

**ORIGINAL**Decision No. 49510

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 SYSTEM TANK LINES, INC., a corporation, )  
 to purchase, and of MANNING TANK LINES, )  
 INC., a corporation, and of LANG )  
 TRANSPORTATION CORPORATION, a corpora- ) Application No. 34855  
 tion, to sell, certificates of public )  
 convenience and necessity authorizing )  
 the transportation of bulk petroleum )  
 products in California. )

O P I N I O N

By this application Manning Tank Lines, Inc., a California corporation, and Lang Transportation Corporation, a California corporation, seek authority to sell all of their certificates of public convenience and necessity heretofore issued by this Commission, <sup>(1)</sup> plus equipment and good will, to System Tank Lines, Inc., an Oregon corporation qualified to do business in the State of California, <sup>(2)</sup> pursuant to the terms of an agreement dated July 23, 1953, a copy of which is attached to the application and marked Exhibit A.

(1) (a) Manning Tank Lines, Inc., intrastate authority is reflected by the following decision of this Commission: Decision No. 44329, dated June 20, 1950, Application No. 30801; (b) Lang Transportation Corporation, intrastate authority is reflected by the following decisions of this Commission: Decision No. 42623, dated March 15, 1949, Application No. 29416; Decision No. 43049, dated June 28, 1949, Application No. 29416; Decision No. 44374, dated June 20, 1950, Application No. 31049.

(2) Decision No. 42623, dated March 15, 1949, Application No. 29472; Decision No. 47125, dated May 5, 1952, Application No. 33274; Decision No. 44328, dated June 20, 1950, Application No. 30894; Decision No. 44367, dated June 20, 1950, Application No. 31072; Decision No. 45943, dated July 10, 1951, Application No. 32474; Decision No. 47125, dated May 5, 1952, Application No. 33274.

The application alleges that System Tank Lines, Inc., the proposed purchaser, serves in the States of California, Arizona, Oregon, Washington, Idaho and Montana, pursuant to authority issued by the Interstate Commerce Commission, and that the proposed seller, Lang Transportation Corporation, serves in the States of California, Arizona, Nevada and Utah, pursuant to authority issued by the Interstate Commerce Commission.

The application further alleges that the proposed sellers have been under the direct ownership and management of T. J. Manning; that the said Manning's health has been impaired; that he has been advised by his physician to curtail his business activities; and that pursuant to such advice the said Manning concluded to dispose of all his interest in sellers.

The proposed purchaser alleges that the acquisition of the physical properties and operating authority involved herein will permit it to increase and improve the efficiency of the services heretofore performed by it for the shipping public. A balance sheet as of June 30, 1953, appended to the application, indicates that proposed purchaser has total assets of \$902,283.92 of which \$98,227.41 is represented by cash and \$445,091.13 by operating equipment. A profit and loss statement for the six months ending June 30, 1953 discloses gross freight revenue of \$1,158,457.59 and net operating revenue of \$57,194.72.

The parties also have filed with the Interstate Commerce Commission an application for authority to transfer from Manning Tank Lines, Inc., and Lang Transportation Corporation to System Tank Lines, Inc., all the carrier rights and property used by the transferors in interstate and intrastate services (I.C.C. Docket No. MC - F-5491). Purchaser's counsel has advised us that the Interstate Commerce Commission has authorized the sale of all of

the sellers' rights and property, including both interstate and intrastate rights (see Decision on MC - F-5491, supra, dated December 18, 1953).

We find that the public interest will not be adversely affected by approval of the transfer with which we are here concerned. The application will be granted. In taking this action we are making no finding of the value of the operative rights, properties and good will involved. A public hearing is not necessary.

O R D E R

An application having been filed, and the Commission being of the opinion that the authority requested should be granted,

IT IS ORDERED:

(1) That Manning Tank Lines, Inc., and Lang Transportation Corporation, after the effective date hereof and on or before March 1, 1954, may sell and transfer to System Tank Lines, Inc., a corporation, the operative rights, property and good will referred to herein and the latter may acquire and thereafter operate the same, such sale and transfer to be in accordance with the terms of the agreement dated July 23, 1953, attached to the application as Exhibit "A."

(2) That, within thirty days after completion of the transfers herein authorized, System Tank Lines, Inc., shall so notify the Commission in writing and within said period shall file with it true copies of the instruments executed to effect the transfers.

(3) That within ninety days after the effective date hereof, and on not less than five days' notice to the Commission and to the public, applicants shall amend tariffs on file with the Commission naming rates, rules and regulations governing the common

carrier operations here involved to show that Manning Tank Lines, Inc., and Lang Transportation Corporation have withdrawn and System Tank Lines, Inc., has adopted as its own said rates, rules and regulations.

(4) That System Tank Lines, Inc., is authorized on or before March 1, 1954, to incur indebtedness, for the purpose of acquiring the certificates of public convenience and necessity and property referred to in paragraph (1) of this order, in the sum of \$350,000, with interest at the rate of 5 1/2 per cent per annum payable in 36 monthly installments, it being the opinion of the Commission that the money, property or labor to be procured or paid for by it through the indebtedness herein authorized is reasonably required for the purpose hereinabove set forth and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

(5) That the authority herein granted shall become effective when System Tank Lines, Inc., has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$350. Except as herein otherwise expressly provided, this order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 26<sup>th</sup> day of January, 1954.

Herbert Pottel  
D. E. Bickell  
Gene Rogers  
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Commissioners

