

DEM

Decision No. 16003.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Edw. A. Logsdon to sell, and F.W. Conkey to buy, an interest in the Pacific Coast Motor Coach Company, a co-partnership, and Pacific Coast Motor Coach Company, a co-partnership, to sell its interests and Pacific Coast Motor Coach Company, a corporation, to buy the same, and for authority of said corporation to issue stock for same.

**ORIGINAL**

Application No. 12445

Wilber F. Downs, for applicants.

BY THE COMMISSION:

O P I N I O N

In this petition the Railroad Commission is asked to make an order authorizing:-

1. Edw. A. Logsdon to sell and transfer his interests in a co-partnership composed of N.E. Robotham and himself to F.W. Conkey;
2. N. E. Robotham and F.W. Conkey to sell and transfer operative rights and certain personal properties to Pacific Coast Motor Coach Company, a corporation; and
3. Pacific Coast Motor Coach Company, a corporation, to issue 313 shares of its common capital stock of the aggregate par value of \$7,825.00.

It appears that Edw. A. Logsdon and N.E. Robotham, co-partners, doing business under the firm name and style of Pacific Coast Motor Coach Company, are engaged in transporting passengers and baggage by auto stages between Newport Beach and San Juan

Capistrano, operating under authority granted by the Commission by Decision No. 13689, dated June 12, 1924, and Decision No. 14793, dated April 15, 1925, as amended, the first decision permitting operations between Newport Beach and Serra over the Coast Highway, and the second between Serra Junction and San Juan Capistrano over Roscoe Road as an extension of the service between Newport Beach and Serra, and not as a separate operative right.

Edw. A. Logsdon now desires to sell his interest in the co-partnership to F.W. Conkey under the terms of an agreement between the two dated July 23, 1925. A copy of the agreement is filed in this proceeding as Exhibit No. 1, and shows that F.W. Conkey has agreed, in consideration for the transfer of the interest, to pay Edw. A. Logsdon \$2,000.00 and to assume and pay his obligations in the co-partnership. N. E. Robotham has agreed to the transfer which will result in F.W. Conkey being an equal partner with him in the place and stead of Edw. A. Logsdon.

This exchange being completed N.E. Robotham and F.W. Conkey propose to transfer the operative rights and certain personal properties to a corporation, also named Pacific Coast Motor Coach Company, which they have caused to be organized for the purpose of receiving and operating such properties under such rights. These properties and rights which will thus be acquired by the corporation are described in the application as follows:-

Certificates to operate motor stages between Newport Beach and San Juan Capistrano;

Permit from the City of Newport Beach to operate bus lines on the streets in Corona Del Mar;

Permit from the City of Newport Beach to build landing pier at "L" Street, Newport Beach;

One 1923 Moreland 16-passenger bus and extra equipment now in operation; original cost, including extras, \$1,950., cost to applicant \$1,700.00

One 1925 Reo Speed Wagon, 16-passenger bus and extra equipment now in operation; original cost including extras, \$3,750.00; cost to applicant, \$3,000.-;

One 1922 Stephens Touring Car, original cost \$800.-, cost to applicant, \$500.-;

Ticket stock, office equipment, signs, advertising matter and other accessories on hand used in the business, original cost \$2,000.-, cost to applicant \$1,700.00.-;

Miscellaneous, \$315.24.

The corporation has an authorized capital stock of \$25,000 divided into 1,000 shares of the par value of \$25. each, all common. The company proposes to sell \$125. of stock (5 shares) to its incorporators and to deliver \$7,700.00 (308 shares) in equal proportions to N.W. Robotham and F.W. Conkey in payment for the properties described herein which are set forth in Exhibit "B" as follows:-

Cash on hand . . . . .		\$7.74
Accounts receivable . . . . .		7.50
Inventories:-		
Ticket stock . . . . .	\$500.00	
Stationery and printing . . . . .	500.00	
Auto supplies . . . . .	550.00	
Office supplies . . . . .	50.00	
Miscellaneous . . . . .	<u>100.00</u>	
		1700.00
Furniture and fixtures . . . . .		300.00
Rolling stock:-		
Reo . . . . .	3000.00	
Moreland . . . . .	1700.00	
Stephens . . . . .	<u>500.00</u>	
		5200.00
Franchise . . . . .		493.25
	Total . . . . .	<u>\$7708.49</u>

It appears that the transfer of the properties will be made free and clear of indebtedness.

We have given consideration to this application and are of the opinion that it should be granted as herein provided. An appropriate order accordingly will be entered.

ORDER

Application having been made to the Railroad Commission for an order authorizing the transfer of operative rights and the issue of stock, a public hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the application should be granted as herein provided and that the issue of stock herein authorized is reasonably required for the purposes herein specified,

IT IS HEREBY ORDERED that Edw. A. Logsdon be, and he hereby is, authorized to sell and transfer his interest in the co-partnership composed of Edw. A. Logsdon and N.H. Robotham to F.W. Conkey under and pursuant to the terms of the agreement dated July 23, 1925, between Edw. A. Logsdon and F.W. Conkey, a copy of which agreement is filed in this proceeding as Exhibit No. 1.

IT IS HEREBY FURTHER ORDERED that N. H. Robotham and F.W. Conkey be, and they hereby are, authorized to transfer to Pacific Coast Motor Coach Company, a corporation, the properties described in Exhibit "E" and referred to in the foregoing opinion, and the operative rights heretofore granted by the Commission by Decision No. 13689, dated June 12, 1924, and Decision No. 14793, dated April 15, 1925, as amended, permitting the operation of auto stages for the transportation of passengers and baggage between Newport Beach and San Juan Capistrano.

IT IS HEREBY FURTHER ORDERED that Pacific Coast Motor Coach Company, a corporation, be, and it hereby is, authorized to issue and sell at par five shares of its capital stock of the aggregate par value of \$125.00 to its incorporators, and to use the proceeds for working capital and to issue 308 shares of its capital stock of the aggregate par value of \$7,700.00 in payment for the rights and properties of N.H. Robotham and F.W. Conkey, which they are herein authorized to transfer to said corporation, provided said

rights and properties are transferred free and clear of all debts and encumbrances .

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

1. Edw. A. Logsdon and N.E. Robotham shall cancel immediately all time schedules, tariffs, rates and classifications now on file with the Railroad Commission, and Pacific Coast Motor Coach Company, a corporation, shall file immediately new time schedules, tariffs, rates and classifications, or adopt as its own the time schedules, tariffs, rates and classifications heretofore filed with the Commission by Edw. A. Logsdon and N.E. Robotham, all such new time schedules, tariffs, rates and classifications to be identical with those heretofore filed with the Commission, such cancellation and filing to be in accordance with the provisions of General Order No. 51 and other regulations of this Commission.
2. Pacific Coast Motor Coach Company, a corporation, hereafter shall not transfer, assign, lease, sell, hypothecate or discontinue the rights and privileges it is herein authorized to acquire, without the written consent of this Commission.
3. No vehicles may be operated by Pacific Coast Motor Coach Company, a corporation, unless such vehicles are owned by such corporation or are leased by it 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 to be on a basis of a contract whereby such drivers or operators shall assume the status of employees of Pacific Coast Motor Coach Company.

4. Pacific Coast Motor Coach Company shall keep such record of the issue 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 insofar as applicable, is made a part of this order.

5. The authority herein granted will become effective upon the date hereof.

DATED at San Francisco, California, this 15<sup>th</sup> day of February, 1926.

H. M. Bourdage

C. L. Seamy

Franklin D. ...

Commissioners.