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Decision No. 13525.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 M. W. B A C O N)
 to assign franchises for the opera-)
 tion of stages from Fresno to Hume)
 and from Visalia to General Grant)
 National Park to the Bacon Service)
 Corporation; and application on be-)
 half of BACON SERVICE CORPORATION)
 to acquire said franchises and to)
 issue stock in payment for same and)
 other assets.)

ORIGINAL

Application Number 10026

Samuel F. Hollins, for Applicants.

BY THE COMMISSION:

O P I N I O N

M.W.Bacon, conducting an automotive transportation busi-
 ness under the name of Kings River Stage and Transportation Company,
 asks permission to transfer his operative rights given him under De-
 cision Number 12169 and previous decisions; and also under Decision
 Number 12168 and previous decisions to the Bacon Service Corporation.
 The Bacon Service Corporation asks permission to acquire such rights
 and issue 425 shares (\$42,500.00 par value) of common stock and 425
 shares (\$42,500.00 par value) of preferred stock.

The operative rights proposed to be transferred to the
 corporation are as follows:-

The right to operate freight and passenger stages between
 Sanger and Hume and intermediate points under Application Number 3628;
 the right to operate through passenger freight service between Fresno
 and Hume, with no local service between Fresno and Sanger; under Appli-
 cation Number 4549; the right to carry passengers, baggage and ex-
 press from Visalia to General Grant National Park via Dinuba with

with no local service between Visalia and Dinuba and Orange Cove inclusive, under Application Number 7587; the right to change the route to General Grant National Park so as to go via Orange Cove instead of Badger, under Application Number 9051; the right to operate passenger stages and conduct freight business from General Grant National Park to Hume, under Application Number 9052. As said, M. W. Bacon has been conducting his transportation business between the points mentioned, under the name of the Kings River Stage and Transportation Company.

It is the intention of the Bacon Service Corporation, in addition to continuing the transportation service between the points mentioned, to conduct a general ice business in the City of Sanger; a general feed and fuel business in the City of Sanger; and to conduct a general drayage business in the City of Sanger.

It appears from the application that the non-public utility business of the Bacon Service Corporation will be the principal activity of such corporation. The assets which will be acquired by the Bacon Service Corporation have been appraised at \$87,120.29 and consist of the following:-

Real Estate	\$9,500.00
Buildings	18,750.00
Motor Equipment(Packards)	15,550.00
Motor Equipment(Fords and Trailers)	3,500.00
Garage and repair equipment	1,397.50
Warehouse equipment	1,635.00
Office Furniture and Fixtures	960.00
Accounts and Notes Receivable	10,000.00
Inventories	9,827.79
Good Will	15,000.00

TOTAL.... \$87,120.29

For the purpose of this proceeding we will not recognize any value for good will attaching to the operative rights which we are herein authorizing to be transferred.

ORDER

Application having been made to the Railroad Commission for an order authorizing the transfer of operative rights and properties and the issue of stock, and the Commission being of the opinion that this is not a matter in which a hearing is necessary and that the money, property or labor to be procured or paid for through the issue and sale of the stock herein authorized, is reasonably required by the Bacon Service Corporation,

IT IS HEREBY ORDERED that M.W.Bacon, doing business under the fictitious name of the Kings River Stage and Transportation Company be, and he is hereby, authorized to transfer the operative rights granted under the applications, to which reference is made in the preceding opinion, to the Bacon Service Corporation subject to the following conditions:-

1. M.W.Bacon shall cancel immediately all tariffs and time schedules now on file with the Railroad Commission, such cancellation to be in accordance with the provisions of General Order Number 51, and other regulations of the Railroad Commission.
2. Bacon Service Corporation shall file immediately tariffs and time schedules in its own name, or adopt as its own, the tariffs and time schedules heretofore filed with the Railroad Commission by M.W.Bacon; all such tariffs and time schedules to be identical with those heretofore filed by M.W.Bacon.
3. The rights and privileges which are herein authorized to be transferred may not hereafter be discontinued, sold, leased, transferred or assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has been secured.

4. No vehicle may be operated by Bacon Service Corporation unless such vehicle is owned by the company, or is leased for a specified amount on a trip or term basis, the leasing of the equipment not to include the services of a driver or operator. All employment of drivers or operators of leased cars shall be made on the basis of a contract by which the driver or operator shall bear the relation of an employee of the transportation company.

IT IS HEREBY FURTHER ORDERED that the Bacon Service Corporation be, and it is hereby, authorized to issue not exceeding \$42,500. par value of its common stock, and not exceeding \$42,500.00 of its eight percent. cumulative preferred stock to M.W.Bacon, Oscar F. Bacon and Josie Bacon in exchange for the real and personal properties, free and clear of all encumbrances to which reference is made in the foregoing opinion and in this application.

The authority herein granted to issue stock is subject to the following conditions:-

1. Applicant shall keep such record of the issue, sale and delivery of the stock herein authorized and of the disposition of the proceeds as will enable it to file on or before the 25th day of each month a verified report, as required by the Railroad Commission's General Order No. 24, which order in so far as applicable, is made a part of this order.

2. The authority to issue stock and transfer properties will become effective upon the date of this order. No stock may be issued, sold or delivered under such authority after July 1, 1924.

DATED at San Francisco, California, this 7th day of May, 1924.

C. L. Seaver

H. A. Brundage

E. Gerlon Shore

Commissioners.