

Decision No. 77587

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
 of IRISH TRUCK LINES, INC., a
 California corporation, to sell,
 and INDUSTRIAL CARTAGE, INC., a
 California corporation, to pur-
 chase, a highway common carrier
 operating right for the transpor-
 tation of property pursuant to
 Section 851-853 of the California
 Public Utilities Code and approval
 of indebtedness pursuant to
 Section 823 of the California
 Public Utilities Code.

Application No. 52001
 (Filed June 24, 1970)

O P I N I O N

Irish Truck Lines, Inc. requests authority to sell and trans-
 fer, and Industrial Cartage, Inc. requests authority to purchase and
 acquire, a certificate of public convenience and necessity authorizing
 operations as a highway common carrier.

The certificate was granted by Decision No. 62669, dated
 October 10, 1961, in Application No. 43276, and authorized the trans-
 portation of specified commodities within the Los Angeles Basin area
 and between said area, on the one hand, and the San Diego Territory, on
 the other hand, as well as intermediate points. The transfer also in-
 cludes certain interstate operating authority. The agreed considera-
 tion is \$37,000 payable as follows: \$10,000 in cash, \$10,000 payable
 on January 2, 1971, \$5,000 payable on July 1, 1971, and the balance of
 \$12,000 payable in monthly installments of \$1,000, without interest,
 commencing on January 2, 1972. A value of \$1,000 is placed upon the
 operating authority and the balance represents goodwill.

Applicant purchaser is presently engaged as a highway common carrier pursuant to a certificate of public convenience and necessity granted by Decision No. 72623, dated June 20, 1967, in Application No. 48046, and as of April 30, 1970, indicated a net worth in the amount of \$117,906.

It is alleged that the operational manager of applicant seller, because of age and ill health, desires to retire and that applicant purchaser has the necessary experience, equipment and financial ability to provide a satisfactory service within the area herein considered.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest and that the money to be procured by the issue of the indebtedness herein authorized is reasonably required for the purposes specified herein, and such purposes are not, in whole or in part, reasonably chargeable to operating expense or to income. A public hearing is not necessary. The order which follows will provide for, in the event the transfer is consummated, the revocation of the certificate presently held by Irish Truck Lines, Inc. and the issuance of a certificate in appendix form to Industrial Cartage, Inc.

Industrial Cartage, 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

IT IS ORDERED that:

1. On or before May 1, 1971, Irish Truck Lines, Inc. may sell and transfer, and Industrial Cartage, Inc. may purchase and acquire, the operative rights granted by Decision No. 62669.

2. Within thirty days after the consummation of the transfer herein authorized, purchaser 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. Purchaser shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the common carrier operations herein to show that it has adopted or established, as its own, said rates and rules. The tariff filings shall be made effective not earlier than five days after the effective date of this order on not less than five 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's General Order No. 80-A. Failure to comply with and observe the provisions of General Order No. 80-A may result in a cancellation of the operating authority granted by this decision.

4. On or before the end of the third month after the consummation of the transfer as herein authorized, purchaser shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the seller for the period commencing with the first day of the current year to and including the effective date of the transfer.

5. In the event the transfer authorized in paragraph 1 hereof is consummated, a certificate of public convenience and necessity is granted to Industrial Cartage, Inc., a corporation, authorizing it to operate as a highway common carrier, as defined in Section 213 of the Public Utilities Code, between the points and over the routes particularly set forth in Appendices A and B attached hereto and made a part hereof.

6. The certificate of public convenience and necessity granted in paragraph 5 of this order shall supersede the certificate of public convenience and necessity granted by Decision No. 62669 which certificate is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3 hereof.

7. Within thirty days after the transfer herein authorized is consummated, purchaser shall file a written acceptance of the certificate herein granted. Purchaser is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, it will be required, among other things, to comply with and observe the safety rules of the California Highway Patrol and the insurance requirements of the Commission's General Order No. 100-F.

8. Applicant shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

9. Applicant shall comply with the requirements of the Commission's General Order No. 84-Series for the transportation of collect on delivery shipments. If applicant elects not to transport collect on delivery shipments, it shall make the appropriate tariff filings as required by the General Order.

10. After the effective date hereof, Industrial Cartage, Inc. may execute a promissory note in the amount of \$27,000.

The authority herein granted to issue a note will become effective when applicant has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$50. In other respects the effective date of this order shall be twenty days after the date hereof.

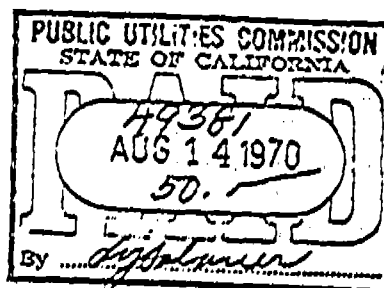
Dated at San Francisco, California, this 11th day of AUGUST, 1970.

Augusta Chairman

William J. Lyons Jr.

John L. Sturgeon Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.



