

ORIGINALDecision No. 52730

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 PETER RAVALIN for permission to sell)
 and CHARLES P. CRY to purchase an)
 automobile freight line operated)
 between points in San Mateo and Santa)
 Clara Counties in California, on the)
 one hand, and Oakland and San)
 Francisco, California, on the other.)

Application No. 37420

E. Conrad Connella, for applicants.

O P I N I O N

Peter Ravalin, presently rendering service as a highway common carrier for the transportation of fresh fruits and vegetables between points in Santa Clara and San Mateo Counties, on the one hand, and Oakland and San Francisco, on the other hand, requests authority to sell and transfer said operative rights and certain property to his son-in-law, Charles P. Cry.

A public hearing was held before Examiner Thomas E. Daly on February 7, 1956, at San Francisco and the matter was submitted.

By the application as amended the agreed consideration is \$15,125. This is based upon the market value of \$10,400 for eight pieces of equipment, \$2,335 good will and \$1,780 as the actual cost of acquiring the operative rights. According to the terms of the sales contract (a copy of which is attached to the application as amended) the consideration will be paid in quarterly installments amounting to ten per cent of the purchaser's gross receipts from the operations.

Although the purchaser is fully familiar with the operations he has not been active in the business on a full-time basis for the past several years. It was agreed between the parties that the seller would continue to assist the purchaser in the conduct of

the business and would be paid a salary of \$125 a month. Although the seller has been in poor health the business has grossed between \$9,000 and \$12,000 annually for the past five years. It was the opinion of both parties that the business would be even better as soon as the purchaser gave his full time to the operation. The purchaser indicates net assets in the amount of \$9,855.

After consideration, the Commission is of the opinion and so finds that the proposed transfer will not be adverse to the public interest and that the money, property or labor to be procured or paid for by the issue of the evidence of indebtedness, herein authorized, is reasonably required by applicants for the purpose specified herein, and that the expenditure for such purpose is not, in whole or in part, reasonably chargeable to operating expense or to income. 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. Charles P. Cry 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.

O R D E R

Application having been filed and the Commission having been informed in the premises,

IT IS ORDERED:

(1) That Peter Ravalin may sell and transfer to Charles P. Cry, on or before April 15, 1956, the operative rights acquired by Decision No. 41291, dated March 9, 1948, in Application No. 29074 and Decision No. 46857, dated March 17, 1952, in

Application No. 32827 as well as the property referred to in Schedule A of the contract of sale attached to the application as amended.

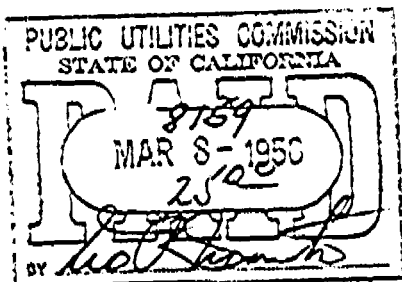
(2) That, within thirty days after the consummation of the transfer herein authorized, Charles P. Cry shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

(3) That, on not less than five days' notice to the Commission and to the public, applicants shall amend or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing the common carrier operations here involved to show that Peter Ravalin has withdrawn or canceled and Charles P. Cry has adopted or established as his own said rates, rules and regulations. The tariff filings made pursuant to the order shall comply in all respects with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 80.

(4) That Charles P. Cry may incur indebtedness of \$15,125 in accordance with the terms of the sale agreement attached to the application.

(5) That this order shall become effective when applicants have paid the fee of \$25 as required by Section 1904 of the Public Utilities Code.

Dated at San Francisco, California, this 6th day of March, 1956.



Handwritten signatures and names of the President and Commissioners, including names like 'John E. ...', 'Justin J. ...', and 'P. Hardy'.