

ORIGINAL

Decision No. 63371

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CALIFORNIA POOL CAR DISTRIBUTORS, INC., a corporation, to sell, and HECHT FAST FREIGHT, INC., a corporation, to purchase, certificate of public convenience and necessity authorizing service as a warehouseman of freight.

Application No. 43994

In the Matter of the Application of CALIFORNIA POOL CAR DISTRIBUTORS, INC., a corporation, to sell, and HECHT FAST FREIGHT, INC., a corporation, to purchase a certificate of public convenience and necessity authorizing service as a highway common carrier of freight.

Application No. 43995

O P I N I O N

California Pool Car Distributors, Inc., requests authority to sell and transfer and Hecht Fast Freight, Inc., requests authority to purchase and acquire certain operative rights as a highway common carrier and as a public warehouseman.

In general the highway common carrier rights authorize the transportation of new or used, crated or uncrated office, store and house furniture and related commodities between Los Angeles and San Diego via U. S. Highways Nos. 101, 101 Alternate and 101 Bypass, including the right to serve all intermediate points on, along and within 30 miles laterally of said highways. The public warehouse rights authorize the storage of new furniture packaged in accordance with the packaging requirements of the Western Classification in 76,000 square feet of storage space in the City of Los Angeles.

The agreed cash consideration is \$29,250. A value of \$100 is placed upon the highway common carrier rights and a value of \$100 is placed upon the public warehouse rights.

Applicant buyer is presently engaged as a public warehouseman and also as a permitted carrier. As of June 30, 1961, it indicated total assets amounting to \$120,962.52 and total liabilities amounting to \$98,854.41, or a net worth of \$22,108.11. For the nine months ending June 30, 1961, applicant buyer indicated a net profit of \$9,093.20.

It is alleged that the acquisition of the aforesaid rights as a highway common carrier and as a public warehouseman would afford applicant buyer the opportunity to expand its warehouse facilities and also to provide transportation for present warehouse accounts between Los Angeles and San Diego.

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

Hecht Fast Freight, 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 informed in the premises,

IT IS ORDERED that:

1. On or before July 1, 1962, California Pool Car Distributors, Inc., may sell and transfer, and Hecht Fast Freight, Inc., may purchase and acquire, the highway common carrier operative rights granted by Decision No. 58409 as amended by Decision No. 58526 in Application No. 40839 and the public warehouseman rights as granted by Decision No. 54621 in Application No. 38175.

2. Within thirty days after the consummation of the transfer herein authorized, the purchaser shall notify the Commission, in writing, of the 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. 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 and public warehouse operations here involved, to show that California Pool Car Distributors, Inc., has withdrawn or canceled, and Hecht Fast Freight, 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 Orders Nos. 80 and 61.

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

Dated at San Francisco, California, this 6th day of MARCH, 1962.

Everett C. McKeage
President
Peter E. Mitchell
C. Lyn Fox
Frederick B. Holoboff
Commissioners

EVERETT C. McKEAGE
President
PETER E. MITCHELL
C. LYN FOX
FREDERICK B. HOLOBOFF
Commissioners