectively.

A.36929 pc also operate in the following cities having a population of less than 150,000 under tariffs on file with the Commission: Arcadia, Berkeley, Beverly Hills, Burlingame, Compton, Fresno, Glendale, Inglewood, Pasadena, Pomona, Redwood City, San Bernardino, San Gabriel, Santa Ana, and Santa Monica. Applicants state that Bekins Van Lines, Inc., is also engaged in transportation business and that its name is not appropriate to the business of a warehouseman. They assert that the proposed transfer will simplify record-keeping and preparation of reports of all the companies. According to the application, transferee has adequate capital and ability to conduct the operations. No change is proposed in the service available to the public nor inthe rates, rules and regulations applicable thereto. In the circumstances, it appears that applicants' proposals are not adverse to the public interest and that the sought authority should be granted. A public hearing is not necessary. Bekins Warehousing Corp. is hereby placed on 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 ratefixing for any amount of money in excess of that originally paid to the State as consideration for 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 at any time by the State, which is not in any respect limited as to the number of rights which may be given.

> Therefore, good cause appearing, IT IS HEREBY ORDERED:

(1) That Bekins Van Lines, Inc., may transfer to Bekins Warehousing Corp. the warehouse operative rights granted by Decision No. 46674 of January 22, 1952, in Application No. 32996.

No certificate from the Commission is required for operations in cities with a population of less than 150,000.

- (2) That Bekins Van & Storage Co. and Bekins Van Lines, Inc., may transfer whatever rights they may possess to operate public utility warehouses in the cities of San Francisco, Los Angeles, San Diego, Sacramento, Hollywood and Wilmington to Bekins Warehousing Corp.
- (3) That Bekins Van & Storage Co. and Bekins Van Lines, Inc., may transfer their warehouse operations in the cities of Arcadia, Berkeley, Beverly Hills, Burlingame, Compton, Fresno, Glendale, Inglewood, Pasadena, Pomona, Redwood City, San Bernardino, San Gabriel, Santa Ana, and Santa Monica to Bekins Warehousing Corp.
- (4) That within sixty days after the effective date hereof, on not less than five days' notice to the Commission and the public, applicants shall amend tariffs on file with the Commission naming rates, rules and regulations governing the operations here involved to show that Bekins Van & Storage Co. and/or Bekins Van Lines, Inc., has withdrawn and that Bekins Warehousing Corp. has adopted as its own said rates, rules and regulations.
- (5) That Bekins Van & Storage Co. and Bekins Van Lines, Inc., be and they are hereby authorized to cancel the lease agreements for public utility warehouse operations as described in Application No. 36929.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this \_\_\_\_\_\_ day of June, 1955.