

ORIGINAL

Decision No. 58190

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
BENJAMIN S. GOLDBERG and W. EARL GOLDBERG,
doing business as FILM TRANSPORT CO. OF
CAL., a partnership, to transfer their
common carrier certificate to FILM TRANSPORT
CO. OF CAL., INC., a California corporation,
and for the latter to issue stock.

Application No. 40886

O P I N I O N

This is an application for an order of the Commission (1) authorizing Benjamin S. Goldberg and W. Earl Goldberg, doing business as Film Transport Co. of Cal., a partnership, to sell and transfer operative rights and equipment to Film Transport Co. of Cal., Inc., a California corporation organized on or about November 19, 1958, and (2) authorizing said corporation to issue 400 shares of its capital stock of the aggregate par value of \$40,000.

By Decision No. 54042, dated November 5, 1956, as modified by Decision No. 54294, dated December 18, 1956, the Commission granted a certificate of public convenience and necessity to Benjamin S. Goldberg and W. Earl Goldberg authorizing them to operate as a highway common carrier for the transportation of property in various portions of Southern California. The partners have caused the formation of a new corporation, Film Transport Co. of Cal., Inc., to which they propose to transfer their operative rights and equipment in exchange for stock.

The assets, liabilities and capital of Film Transport Co. of Cal., a partnership, at January 31, 1959, are reported as follows:

<u>Assets</u>	
Current assets	\$38,084.92
Tangible property and equipment, less reserve	31,238.53
Deferred debits	<u>500.00</u>
Total	<u>\$69,823.45</u>
<u>Liabilities and Capital</u>	
Current liabilities	\$17,438.74
Other reserves	100.00
Capital accounts	<u>52,284.71</u>
Total	<u>\$69,823.45</u>

For the year 1958 the partnership reports revenues of \$395,197 and a net profit of \$60,872.

Upon reviewing this application it does not appear that any change in rates or service to the public will result from the consummation of the proposed transfer, and we are of the opinion, and so find, that such transfer will not be adverse to the public interest and should be authorized. The action taken herein shall not be construed to be a finding of value of the rights and properties herein authorized to be transferred.

Applicants are placed 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.

ORDER

The Commission having considered the above-entitled matter and being of the opinion that a public hearing is not necessary, that the money, property or labor to be procured or paid for by the issue of the stock herein authorized

is reasonably required for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS ORDERED as follows:

1. Benjamin S. Goldberg and W. Earl Goldberg may sell and transfer to Film Transport Co. of Cal., Inc., a corporation, the certificate of public convenience and necessity created by Decision No. 54042, dated November 5, 1956, as modified by Decision No. 54294, dated December 18, 1956, together with the properties set forth in this application, and said corporation, in acquiring the same, may issue \$40,000 par value of its capital stock.

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 highway common carrier operations here involved to show that Benjamin S. Goldberg and W. Earl Goldberg have withdrawn or canceled and Film Transport Co. of Cal., Inc., a corporation, 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. Within 30 days after issuing the shares of stock herein authorized, Film Transport Co. of Cal., Inc., a corporation, shall file with the Commission a report showing the number of shares issued, to whom it issued them, the number of shares issued to each person, and the purpose for which it issued the shares.

4. The authority herein granted will become effective on the date hereof.

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

E. L. Fox
President
W. E. [unclear]
William H. [unclear]
Theodore X. [unclear]
Everett [unclear]
Commissioners