

ORIGINAL

Decision No. 55373

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 BARBARA R. WALTHERS to sell, and)
 ALFRED W. BELLOWS to purchase, an)
 interest in the operating rights)
 and property of a highway common)
 carrier.)

Application No. 39129

O P I N I O N

Barbara R. Walthers and Alfred W. Bellows, doing business as B & W Film Delivery, have authority from this Commission to render service as a highway common carrier for the transportation of motion picture films, accessories, supplies, advertising matter, electric lighting effects (including carbons, bulbs and globes), projection machinery and parts, and tickets, between the following places and via the following routes: ^{1/}

Between Los Angeles and Redlands over the routes and serving the intermediate points and off-route points as follows:

1. U. S. Highway No. 66 from Los Angeles to San Bernardino, thence over Third Street, City Creek Street and Orange Avenue from San Bernardino to Redlands; serving all intermediate points and all off-route points on or within 3 miles of said route between Glendora and Redlands.
2. U. S. Highway No. 99 from Los Angeles to Ontario, thence over U. S. Highway 60 from Ontario to Riverside, thence over U. S. Highway No. 395 to Colton, thence over U. S. Highway No. 99 to Redlands; serving all intermediate points on said

^{1/} Decision No. 39006, dated May 21, 1946, in Application No. 27268, as modified by Decision No. 41796, dated June 29, 1948, in Application No. 29275.

route between the University of California facilities at the Kellogg Ranch near Pomona and Redlands; and serving all off-route points within 3 miles of said route between said University of California facilities and Pomona, including the California Institute for Men near Pomona.

3. Valley Boulevard from El Monte to Pomona, serving all intermediate points on said route between Puente and Pomona.

By the application herein, filed with this Commission on June 5, 1957, the copartners seek authority to transfer the said operating rights and the assets used and useful in the business from the copartnership to Alfred W. Bellows, one of the partners, for the sum of \$12,500, payable in installments of \$75 or more per week together with interest on the unpaid balance at the rate of 6 per cent per annum, said payments to commence thirty days after the consummation of the transfer following approval by this Commission, and the purchaser will assume all liabilities of the partnership (Exhibit A on the application).

The sellers' balance sheet as of April 19, 1957, shows the following (Exhibit 1 on the application):

ASSETS

Cash in Bank		\$1,336.92	
Accounts Receivable		842.49	
Auto Trucks	\$2,327.16		
Less: Allowance for Depreciation	<u>2,181.71</u>	145.45	
Office Furniture & Fixtures	326.59		
Less: Allowance for Depreciation	<u>260.99</u>	65.60	
Good Will		<u>1,010.00</u>	
Total Assets			<u><u>\$3,400.46</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		\$ 428.77	
Capital		<u>2,971.69</u>	
Total Liabilities and Capital			<u><u>\$3,400.46</u></u>

The applicants value the operative rights to be transferred at \$9,099.54.

For the period from January 1, 1957, to April 19, 1957, inclusive, the partnership had revenues amounting to \$6,692, expenses of \$3,859.14, and a net profit of \$2,832.86, (Exhibit 2 on the application).

Barbara R. Walthers is desirous of discontinuing action in the field of transportation, and it is for that reason that the application was filed. The application alleges that the sellers are not party to any through route or joint rates with any other carrier.

The Commission having considered the matter and things pertinent thereto, is of the opinion and finds that the proposed sale and purchase as hereinabove set forth is not adverse to the public interest and will therefore grant the application. A public hearing is not deemed necessary.

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

Alfred W. Bellows 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 to the number of rights which may be given.

O R D E R

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

IT IS ORDERED:

(1) That Barbara R. Walthers and Alfred W. Bellows, copartners, doing business as B & W Film Delivery, may sell and deliver to Alfred W. Bellows, an individual, within sixty days after the effective date of this order, the operative rights and property 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 A with the application; and Alfred W. Bellows may acquire said operating rights and property and shall continue the said transportation service as heretofore authorized by this Commission.

(2) That within sixty days after the effective date hereof, effective concurrently with the consummation of such transfer, and on not less than five days' notice to the Commission and to the public, applicants shall supplement or reissue tariffs on file with the Commission naming rates, rules and regulations governing the operations here involved to show that Barbara R. Walthers and Alfred W. Bellows, copartners, doing business as B & W Film Delivery, have withdrawn, and Alfred W. Bellows, an individual, doing business as B & W Film Delivery, has adopted as his own said rates, rules and regulations. The tariff filings made pursuant to this 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.

(3) That Alfred W. Bellows may incur the payment of the long term indebtedness as requested in Exhibit A attached to this application, payable at the rate of \$75 per week plus interest at

the rate of 6 per cent per annum on the unpaid balance, in purchasing the operating rights and property referred to in the opinion herein. It is the opinion of the Commission that the money, properties or labor to be procured or paid for through the incurring of such long term indebtedness is reasonably required for the purposes specified herein and that such purposes are not, in whole or in part reasonably chargeable to operating expenses or to income.

(4) That in the event the authority herein granted is exercised, Alfred W. Bellows shall notify the Commission in writing of the fact within thirty days after the date of transfer.

This order shall become effective when Alfred W. Bellows has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.00.

Dated at San Francisco, California, this 5th day of August, 1957.

[Signature]
President

[Signature]

[Signature]

[Signature]

Commissioners

