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Decision No. 60205

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CHARLES C. WILSON, an individual, doing business as Fred C. Wilson & Sons, to sell, and J. D. ROACH and TOM ROACH, a partnership, doing business as Roach Transportation Company, to purchase operative rights.

Application No. 42158

OPINION

Charles C. Wilson, doing business as Fred C. Wilson & Sons, requests authority to sell and transfer and J. D. Roach and Tom Roach, copartners, doing business as Roach Transportation Company, request authority to purchase and acquire certain highway common carrier operative rights.

The operative rights were granted in Decision No. 41426 and authorized the transportation of limited commodities between an area in Chula Vista, San Diego County, and an area in Los Angeles County. Said rights would be sold for a cash consideration of \$1,000.

Applicant purchasers are presently engaged in the transportation of property under permits issued by this Commission. They own and operate approximately forty pieces of equipment and for the year 1959 showed a net profit of \$10,674.45.

It is alleged that applicant seller desires to divest himself of the responsibility of conducting a highway common carrier service and to enter into a semi-retired status; and that continuance of service will be assured through the efforts of applicant purchasers who amply qualify both in experience and financial ability.

After consideration the Commission is of the opinion and finds that the proposed transfer would not be adverse to the public interest. A public hearing is not necessary.

Applicant purchasers are 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.

ORDER

Application having been filed and the Commission being informed in the premises,

IT IS ORDERED:

- 1. That, on or before August 1, 1960, Charles C. Wilson may transfer and J. D. Roach and Tom Roach may acquire the operative authority granted in Decision No. 41426 in Application No. 28721 according to the terms of the agreement attached to the application.
- 2. That, within thirty days after the consummation of the transfer herein authorized, the purchasers 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.
- 3. 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 common carrier operations here involved, to show that Charles C. Wilson has withdrawn or canceled, and that J. D. Roach and Tom Roach

have adopted or established as their 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.

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

President

Commissioners