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Decision No. 79478

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN CALIFORNIA FREIGHT FORWARDERS,)
a California corporation, and)
O-N-C MOTOR FREIGHT SYSTEM, a)
California corporation, to sell and)
transfer Southern California Freight)
Forwarder's express and freight for-)
warder certificates to WILLIAM H.)
WORTH, an individual.)

Application No. 53000
(Filed November 15, 1971)

O P I N I O N

Southern California Freight Forwarders (SCFF) request authority to sell and transfer, and William H. Worth requests authority to purchase and acquire, a certificate of public convenience and necessity authorizing operations as an express corporation and freight forwarder.

The certificate was granted to SCFF by Decision No. 60691 in Application No. 42277 and authorizes operations to many points within the state. The agreed consideration is \$12,500 payable as follows: \$2,500 in cash and the balance payable in eight quarterly installments, with interest at the rate of 5 percent per annum on the unpaid balance. As of September 1, 1970, applicant purchaser indicated a net worth in the amount of \$280,700.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest and that the property to be procured or paid for 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 expenses or to income. A public hearing is not necessary.

William H. Worth 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, these 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, 1972, Southern California Freight Forwarders may sell and transfer, and William H. Worth may purchase and acquire, the operative rights referred to in the application.

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. Within thirty days after the effective date hereof, purchaser shall file a written acceptance of the certificate, the transfer of which is herein authorized.

6. Purchaser shall maintain his 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 his operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

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

The authority herein granted to issue a note will become effective when purchaser has paid the fee prescribed by Section

A. 53000 ek

1904(b) of the Public Utilities Code, which fee is \$50. In other respects the effective date of this order shall be the date hereof.

Dated at Los Angeles, California, this 14th day of DECEMBER, 1971.

[Signature]
Chairman
William G. Lyons
[Signature]
Thomas L. Stinger
[Signature]
Commissioners

