

**ORIGINAL**

Decision No. 55474

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of: )

(a) FISK TRUCKING AND TRANSFER COMPANY, )  
 a corporation, to purchase, and of )  
 MARION G. FISK, an individual doing )  
 business as FISK TRUCKING AND TRANSFER )  
 COMPANY, to sell, a certificate of )  
 public convenience and necessity for )  
 transportation of general commodities )  
 between various points in Southern )  
 California, pursuant to Sections 851- )  
 853 of the California Public Utilities )  
 Code. )

Application No. 39207

(b) FISK TRUCKING AND TRANSFER COMPANY, )  
 a corporation, to issue shares of its )  
 common capital stock pursuant to Sec- )  
 tions 816-830 of the California Public )  
 Utilities Code. )

O P I N I O N

Marion G. Fisk requests authority to sell and transfer his certificate of public convenience and necessity (Decision No. 54452), city and radial highway common carrier permits, and business and assets having a net worth of \$18,646.49, to a recently incorporated California corporation, in exchange for 1,864 shares having a par value of \$10 each.

The corporation, Fisk Trucking and Transfer Company, has an authorized capital of \$200,000 divided into 20,000 shares of the par value of \$10 each. It is a family corporation organized for the principal purpose of continuing the motor carrier transportation business now being conducted by Fisk. No shares have heretofore been sold or issued. It has no assets or liabilities.

The financial condition of Marion G. Fisk, an individual doing business as Fisk Trucking and Transfer Company, as of May 31, 1957, was as follows: total tangible assets, \$27,969.23; total liabilities, \$9,322.74; net worth, \$18,646.49. For the five-month period ending May 31, 1957, the business was operated at a net profit of \$3,917.47. The motor equipment being transferred consists of seven trucks, three tractors, four trailers, and other miscellaneous motor and office equipment.

The Commission having considered the matter is of the opinion and finds that the proposed sale of said operating authority and business is not adverse to the public interest. In making our order we place applicants 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, 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.

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

O R D E R

Application having been made, the Commission being fully advised in the premises and finding that the money, property or labor to be procured or paid for through the issue of \$18,646 of common stock herein authorized is reasonably required by applicant for the purposes specified herein, and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

(1) Marion G. Fisk may transfer the operative rights, permits, and business and assets referred to herein to Fisk Trucking and Transfer Company, a California corporation, and the latter, in acquiring the same, may assume the payment of outstanding indebtedness and issue 1,864 shares of its common stock at its par value for the purposes set forth in the preceding opinion.

(2) On not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of such transfer, applicants shall supplement or reissue the tariffs on file with the Commission naming rates, rules and regulations governing the common carrier operations here involved to show that Marion G. Fisk has withdrawn or canceled and Fisk Trucking and Transfer Company has adopted or established as its 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) Fisk Trucking and Transfer Company shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

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

Dated at Los Angeles, California,  
this 27<sup>th</sup> day of August, 1957.

Paul L. Interwies President  
W. H. H. H.  
C. L. H. H.  
Commissioners