

ORIGINAL

Decision No. 65621

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application
of VIOLET McBRIDE, administratrix
of the estate of HAROLD H. McBRIDE,
deceased, d/b/a H. McBRIDE DELIVERY
SERVICE, to sell and transfer,

and of

AMERICAN CARTAGE COMPANY, a
California corporation, to
purchase and acquire the operative
rights and certain property of
VIOLET McBRIDE, administratrix of
the estate of HAROLD H. McBRIDE,
deceased, d/b/a H. McBRIDE DELIVERY
SERVICE, conducted under and pursuant
to Decision No. 62104, dated 6 June
1961 in Application No. 42859,

and of

AMERICAN CARTAGE COMPANY for
authority to issue 1,000 shares of
its common capital stock without
par value in payment of the purchase
price of the operative rights and
property proposed to be acquired
under and pursuant to Sections
1063 and 1064.1 of the Public
Utilities Code of the State of
California.

Application No. 45448
Filed May 20, 1963

O P I N I O N

Violet McBride, administratrix of the estate of Harold
H. McBride, doing business as H. McBride Delivery Service, in
this application seeks authorization to sell and transfer
highway common carrier operative rights and equipment to

American Cartage Company, a corporation, in exchange for 1,000 shares of common stock without par value. American Cartage Company joins in the application and seeks authorization to issue said shares.

The operative rights to be transferred consist of a certificate of public convenience and necessity granted by the Commission by Decision No. 62104, dated June 6, 1961, in Application No. 42859, authorizing operation as a highway common carrier, with certain exceptions, generally between Fresno and Tulare. The equipment to be transferred consists of four trucks. On March 19, 1963, an order was entered in the Superior Court in and for the County of Tulare approving the transfer of the rights and equipment.

The Commission has considered this matter and 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 issue of the stock herein authorized 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.

American Cartage 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.

The action taken herein shall not be construed to be a finding of the value of the operative rights and assets to be transferred.

O R D E R

IT IS ORDERED that:

1. On or before December 31, 1963, Violet McBride, administratrix of the estate of Harold H. McBride, deceased, may sell and transfer, and American Cartage Company may purchase and acquire, the certificate of public convenience and necessity granted by Decision No. 52104, dated June 6, 1961, in Application No. 42859, together with the assets as set forth in this application.

2. American Cartage Company, for the purpose of acquiring said certificate and assets, may issue not to exceed 1,000 shares of common stock without par value.

3. Within thirty days after the consummation of the transfer herein authorized, American Cartage 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.

4. American Cartage Company shall amend or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing the common carrier operations herein to show that it has adopted or established, as its own, said rates, rules and regulations. The tariff filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the consummation of the transfer herein authorized. 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 General Order No. 80-A.

5. American Cartage Company shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

6. This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California,
this 2nd day of JULY, 1963.

George H. Grover
President
John R. [unclear]
Robert W. [unclear]
Fredrick B. Hallock
William W. Bennett
Commissioners