

ORIGINAL

Decision No. 46602

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 ARVIN LINE, a corporation, for)
 permission to sell property and to)
 divide and transfer operative rights)
 and to eliminate all alternative)
 routes and HUBERT L. MAU to acquire)
 said property and operative rights)
 for the transportation of passengers,)
 baggage, express and freight between)
 Bakersfield and Mojave and Barstow)
 and intermediate points and GEORGE S.)
 CROZIER and ALICE CROZIER, to sell)
 corporate stock of ARVIN LINE, a)
 corporation and EARL C. COOK and)
 EVA M. COOK, to buy corporate stock)
 of ARVIN LINE, a corporation.)

Application No. 32819

Roland S. Woodruff, for applicants.

O P I N I O N

By the above-entitled application Commission approval is sought of the transfer to applicants Hubert L. Mau and Bessie Fern Mau, his wife, of Arvin Line's operative rights between Bakersfield and Barstow and intervening points along U. S. Highway No. 466, as well as the transfer of title of two Flxible buses, in consideration of their surrender for cancellation of that corporation's capital stock owned by them consisting of 726 shares. Approval also is requested of the transfer by applicants George S. Crozier and Alice Crozier, his wife, of their stock in said corporation, consisting of 1,455 shares to applicants Earl C. Cook and Eva M. Cook, his wife, for the price of \$33,000.

The application further alleges that Arvin Line is presently performing service under all its operative rights (1) except the rights granted by Decision No. 25809, dated April 10, 1933, in Application No. 18161, which is described as an alternative route from Bakersfield to Mojave via Arvin. This alternative route according to the application has not been used for a number of years due to the lack of demand, the fact that said route is not economic and the fact that all service is more adequately provided for by the route from Bakersfield to Mojave via U. S. Highway No. 466, granted by Decision No. 37486, dated November 21, 1944, in Application No. 26331.

A public hearing was held in Bakersfield on November 30, 1951, before Examiner Rowe, at which time evidence both oral and documentary was adduced and the matter was duly submitted for decision. Notice of said hearing was duly published in a newspaper of general circulation, published in Kern County on November 20, 1951.

Applicants, Earl C. Cook and Eva M. Cook, request permission to acquire all the Arvin Line stock which will remain outstanding. Mr. Cook will as its manager continue the operation

(1) Decision No. 25809, dated April 10, 1933, in Application No. 18161, Decision No. 37486, dated November 21, 1944, in Application No. 26331, Decision No. 37531, dated December 5, 1944, in Application No. 26331, Decision No. 37797, dated April 17, 1945, in Application No. 26592, Decision No. 40081, dated March 25, 1947, in Application No. 27449, Decision No. 41149, dated January 19, 1948, in Application No. 28951, Decision No. 41456, dated April 13, 1948, in Application No. 29139, Decision No. 41511, dated April 27, 1948, in Application No. 29100, Decision No. 41868, dated July 20, 1948, in Application No. 29100, Decision No. 43341, dated September 27, 1949, in Application No. 30470 and Decision No. 46130, dated August 28, 1951, in Application No. 32565.

of the passenger stage service between Bakersfield and Arvin and intervening points. He has had 30 years' experience in passenger transportation by bus. His net worth is approximately \$63,000. He testified that it was his intention to continue his present passenger stage service between Taft and Bakersfield⁽²⁾ and that that line and the Arvin Line operation would not be merged but be operated separately. However, he stated that in the future he might seek to combine these lines with Commission approval. Applicants, Earl C. Cook and Eva M. Cook, under the contract by which they will acquire stock in Arvin Line, have the right to pay a portion of \$28,000 remaining unpaid by issuing a note or notes secured by a deed, or deeds, of trust.

Hubert L. Mau, who will acquire two of the Arvin Line buses and its operative rights between Bakersfield and Barstow and intervening points, has had seven years' experience in this business including assisting in this operation as the Arvin Line secretary and as the man in charge of maintenance of equipment. He also has aided applicant George S. Crozier in the general management of the company. Mr. Mau has a net worth of approximately \$67,000. He proposes to continue the operation to Barstow at the same fares and rates and will operate the same schedules. He stated that in his opinion the value of the corporate shares he will surrender for cancellation is approximately equivalent to the value of the operative rights and equipment he will receive. Applicant George S. Crozier wishes to retire from the passenger stage business.

The Commission finds from the evidence of record that the public interest will not be adversely affected by approval

(2) Decision No. 24738, dated May 23, 1932, in Application No. 18050.

of the transfer of operative rights and properties by Arvin Line to applicants Hubert L. Mau and Bessie Fern Mau, his wife, nor by applicants Earl C. Cook and Eva M. Cook, his wife, incurring obligations to be represented by a note, or notes, in the principal amount of \$11,000. This sum according to his testimony is the only amount he will be required to borrow to pay the full purchase price of the Arvin Line stock of \$33,000 in cash, including \$5,000 heretofore paid into escrow. In the event Mr. Cook desires to execute a deed, or deeds, of trust covering properties necessary or useful in his public utility operations, he first must file a copy of such deed, or deeds, with the Commission and receive a supplemental order approving the same. The present application will be granted. However, the action taken herein shall not be construed to be a finding of value of the properties to be transferred.

O R D E R

Application as above entitled having been filed, public hearing having been held, the Commission being fully advised in the premises and the matter being under submission,

IT IS ORDERED:

(1) That Arvin Line, a corporation, after the effective date hereof, may sell and transfer to Hubert L. Mau and Bessie Fern Mau, his wife, the operative rights between Bakersfield and Barstow, California, and intermediate points and two Flexible buses described in the application, and said Hubert L. Mau and Bessie Fern Mau may acquire and thereafter operate the same pursuant to the agreement attached to the application herein, marked Exhibit "A", and may surrender therefor 726 shares in

said corporation for cancellation. All of the applicants herein are authorized to execute and carry out the terms of said contract.

(2) That applicants Earl C. Cook and Eva M. Cook, his wife, may acquire and hold 1,455 shares of stock of Arvin Line and may issue their promissory note in an amount not exceeding \$11,000, it being the opinion of the Commission that the money, property or labor to be procured or paid for through such issue is reasonably required for such purpose, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. Said note shall be payable on or before 10 years after its date with interest at not exceeding 6% per annum.

(3) That within thirty (30) days after the consummation of the transfer herein authorized, Hubert L. Mau and Bessie Fern Mau, his wife, shall notify the Commission in writing of that fact and shall within said period file with the Commission a true copy of any bill of sale or other instrument of transfer which may have been executed to effect said transfer.

(4) That within thirty (30) days after the effective date of this order, Earl C. Cook and Eva M. Cook, his wife, shall file with the Commission true copies of the promissory note, or notes, issued pursuant to the authority herein granted.

(5) That applicants Hubert L. Mau and Bessie Fern Mau, his wife, shall comply with the provisions of General Orders Nos. 79 and 98 by filing, in triplicate, and concurrently making effective, appropriate tariffs and timetables within sixty (60) days after the effective date hereof and on not less than five (5) days' notice to the Commission and the public.

(6) That the authority herein granted will not become effective unless and until the minimum fee prescribed by Section 1904 (b) of the Public Utilities Code shall have been paid, which fee is \$25.

Dated at San Francisco, California, this 3rd day of January, 1952.

[Signature]
President

Justin F. Casner

Harold T. Huls

[Signature]

[Signature]
Commissioners

