

ORIGINAL

Decision No. 58182

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
GARDEN CITY TRANSPORTATION CO., LTD.,)
a corporation, to sell and transfer,)
and SAVAGE TRANSPORTATION CO., INC.,)
a corporation, to purchase, operative)
rights.)

Application No. 40035
(First Supplemental)

FIRST SUPPLEMENTAL ORDER

Garden City Transportation Co., Ltd., and Savage Transportation Co., Inc., have filed this first supplemental application in the above-entitled proceeding for authorization to enter into a supplemental agreement.

In the original application, Garden City Transportation Co., Ltd., sought authorization to transfer its business to Savage Transportation Co., Inc., at an agreed price of \$45,000, of which \$5,000 was allocated, by the parties, to the operative rights and \$40,000 to the business and goodwill. The application was granted by Decision No. 57715, dated December 9, 1958.

Applicants now report that they had neglected to insert in the agreement a provision as to noncompetition on the part of the seller and that they had incorrectly set forth the allocation of the purchase price. Accordingly, they have entered into a supplemental agreement, dated January 23, 1959, reading as follows:

"Whereas, Garden City having sold its Common Carrier operating authority to Savage pursuant to Decision 57715, of the California Public Utilities Commission, dated December 9, 1958, agrees for the sum of \$5,000.00, for goodwill and operating authority; and \$40,000.00 for the guarantee of Garden City and Robert Minardi to each represent and warrant that they will not directly or personally enter into or participate in any Common Carrier operation by motor vehicle between the San Francisco territory on the one hand and the Los Angeles territory on the other hand, as granted in CPUC decision 57715, as described above for a period of at least, but not to exceed three years from above date. The intent of this agreement shall be that Garden City and/or Robert Minardi will not physically enter into such carriage but, they shall not be restricted from such operation on a joint loading or interline arrangement with another carrier."

The Robert Minardi referred to in the preceding statement is the president of Garden City Transportation Co., Ltd.

The Commission has considered the request of applicants and is of the opinion that it should be granted, therefore,

IT IS HEREBY ORDERED as follows:

1. Garden City Transportation Co., Ltd., and Savage Transportation Co., Inc., may enter into a supplemental agreement in, or substantially in, the same form as that designated as Exhibit H filed in this proceeding, which agreement is hereby approved.

2. The authorization herein granted is not to be construed to be a finding of the value of the goodwill and operative rights of Garden City Transportation Co., Ltd.

3. The Order in Decision No. 57715, dated December 9, 1958, shall remain in full force and effect, except as modified by this first supplemental order.

4. This first supplemental order shall become effective on the date hereof.

Dated at San Francisco, California, this
31st day of March, 1959.

E. L. Fox
President
W. L. Hill
W. L. Hill
Therese H. Deane
Ernest W. Deane
Commissioners