

62930

ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:
RONGA TRUCK COMPANY, a corporation, to
purchase, and of HANDY MOTOR LINES, INC.,
a corporation, by its Trustee in Bank-
ruptcy, A. J. BUMB, to sell, a highway
common carrier certificate authorizing
the transportation of general commodi-
ties, between points in the Los Angeles
Basin Territory pursuant to Sections
851-853 of the Public Utilities Code.

Application
No. 43861

O P I N I O N

In this application Ronga Truck Company, a corporation, buyer, of 1010 South Hooper Avenue, Los Angeles 21, California, requests authority to purchase, and Handy Motor Lines, Inc., a corporation, by its Trustee in Bankruptcy, A. J. Bumb, seller, requests authority to sell its highway common carrier certificate authorizing the transportation of general commodities between points in the Los Angeles Basin Territory pursuant to Sections 851-853 of the Public Utilities Code. A certified copy of the Articles of Incorporation of the buyer is on file with this Commission in the buyer's application to purchase permits, File No. T-13483.

The certificate to be transferred was issued to Albert S. Handy, Jr., by Decision No. 53155, dated May 28, 1956, and modified by Supplemental Order dated October 1, 1956, Decision No. 53851. Albert S. Handy, Jr., transferred the certificate to Handy Motor Lines, Inc., a corporation, and the transfer was approved by the Commission in Decision No. 59494, dated January 12, 1960, in Application No. 41447.

Handy Motor Lines, Inc., a corporation, was adjudicated a bankrupt on May 3, 1961, and A. J. Bumb is now the duly appointed, qualified, and acting Trustee of Handy Motor Lines, Inc. The operating rights and tariff were suspended by Decision No. 61791, dated April 4, 1961, in Application No. 41447, for failure to file evidence of liability protection as required by General Order No. 100-A. The Trustee in Bankruptcy, A. J. Bumb, conducted a sale of said operative rights before the Honorable Robert B. Powell, Referee in Bankruptcy, in the United States District Court, Southern District of California on October 3, 1961, and thereafter, by order dated October 18, 1961, the Referee confirmed said sale of the operative rights by the Trustee for \$26,000 cash to Ronga Truck Company, a corporation, subject to approval of the Commission. Anthony Ronga, owner of all of the stock of Ronga Truck Company, advanced the sum of \$26,000 cash to the purchaser, to be repaid only in such amounts and at such times as may be justified by the financial condition of the corporation.

Ronga Truck Company is acquiring from Anthony Ronga city carrier, highway contract carrier, and radial highway common carrier permits and also motor vehicle equipment presently utilized by Anthony Ronga in the transportation of general commodities under his permits for which application to transfer has been made to this Commission. This equipment consists of 16 trucks, 11 tractors, 9 trailers and 3 passenger cars. Anthony Ronga, president of the

purchaser corporation, is a successful and established motor carrier operating in Southern California, pursuant to permits, since 1946. The purchaser has adequate experience, equipment, and resources to conduct highway common carrier operations, and proposes to provide adequate common carrier service to the public at the same rates heretofore charged.

Ronga Truck Company proposes to participate in the rates set forth in Western Motor Tariff Bureau, Inc., Agent, Local, Joint and Proportional Freight Tariff No. 18-B, Cal. P.U.C. No. 17 (Series of J. L. Beeler) William J. Knoell, Issuing Officer.

Copies of the application have been served upon 77 common carriers listed in the application, with whom the proposed service is likely to compete. No protests or objections have been received in opposition to the application. A public hearing is not deemed necessary.

Ronga Truck Company 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.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest.

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 thirty days after the effective date of this order, Handy Motor Lines, Inc., a corporation, by its Trustee in Bankruptcy, A. J. Bumb, may sell and transfer, and Ronga Truck Company, a corporation, may purchase and acquire, the operative rights and property referred to in the application.

2. That within thirty days after the consummation of the transfer herein authorized, Ronga Truck Company 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 operations here involved to show that Handy Motor Lines, Inc., has withdrawn or canceled, and Ronga Truck Company 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.

4. That Decision No. 61791, dated April 4, 1961, in Application No. 41447, is hereby vacated and set aside effective concurrently with the effective date of tariff filings required by paragraph 3 hereof.

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

Dated at San Francisco, California, this 13th day of December, 1961.

[Signature]
President
[Signature]
George H. Hoover
Frederick B. Holhoff

Commissioners

C. Lyn Fox
Commissioner....., being necessarily absent, did not participate in the disposition of this proceeding.