ORIGINAL

Decision No. 55439

BEFORE THE FUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) H. F. CROWSON, doing business as) CROWSON TRANSPORTATION CO., to sell,) and ROBERT A. JANSEN, LLOYD M. JANSEN,) WAYNE E. JANSEN and ELROY A. JANSEN,) co-partners, doing business as) JANSEN TRANSPORTATION COMPANY, to) purchase operating rights as a highway) common carrier of property.)

Application No. 39128

$\underline{O P I N I O N}$

H. F. Crowson requests authority to sell and transfer to Robert A. Jansen, Lloyd M. Jansen, Wayne E. Jansen and Elroy A. Jansen, doing business as Jansen Transportation Company, the certificate of public convenience and necessity which was granted to him by Decision No. 53774. The operating right generally authorizes the transportation of iron or steel, paper articles, petroleum or petroleum products, in packages, roofing or siding or roofing or siding materials and miscellaneous commodities between all points within the Los Angeles Territory, as such commodities and territory are particularly described in said certificate.

The consideration is \$2,000 payable in installments of \$100 per month, without interest, commencing with the transfer of the certificate following approval by the Commission. No operating equipment or other property or assets are involved in the proposed transaction.

Buyers are now engaged in the transportation business as radial and contract carriers. A balance sheet of their business as of March 31, 1957, shows total assets of \$100,927, total liabilities of \$35,718 and a net worth of \$65,209. A net profit of \$27,735 was

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realized for the 12-month period ending March 31, 1957. They operate 18 trucks and 18 semi-trailers.

The operative rights sought to be transferred were granted pursuant to Decision No. 50448 in Case No. 5478, sometimes referred to as the "policy decision." The Commission has held that those to whom certificates have been granted pursuant to said "policy decision" will not be permitted to divest themselves of such rights and obligations without a clear and convincing showing that to do so would not be adverse to the public interest.

The Commission having considered the allegations of the application and the exhibits attached thereto is of the opinion and finds that the proposed sale and transfer of said certificate is not adverse to public interest. 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 properties hereinabove described.

Robert A. Jansen, Lloyd M. Jansen, Wayne E. Jansen and Elroy A. Jansen are 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 as to the number of rights which may be given.

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Application having been made, the Commission being fully advised in the premises and having found as hereinabove set forth,

IT IS ORDERED:

(1) That H. F. Crowson may sell and transfer, on or before sixty days after the effective date of this order, to Robert A. Jansen, Lloyd M. Jansen, Wayne E. Jansen, and Elroy A. Jansen, doing business as Jansen Transportation Company, the operating rights 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 C, filed with the application, and said buyers may acquire said rights and shall continue to operate a transportation service as heretofore authorized by this Commission.

(2) That within sixty days after the effective date hereof, concurrently with the consummation of the transfer herein authorized, 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 H. F. Crowson has withdrawn and Robert A. Jansen, Lloyd M. Jansen, Wayne E. Jansen and Elroy A. Jansen have adopted as their own said rates, rules and regulations.

(3) That in the event the authority herein granted is exercised, Robert A. Jansen, Lloyd M. Jansen, Wayne E. Jansen and Elroy A. Jansen shall notify the Commission in writing of the fact within thirty days after the date of transfer.

(4) That Robert A. Jansen, Lloyd M. Jansen, Wayne E. Jansen and Elroy A. Jansen may execute and enter into an agreement providing for the payment of \$2,000 over a period of 20 months, as set forth in

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Exhibit C filed with this application, it being the opinion of the Commission that the money, property or labor to be procured or paid for is reasonably required for the purpose specified herein and that such purpose, except as otherwise authorized, is not in whole or in part, reasonably chargeable to operating expenses or to income.

(5) The effective date of this order shall be when Robert A. Jansen, Lloyd M. Jansen, Wayne E. Jansen and Elroy A. Jansen have paid the fee prescribed by Section 1904 (b) of the Public Utilities Code, which fee is \$25.

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