

ORIGINAL

Decision No. 43337

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 UNION TRANSFER & STORAGE COMPANY of )  
 Los Angeles, a corporation, to sell, )  
 and A. H. SHAFER, JR., an individual ) Application No. 30258  
 doing business as INTER-URBAN EXPRESS, )  
 to purchase highway common carrier )  
 operating rights and properties oper- )  
 ated between Los Angeles, Santa Monica, )  
 Venice, and Los Angeles Harbor. )

Arlo D. Poe for applicant Union Transfer & Storage  
 Company of Los Angeles; Grover Bossert for applicant A. H. Shafer,  
 Jr.; Jackson W. Kendall for Bekins Van Lines Inc., protestant.  
Theodore Stein and J. Lane Barbour representing the Public Utili-  
 ties Commission.

O P I N I O N

Applicant Union Transfer & Storage Company of Los Angeles,  
 a corporation, seeks authority to sell and transfer certain of its  
 business and assets, and its highway common carrier operative  
 rights to A. H. Shafer, Jr., an individual. The rights were here-  
 tofore acquired by the seller pursuant to authority granted by  
 this Commission in Decisions Nos. 28176 and 33453.

A public hearing was held in Los Angeles on September 16,  
 1949, before Examiner Chiesa.

At the hearing both applicants informed the examiner  
 that they would submit the matter on the application as filed  
 April 25, 1949, and offered no additional data or evidence. Said  
 applicants, however, willingly took the stand for examination by  
 the Commission's representatives.

The record shows that the agreement of sale was executed February 21, 1949, and provides that Union Transfer & Storage Company of Los Angeles will sell to A. H. Shafer, Jr., 15 pieces of trucking equipment, office furniture and fixtures, and the operating rights hereinabove referred to, for the sum of \$8,676.45. The purchaser agrees to pay the purchase price as follows: \$2,000 paid prior to agreement, assume liabilities of seller in the sum of \$3,376.45 and pay the balance of \$3,300 at the rate of \$100 per month, without interest, beginning as of the date of the agreement.

Exhibit B, filed with the application, is an undated financial statement of A. H. Shafer, Jr., doing business as Inter-Urban Express, showing the following assets and liabilities:

ASSETS

Cash in bank	\$1,250.00
Accounts Receivable	2,122.29
Stock and Bonds	1,250.00
Real Estate	5,000.00
Investment Trucks & Equipment	7,500.00
Investment Office Equipment	<u>750.00</u>
 Total Assets	 <u>\$17,872.29</u>

LIABILITIES

Accounts Payable	\$ 1,080.00
Contracts Payable	4,350.00
Insurance	1,865.00
Net Worth	<u>10,577.29</u>
 Total Liabilities	 <u>\$17,872.29</u>

Said assets and liabilities include the assets proposed to be acquired from Union Transfer & Storage Company of Los Angeles and the liabilities to be assumed under the purchase contract.

Shafer testified that his total assets, as of the date of the hearing, consisted of accounts receivable in the

sum of \$2,600, and that his liabilities consisted of accounts payable in the sum of \$900, unremitted C.O.D.'s, \$1,800, balance due on purchase agreement, \$3,300, and an assumed liability for payment of insurance, \$1,865. Applicant Shafer also testified that he owned no other assets and he was unable to satisfactorily explain the loss of his assets except that four pieces of trucking equipment and the office furniture were lost in a recent fire. He also stated that he was inexperienced in the business which he proposes to acquire and that he had no present means of paying the unremitted C.O.D.'s except from the operation of the business which he is conducting pursuant to some unexplained arrangement with Joseph L. Zerboni, the president of Union Transfer & Storage Company of Los Angeles.

Upon the evidence of record in this proceeding, we find that the proposed sale and transfer is contrary to the public interest and, therefore, the application will be denied.

#### ORDER

A public hearing having been held in the above-entitled matter, the Commission being fully advised in the premises and having found that the proposed sale and transfer is contrary to the public interest,

IT IS ORDERED that Application No. 30258 be, and it hereby is, denied.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 27<sup>th</sup> day of September, 1949.

Justus F. Cooper  
Grant J. Quill  
James T. Hula  
Kenneth Patten  
COMMISSIONERS