

ORIGINAL

Decision No. 58409

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of W. RAY JAMES doing
business as JAMES VAN LINES to sell
and of CALIFORNIA POOL CAR DISTRIBUTORS,
INC., a California corporation, to buy
certain highway common carrier operating
rights.

Application No. 40889

O P I N I O N

W. Ray James and California Pool Car Distributors, Inc., a California corporation (hereinafter referred to as James and California) filed this joint application on February 24, 1959. By it, James seeks to sell and California to buy a portion of a highway common carrier operating right.

James, the seller, is a highway common carrier of new and used furniture in the area from Sacramento south to San Diego, principally over the coastal route. The right he proposes to sell was originally granted to Ellis Brown and P. M. Follensbee by Decision No. 15085 in Application No. 9915 on June 22, 1925. The right was amended by Decision No. 27919 in Application No. 9915. The amended right was acquired by Coast Van Lines and transferred by Coast to James under the authority of Decision No. 44886 in Application No. 31720.

In general this right authorizes the transportation of new or used, crated or uncrated office, store and house furniture and related commodities. The territory involved is from Los Angeles to San Diego via the Coast Route, with thirty-mile lateral rights.

Buyer is a public warehouseman with authority (Decision No. 54621 in Application No. 38175) to store new furniture. It appears that it also transports new furniture and desires this right to facilitate transport of the items it stores. Financial statements of both seller and buyer attached to the application reveal the condition of each to be satisfactory.

No tangible properties are included in the proposed transfer. The purchase price to be paid for the operative right is \$7,500. The agreement of purchase provides for a down payment of \$500 and for payment of the remaining \$7,000 at a rate of not less than \$150 per month, plus interest at 6 percent per annum on the unpaid balance, payment to be made on or before the 10th day of each calendar month commencing with the week following the month in which the agreement is executed and continuing until the entire sum of principal and interest has been paid.

After considering this matter, the Commission is of the opinion, and so finds, that the proposed transfer will not be adverse to the public interest, that the money, property or labor to be procured or paid for by the long-term indebtedness referred to herein 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. A public hearing is not necessary.

The authorization herein granted shall not be construed to be a finding of the value of the operative right herein granted to be transferred. Such right will be restated in the appendix form now in use.

California Pool Car Distributors, Inc., is hereby 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, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

Application having been filed and the Commission being of the opinion that the application should be granted,

IT IS ORDERED:

1. That on or before July 31, 1959, W. Ray James may sell and transfer, and California Pool Car Distributors, Inc., may purchase and acquire, the operative right referred to in the application.

2. That California Pool Car Distributors, Inc., in acquiring said operative right, may incur long-term indebtedness in the amount of \$7,000, as indicated in the agreement of purchase filed in this proceeding.

3. That within thirty days after the consummation of the transfer herein authorized, California Pool Car Distributors, Inc., shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

4. That on not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of such transfer, applicants shall amend or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing

the operations here involved to show that W. Ray James has withdrawn or canceled, and California Pool Car Distributors, Inc., has adopted or established as its own, said rates, rules and regulations. The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 80.

5. That upon the effective date of the filing required by paragraph 3 of this order the operating right herein referred to shall be revoked and superseded by new authority as set forth in Appendix A hereto attached. This revocation and supersedure shall not take effect, however, unless the transfer herein authorized is completed.

6. That the authorization herein granted to incur indebtedness will become effective when California Pool Car Distributors, Inc., has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25. That in all other respects, this order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 12th day of May, 1959.

E. Lee Fox
President

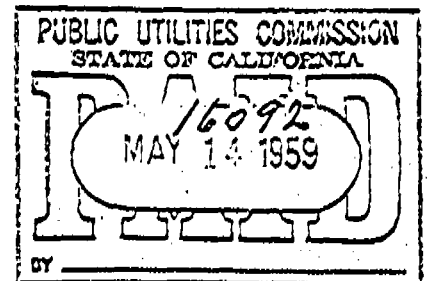
W. R. James

W. R. James

Theodore T. DeShazo
Commissioners

California Pool Car Distributors, Inc., by the certificate referred to in the decision noted in the margin, is authorized to transport new and used, crated and uncrated, household, office, store and institutional furniture and fixtures, household goods, pianos, musical instruments, trunks, baggage and personal effects (when tendered in a mixed shipment with household goods) between San Diego, Los Angeles and intermediate points. The term "intermediate points" as used herein means any point on, or within thirty miles laterally of any of the following United States Highways, viz.: Nos. 101, Alternate 101 and Bypass 101.

California Pool Car Distributors, Inc., may use any and all public roadways necessary or convenient for performing the transportation herein authorized.



Issued by California Public Utilities Commission.

Decision No. 58400, Application No. 40889.