

ORIGINALDecision No. 53237

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 Leo L. Bookless and Irving D. Osburn,
 doing business as B AND O SERVICE
 COMPANY, and Irving D. Osburn and
 Harry M. Ditmore, partners doing
 business as B AND O SERVICE COMPANY,
 for authority for the former to
 transfer, and the latter to acquire
 certain operative rights, equipment
 and other property.

Application No. 37992

O P I N I O N

Leo L. Bookless and Irving D. Osburn, doing business as B and O Service Company, request authority to sell and transfer and Irving D. Osburn and Harry M. Ditmore, doing business as B and O Service Company, request authority to purchase and acquire certain property and operative rights as a petroleum irregular route carrier.

The proposed transfer is in effect a change in partners with Leo L. Bookless selling his one-half interest in the business to Harry M. Ditmore.

The agreed consideration is \$31,000 which is to be paid in cash. A value of \$250 is placed on the operative rights.

Applicant Ditmore allegedly has had long experience in the oilfield trucking business. By his balance sheet, as of January 31, 1956, he shows a net worth of \$114,500.

After consideration, the Commission is of the opinion and so finds that the proposed transfer will not be adverse to the public interest. 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. A public hearing does not appear to be necessary.

Applicant 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 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.

O R D E R

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

IT IS ORDERED:

(1) That on or before October 1, 1956, Leo L. Bookless and Irving D. Osburn, doing business as B and O Service Company may sell and transfer and Irving D. Osburn and Harry M. Ditmore, doing business as B and O Service Company, may purchase and acquire the operative rights granted by Decision No. 50472 dated August 24, 1954, in Application No. 35452, as well as the property referred to in paragraph V of the application.

(2) That within thirty days after the consummation of the transfer herein authorized applicants 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 Leo L. Bookless and Irving D. Osburn, doing business as B and O Service Company, has withdrawn or canceled and Irving D. Osburn and Harry M. Ditmore, doing business as B and O Service Company, have adopted or established as their 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 in the Commission's General Order No. 80.

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

Dated at San Francisco, California, this 12th day of June, 1956.

[Signature]
President
Justin J. Cravens
Randy [unclear]
[Signature]
[Signature]
Commissioners