Industrial Cartage, Inc., a corporation, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to conduct operations as a highway common carrier as defined in Section 213 of the Public Utilities Code for the transportation of the following commodities:

1. ABRASIVES, as listed under that heading in Items Nos. 2000 through 2070 of Western Classification No. 77, J. P. Hackler, Agent, on the issue date thereof.
2. BROOMS, BRUSHES OR MOPS, OR PARTS NAMED, as listed under that heading in Items Nos. 15545 through 15750 of Western Classification No. 77, J. P. Hackler, Agent, on the issue date thereof.
3. FERTILIZERS, as listed under that heading in Items Nos. 535, 540-A and 550-A of Pacific Southcoast Freight Bureau Exception Sheet No. 1-S, Cal.P.U.C. No. 193, J. P. Haynes, Agent, on the issue date thereof and Supplement No. 66 thereto, M. A. Nelson, Tariff Publishing Officer.
4. INSECTICIDES OR FUNGICIDES, AGRICULTURAL, as listed under that heading in Items Nos. 52960 through 53110 of Western Classification No. 77, J. P. Hackler, Agent, on the issue date thereof.
5. PAINTS, PAINT MATERIAL OR PUTTY, as listed under that heading in Items Nos. 74750 through 75200 of Western Classification No. 77, J. P. Hackler, Agent, on the issue date thereof.
6. PETROLEUM OR PETROLEUM PRODUCTS, INCLUDING COMPOUNDED OILS OR GREASES HAVING A PETROLEUM BASE, IN PACKAGES, as listed under that heading in Items Nos. 77230 through 77340 of Western Classification No. 77, J. P. Hackler, Agent, on the issue date thereof.
7. PLASTIC MATERIALS, SYNTHETIC, AND RELATED ARTICLES, NOT NAMED IN OTHER MORE SPECIFIC GROUPS, as listed under that heading in Items Nos. 77655 through 77831 of Western Classification No. 77, J. P. Hackler, Agent, on the issue date thereof.

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8. RUBBER, ARTIFICIAL, GUAYULE, NATURAL, NEOPRENE OR SYNTHETIC, as listed under that heading in Items Nos. 84150 through 84490 of Western Classification No. 77, J. P. Hackler, Agent, on the issue date thereof.
9. INSECTICIDES, INSECT REPELLENTS OR VERMIN EXTERMINATORS, OTHER THAN AGRICULTURAL INSECTICIDES, as listed under that heading in Items Nos. 53125 through 53142 of Western Classification No. 77, J. P. Hackler, Agent, on the issue date thereof.
10. ELECTRICAL APPLIANCES OR EQUIPMENT OR PARTS, as listed under that heading in Items Nos. 34040 through 35405 of Western Classification No. 77, J. P. Hackler, Agent, on the issue date thereof.
11. CORDAGE OR TWINE, as listed under that heading in Item No. 30790 of Western Classification No. 77, J. P. Hackler, Agent, on the issue date thereof.
12. REGISTERS OR DIFFUSERS, AIR, as listed under that heading in Items Nos. 12875 through 12910 of Western Classification No. 77, J. P. Hackler, Agent, on the issue date thereof.
13. BUFFING OR POLISHING COMPOUNDS, as listed under that heading in Item No. 15850 of Western Classification No. 77, J. P. Hackler, Agent, on the issue date thereof.
14. MISCELLANEOUS COMMODITIES, VIZ.,
 - Alcohol, in drums
 - Buffing or polishing compounds
 - Cement, rubber
 - Cleaning, scouring or washing compounds
 - Deodorants or disinfectants
 - Naphtha
 - Paste, adhesive
 - Sizing
 - Shaving cream
 - Soap
 - Sprayers
 - Electric polishing machines
 - Protective and maintenance coatings or chemicals,
such as floor varnishes or wax
 - Woodshop supplies

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Between:

- A. All points and places within the Los Angeles Basin Area described in Appendix B attached hereto and made a part hereof.
- B. All points and places within the Los Angeles Basin Area described in said Appendix B hereof, on the one hand, and all points and places in the San Diego Territory, also described in said Appendix B, including intermediate points and places along U. S. Highways Nos. 101 and 101-A and laterally five miles on either side of said highways, on the other hand.

End of Appendix A

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1. LOS ANGELES BASIN AREA includes that area embraced by the following boundary: Beginning at the point the Ventura County-Los Angeles County boundary line intersects the Pacific Ocean; thence northeasterly along said county line to the point it intersects State Highway No. 118, approximately two miles west of Chatsworth; easterly along State Highway No. 118 to Sepulveda Boulevard; northerly along Sepulveda Boulevard to Chatsworth Drive; northeasterly along Chatsworth Drive to the corporate boundary of the City of San Fernando; westerly and northerly along said corporate boundary to McClay Avenue; northeasterly along McClay Avenue and its prolongation to the Angeles National Forest boundary; southeasterly and easterly along the Angeles National Forest and San Bernardino National Forest boundary to the county road known as Mill Creek Road; westerly along Mill Creek Road to the county road 3.8 miles north of Yucaipa; southerly along said county road to and including the unincorporated community of Yucaipa; westerly along Redlands Boulevard to U. S. Highway No. 99, northwesterly along U. S. Highway No. 99 to U. S. Highway No. 395; southerly along U. S. Highway No. 395 to Alessandro; westerly along unnamed county road to Arlington; southwesterly along State Highway No. 18 to U. S. Highway No. 91; westerly along U. S. Highway No. 91 to State Highway No. 55; southerly along State Highway No. 55 to the Pacific Ocean; westerly and northerly along the shore line of the Pacific Ocean to point of beginning.

Included within the territory immediately above described are all places within the corporate limits of any city which is bisected by the State and U. S. highways and county roads constituting the boundary of such territory between Yucaipa and Newport Beach.

2. SAN DIEGO TERRITORY includes that area embraced by the following imaginary line starting at the northerly junction of U. S. Highways Nos. 101-E and 101-W (four miles north of La Jolla); thence easterly to Miramar on U. S. Highway No. 395; thence southeasterly to Lakeside on the El Cajon-Ramona Highway; thence southerly to Bostonia on U. S. Highway No. 80; thence southeasterly to Jamul on State Highway No. 94; thence due south to the International Boundary Line, west to the Pacific Ocean and north along the coast to point of beginning.

End of Appendix B

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