

Decision No. 41679

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of BELYEA TRUCK COMPANY, INCORPORATED,)
Transferor, and CITIZENS NATIONAL)
TRUST AND SAVINGS BANK OF LOS ANGELES,)
Executor of the Estate of BRYNN WILLIAM)
BELYEA, also known as Brynn W. Belyea)
and B. W. Belyea, Deceased, Transferee)
of Motor Freight Line operated between)
the City of Los Angeles proper on the)
one hand and Los Angeles Harbor on the)
other.)

ORIGINAL

Application No. 28961

O P I N I O N

In the above-entitled application the Commission is requested to authorize the Citizens National Trust and Savings Bank of Los Angeles, a national banking association qualified to do general banking business and to conduct a general trust business in the State of California, to acquire certain physical property and highway common carrier operative rights. The operative right involved was acquired by Brynn W. Belyea, as an individual, by virtue of operations conducted in good faith prior to May 1, 1917, and recognized by Decision No. 12823, dated November 14, 1923, in Case No. 1871. This right was subsequently transferred to Belyea Truck Company, Incorporated, by Decision No. 24328, dated December 21, 1931, in Application No. 17843.

The Belyea Truck Company, Incorporated, is a California corporation, all of the stock of which was owned by Brynn W. Belyea. This individual died on November 26, 1946, and the duly appointed,

qualified, and acting executor of his estate is the Citizens National Trust and Savings Bank of Los Angeles. At the present time this executor has, as one of the assets of the estate, all of the issued and outstanding capital stock of the Belyea Truck Company, Incorporated. It has been determined that it is for the best interests of the estate and the corporation to dissolve the Belyea Truck Company, Incorporated, and to carry on the trucking business as a sole proprietorship. In this connection the executor has duly adopted a resolution electing to dissolve the corporation and distribute all of the assets to the said executor. A copy of the certificate of election has been filed with the Secretary of State and a copy submitted with the application. Also submitted with the application is a copy of the letters testamentary showing the appointment of the aforesaid executor by the Superior Court of the State of California in and for the County of Los Angeles.

The balance sheet of the Belyea Truck Company, Incorporated shows the following financial condition of the corporation as of November 30, 1947:

ASSETS

| | | |
|----------------------------|--------------|--------------|
| <u>Current Assets</u> | | |
| Cash in Banks | \$101,448.19 | |
| Accounts Receivable | 79,700.12 | |
| Other Current Assets | 579.40 | |
| Total Current Assets | | \$181,727.71 |
| <u>Tangible Property</u> | | |
| Carrier Operating Property | \$ 16,991.58 | |
| Less Dep'n Reserve | 16,223.33 | |
| Net Tangible Property | | 768.25 |
| <u>Intangible Property</u> | | |
| Franchise | | \$2,500.00 |
| TOTAL ASSETS | | \$184,995.96 |

LIABILITIES

| | | |
|---------------------------|-------------|-------------|
| Accrued Taxes | \$ 5,692.13 | |
| Other Deferred Credits | 147.86 | |
| Total Current Liabilities | | \$ 5,839.99 |

Capital

| | | |
|--------------|--------------|--------------|
| Common Stock | \$ 26,725.00 | |
| Surplus | 152,430.97 | |
| Net Worth | | \$179,155.97 |
| | | \$184,995.96 |

The equipment list of the Belyea Truck Company, Incorporated, as of November 30, 1947, is as follows:

TRACTORS

| | | |
|------|-------------------|------------|
| 1074 | Diamond T Tractor | \$2,163.75 |
| 1076 | Diamond T Tractor | 2,163.75 |
| 1079 | Diamond T Tractor | 1,663.75 |

TRAILERS & SEMI-TRAILERS

| | | |
|-----|------------------------|-------------|
| 272 | Fruehauf Semi-Trailers | \$1,768.93 |
| 273 | " " " | 1,768.93 |
| 274 | " " " | 1,635.13 |
| 771 | " " " | 1,727.91 |
| 772 | " " " | 1,727.92 |
| 773 | " " " | 1,727.92 |
| 718 | Homemade Spiders | 214.53 |
| 719 | " " | 214.53 |
| 720 | " " | 214.53 |
| | Total | \$16,991.58 |

The application for transfer alleges that, in the operation and management of the company there will be no change in the management and operating personnel as a result of this transfer. The service offered to the public will continue without interruption and will be identical with that heretofore offered. The executor will receive no special fees as a result of this transfer and the consideration for the transfer will be the cancellation of all of the issued and outstanding capital stock of the company. All of this stock is now in the name of Brynn W. Belyea and amounts to 1,069 shares, each share having a par value of \$25.00.

After full consideration of this matter the Commission is of the opinion that a public hearing is not necessary and that the application should be granted.

The action taken herein shall not be construed to be a finding of value for any purpose other than the proceeding herein involved.

The Citizens National Trust and Savings Bank of Los Angeles is hereby placed upon 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, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the State, which is not in any respect limited to the number of rights which may be given.

O R D E R

IT IS HEREBY ORDERED that the Belyea Truck Company, Incorporated, is authorized to transfer to the Citizens National Trust and Savings Bank of Los Angeles, as executor of the estate of Brynn W. Belyea, the operative rights acquired under authority of Decisions Nos. 12823 and 24328, and also the assets and liabilities referred to in the foregoing opinion, and that the Citizens National Trust and Savings Bank of Los Angeles, as executor of the estate of Brynn W. Belyea, is hereby authorized to purchase and acquire said rights and assets and liabilities, and thereafter operate thereunder, subject to the following conditions:

- (1) That within thirty (30) days after the transfer of the properties authorized herein, said executor shall file with this Commission a copy of the Bill of Sale executed under the authority herein granted.

(2) Applicant shall comply with the provisions of General Order No. 80 and Part IV of General Order No. 93-A by filing, in triplicate, and concurrently making effective, appropriate tariffs and time schedules within sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and the public.

(3) That the authorization herein granted shall lapse and become void if not exercised within ninety (90) days from the date hereof unless further time is granted by subsequent order.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 22nd day of December, 1947.

Harold P. Kule

Justus F. Caserio

W. S. Rawell

COMMISSIONERS