

Decision No. 61398**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 COAST LINE TRUCK SERVICE, INC., a
 California corporation, to sell and
 of JOHN J. HESSELBROCK and JACK
 NICHOLS, a copartnership, doing
 business as COAST LINE TRUCK SERVICE,
 to purchase, a portion of a certifi-
 cate of public convenience and neces-
 sity to operate as a highway common
 carrier in the transportation of
 fresh fruits, fresh vegetables, and
 berries, including mushrooms,
 between various points in the State
 of California as well as certain
 other properties, pursuant to the
 provisions of Sections 851-853 of
 the California Public Utilities Code.

Application No. 42870

O P I N I O N

Coast Line Truck Service, Inc., requests authority to sell and transfer and John J. Hesselbrock and Jack Nichols, copartners doing business as Coast Line Truck Service, request authority to purchase and acquire certain operative rights and property.

By Decision No. 61254, Coast Line is authorized to transport fresh fruit and vegetables between various points within the State. Applicant buyers have had wide experience in the field truck transportation and have recently formed their partnership to conduct the operations which are the subject of the sale herein considered.

According to the sales agreement, a copy of which is attached to the application, the sale includes the operative rights, four trucks, office furniture and miscellaneous equipment. The agreement calls for a consideration of \$15,000, payable as follows:

\$5,000 down with monthly installments of at least \$1,000. No value is placed upon the operative rights.

As of October 15, 1960, applicant buyers indicated a net worth in the amount of \$142,975.

After consideration, the Commission finds and concludes that the proposed sale would not be adverse to the public interest. A public hearing does not appear to be necessary.

John J. Hesselbrock and Jack Nichols 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.

O R D E R

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

IT IS ORDERED:

1. That, on or before April 1, 1961, Coast Line Truck Service, Inc., is hereby authorized to transfer and sell, and John J. Hesselbrock and Jack Nichols are hereby authorized to purchase and acquire, the operative rights granted by Decision No. 61254 in Application No. 42796, as well as the property specified in the agreement attached to the application, according to the terms set forth therein.

2. That, within thirty days after the consummation of the transfer herein authorized, 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, applicants shall, effective concurrently with the consummation of such transfer, amend or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing the common carrier operations here involved, including joint rate arrangements, to show that Coast Line Truck Service, Inc., has withdrawn or canceled and John J. Hesselbrock and Jack Nichols 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 24th day of JANUARY, 1961.

[Signature]
President
[Signature]
[Signature]
Commissioners