

ORIGINAL

Decision No. 50436

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 RICHARD H. RICE, doing business as )  
 BLYTHE FREIGHT LINES, to sell, and )  
 WILLIAM M. CLAYPOOL, JR., ARIMA W. )  
 CLAYPOOL, FRANCES C. BOOM, HERBERT B.)  
 BOOM, COURTNEY H. BOOM, WILLIAM M. ) Application No. 39805  
 CLAYPOOL III, JOHN W. CLAYPOOL, )  
 JAMES B. CLAYPOOL, ELIZABETH BARROWS )  
 and JANE JOHNSTON, co-partners, )  
 doing business as CLAYPOOL & CO., to )  
 purchase operating rights and certain )  
property of a highway common carrier.)

O P I N I O N

Richard H. Rice is engaged in operations as a highway common carrier under a certificate of public convenience and necessity issued to him by this Commission in its Decision No. 54651, dated March 12, 1957, in Application No. 35975. Under this certificate he is authorized to transport general commodities except household goods and personal effects, automobiles, trucks and buses, livestock, many liquids, commodities in bulk and commodities in vehicles equipped for mixing in transit. The points served are Los Angeles and Riverside, on the one hand, and Blythe and points within twenty-five miles of Blythe, on the other hand.

Buyers are engaged as highway common carriers between San Bernardino, on the one hand, and points on U.S. Highway 66 between Ludlow and Needles, both inclusive, on the other hand. They are also engaged in various noncarrier businesses.

Seller, for personal reasons, has been required to move from Blythe and presently resides in Newport Beach where he is unable to devote the time necessary to the operations under the certificate and if the sale is authorized intends to discontinue all operations as a carrier. Buyers, if the transfer is authorized, intend to maintain an office in Blythe.

One truck and trailer is included in the equipment which is to be transferred. The total consideration for the operative rights and equipment is \$17,500, of which \$2,500 is allocated to good will and the operative rights and \$15,000 for the equipment which represents its current market value.

The verified application shows that the proposed purchasers are experienced in the highway common carrier business and are in a position to adequately finance the operation here involved. The purchase price will be paid concurrently with the transfer following Commission approval. Upon reviewing this application, we are of the opinion and find that the proposed transfer will not be adverse to the public interest and should be authorized. A public hearing is not necessary.

Applicants William M. Claypool, Jr., Arima W. Claypool, Frances C. Boom, Herbert B. Boom, Courtney H. Boom, William M. Claypool III, John W. Claypool, James B. Claypool, Elizabeth Barrows and Jane Johnston are 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. 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.

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.

O R D E R

Application therefor having been filed and the Commission being fully advised in the premises and being of the opinion that a public hearing is unnecessary,

IT IS ORDERED:

(1) That within ninety days after the effective date hereof, Richard H. Rice may sell and transfer to William M. Claypool, Jr., Arima W. Claypool, Frances C. Boom, Herbert B. Boom, Courtney H. Boom, William M. Claypool III, John W. Claypool, James E. Claypool, Elizabeth Barrows and Jane Johnston the operative rights and properties referred to in the above opinion and application, such sale and transfer to be made upon the terms and provisions of the agreement copy of which is attached to the application as Exhibit F.

(2) That within said period the purchasers shall notify the Commission in writing of the fact of such transfer, and file a true

copy of any bill of sale or other instrument of transfer which may have been executed to effect such transfer.

(3) That on not less than five days' notice to the Commission and the public, effective concurrently with the consummation of such transfer, applicants shall supplement or reissue the tariffs on file with the Commission naming the rates, rules and regulations governing the common carrier operations here involved to show that Richard H. Rice has withdrawn or canceled and William M. Claypool, Jr., Arima W. Claypool, Frances C. Boom, Herbert B. Boom, Courtney H. Boom, William M. Claypool III, John W. Claypool, James B. Claypool, Elizabeth Barrows and Jane Johnston have adopted or established as their 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.

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

Dated at San Francisco, California, this 1st day of April, 1958.

[Signature]  
President  
[Signature]  
[Signature]  
[Signature]

Commissioners