

**ORIGINAL**

Decision No. 52469

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
R. A. CONYES, an individual, doing )  
business as R. A. CONYES TANK LINES, )  
to sell and transfer and of )  
CONSOLIDATED FREIGHTWAYS, INC., a )  
corporation, to purchase and acquire )  
a certificate of public convenience )  
and necessity and public utility )  
property. )

Application No. 37539

O P I N I O N

R. A. Conyes, doing business as R. A. Conyes Tank Lines, (hereinafter referred to as the Vendor), and presently rendering service as a petroleum irregular route carrier in interstate and intrastate commerce, requests authority to sell and transfer his operative rights and equipment to Consolidated Freightways, Inc., (hereinafter referred to as the Vendee).

The Vendee, a Washington Corporation authorized to do business in California, is presently engaged in the transportation of general commodities between points within the state. Through the facilities of a subsidiary (Howard R. Williams, Inc.) it has transported petroleum products in interstate commerce. By recent authorization of the Interstate Commerce Commission the subsidiary was merged with the Vendee.

A purchase agreement entered into between the parties (a copy of which is attached to the application) calls for a consideration of \$595,000. This reflects an appraised value of \$560,000 placed upon approximately 60 trucks and tractors and \$35,000 for operative rights. A value of \$34,000 is placed upon

the interstate operative rights. The value placed upon the intrastate rights herein considered is \$1,000, which represents the cost of filing and attorney fees. Within 10 days after the effective date, or not later than the first day of the month following the effective date, of the final order of the Interstate Commerce Commission or the California Public Utilities Commission, whichever is later, the Vendee has agreed to pay to the Vendor \$250,000 in cash and concurrently therewith assign to the Vendor \$345,000 worth of its fully paid and nonassessable common capital stock.

As justification for the authority sought it is alleged that the Vendor desires to discontinue the extensive operations he has been conducting in order that he might give more time and attention to his other business interests. It is further alleged that the Vendee desires to supplement the bulk petroleum operations formerly conducted by its subsidiary, Howard R. Williams, Inc.

The record indicates that the Vendee is financially capable of complying with the agreement and continuing the service presently performed by the Vendor.

By an amendment to the application it is alleged that the Interstate Commerce Commission has issued an order authorizing the transfer of interstate operating authority as of January 20, 1956, and the issue of stock by Vendee. Inasmuch as the Interstate Commerce Commission has authorized the requested issue of stock by the Vendee, this Commission will take no action thereon. In order that the transfer of all operative rights and properties may be made at the same time, it has been requested that this Commission

issue its order authorizing the proposed transfer of the intra-state rights as of the same date or immediately thereafter. The ensuing order therefore will be made effective January 20, 1956.

After consideration, the Commission is of the opinion and so finds that the proposed transfer will not be adverse to the public interest. The action taken herein shall not be construed to be a finding of the value of the rights and properties herein authorized to be transferred. A public hearing does not appear to be necessary.

O R D E R

Application having been filed and the Commission being informed in the premises;

IT IS ORDERED:

(1) That on or before May 15, 1956, R. A. Conyes, doing business as R. A. Conyes Tank Lines, may sell and transfer and Consolidated Freightways, Inc., may purchase and acquire the operative rights created by Decision No. 42623, dated March 15, 1949, in Application No. 29471; Decision No. 47185, dated May 27, 1952, in Application No. 33402; and Decision No. 44136, dated May 2, 1950, in Application No. 30934; as well as the property and equipment referred to in the copy of the purchase agreement attached to the application.

(2) That on not less than two days' notice to the Commission and to the public, applicants shall supplement or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing the common carrier operations here involved to show that R. A. Conyes, doing business as Conyes Tank Lines, has withdrawn or canceled, and Consolidated Freightways, Inc., has adopted or established as its own, said rates, rules

and regulations.

The effective date of this order shall be January 20, 1956.

Dated at San Francisco, California, this  
16<sup>th</sup> day of January, 1956.

*John E. Mitchell*  
President

*James J. Cavanaugh*

*Ray G. Lutz*

*B. H. ...*

Commissioners