

**ORIGINAL**

Decision No. 52171

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
ANNA LAURA CAREY, doing business as	)	
CAREY TRUCK LINE, to sell, and	)	
K. A. MANSKA, doing business as	)	Application No. 37227
CAREY TRUCK LINE, to purchase high-	)	
way common carrier operating rights	)	
and properties.	)	

O P I N I O N

Anna Laura Carey, doing business as Carey Truck Line, hereinafter called the Seller, seeks authority to sell her trucking business and assets consisting of Revenue Equipment valued at \$71,520.45, Prepaid Insurance and Rent valued at \$4,217.00, Office Equipment valued at \$154.32 and Goodwill and Certificated Highway Common Carrier Operating Rights valued at \$8,690.69, all totalling \$84,582.46, to K. A. Manska, hereinafter called the Purchaser, for a consideration of \$57,000.00 and the assumption by the latter of an indebtedness of \$27,582.46 represented by notes payable secured by a chattel mortgage upon the revenue equipment.

The value placed on the operating rights is \$3,000.00. The certificated rights were created pursuant to Decisions Nos. 41996 and 43834, and generally authorize the transportation of oilfield, pipeline and refinery equipment, machinery, parts and supplies between certain named points and oilfields in Southern California all as more particularly set forth in said decisions.

Seller also proposes to transfer her radial highway common carrier, contract carrier and city carrier permits as part of the transaction.

The consideration to be paid to the Seller by the Purchaser is \$57,000.00, payable \$500.00 upon the execution of the agreement, \$7,500.00 upon receipt of approval from this Commission, and the balance of \$49,000.00 in payments of \$500.00 or more per month plus interest at the rate of 5 per cent per annum on unpaid balance, said payments to commence on the first day of the month following approval of sale. The deferred payments of \$49,000.00 will be evidenced by a promissory note. Purchaser will also assume notes payable in the sum of \$27,582.46. No other liabilities will be assumed.

Purchaser has in excess of ten years experience in the trucking business and has been assisting Seller in her operation. His financial condition as of August 1, 1955, consisted of \$14,000.00 in cash, revenue equipment in the sum of \$6,000.00 and no liabilities.

A proforma balance sheet giving effect to the proposed sale and transfer reflects a condition as follows:

ASSETS

Cash		\$6,000.00
Prepaid Insurance	\$2,950.00	
Prepaid Rent	1,267.00	4,217.00
Revenue Equipment	<u>77,520.45</u>	
Office and Other Equipment	154.32	77,674.77
Goodwill and Certificates		<u>8,690.69</u>
Total Assets		\$96,582.46

LIABILITIES

Notes Payable - Equipment	\$27,582.46	
Notes Payable - Carey Contract	<u>49,000.00</u>	\$76,582.46

Net Worth

K. A. Manska		<u>20,000.00</u>
Total Liabilities and net worth		\$96,582.46

The Commission having considered the matters pertinent hereto is of the opinion and finds that the proposed sale and transfer are not adverse to the public interest and that the money, property or labor to be purchased or paid for by the issue of the \$49,000.00 note is reasonably required by K. A. Manska for the purpose specified herein. The application will be granted. A public hearing is not deemed necessary.

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

K. A. Manska, doing business as Carey Truck Line, 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, such rights 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.

#### ORDER

Application having been made, the Commission being fully advised in the premises, and good cause appearing,

IT IS ORDERED:

(1) That Anna Laura Carey, doing business as Carey Truck Line, may sell and transfer, on or before ninety days after the effective date of this order, to K. A. Manska, the highway common carrier operating rights and business and assets, referred to in the foregoing opinion, said sale to be made substantially upon the terms and conditions of the agreement of sale filed as Exhibit

D with this application, and K. A. Manska may acquire said assets and operating rights and continue the transportation service as heretofore authorized by this Commission, and, in payment therefor, may assume the outstanding indebtedness referred to in this proceeding and may issue a note in an amount not exceeding \$49,000.00.

(2) 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 amend tariffs on file with the Commission naming rates, rules and regulations governing the operations here involved to show that Anna Laura Carey, doing business as Carey Truck Line, has withdrawn and that K. A. Manska, doing business as Carey Truck Line, has adopted as his own said rates, rules and regulations.

(3) That, in the event the authority to sell and purchase is exercised, K. A. Manska shall notify the Commission in writing of that fact within thirty days after the date of sale.

(4) That the authority herein granted will become effective upon the payment of the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$49.00.

Dated at San Francisco, California, this 1st day of November, 1955.

Eric E. Hatchell  
President

Paul J. [unclear]

[unclear]

P. Hardy

Commissioners

