

ORIGINAL

Decision No. 52960

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 GEORGE A. BAKER, DANIEL R. BAKER and)
 THOMAS E. BAKER, copartners doing)
 business as BAKER AND STANTON TRANSFER)
 & STORAGE CO., for authority to transfer)
 motor carrier certificate of public)
 convenience and necessity to BAKER &)
 STANTON, INC., a corporation, under the)
 provisions of Sections 851-853 of the)
 Public Utilities Code.)

Application No. 37617
 (and Amendment)

O P I N I O N

Applicants George A. Baker, Daniel R. Baker and Thomas E. Baker, have been engaged, among other enterprises, in the business of transporting property, as a highway common carrier, as defined in Section 213 of the Public Utilities Code, under authority of this Commission.⁽¹⁾ Applicant partners by the above-entitled application filed December 24, 1955, seek authority to transfer all their partnership assets, including said operative rights and transportation equipment, to Baker & Stanton, Inc., a California corporation, and said applicant corporation seeks authority to issue therefor 2,940 shares of its capital stock having an aggregate par value of \$294,000.00 and to assume the partnership debts.

Applicant George A. Baker commenced operations as a highway common carrier pursuant to Commission authority in 1939. Pursuant to

(1) Decision No. 32503, dated October 24, 1939 in Application No. 22648; Decision No. 40200 dated April 29, 1947 in Application No. 28184; Decision No. 40336 dated May 27, 1947 in Application No. 27477; and Decision No. 46771 dated February 19, 1952 in Application No. 33088.

Decision No. 46771, dated February 19, 1952, he transferred his operating authority and equipment, together with his furniture and appliance business to the partnership of himself and his two sons Daniel Roger Baker and Thomas Emmet Baker. At that time a balance sheet attached to that application showed an aggregate partners' capital account of \$212,938.39. By the latest available balance sheet the net assets are shown to have grown to \$350,153.19 by January 31, 1956.

According to the allegations of the application the partnership will be the sole owner of all the issued capital stock of this corporation. Also, the persons who will actually control and operate the motor carrier business being transferred are the same persons who now control and operate it. No value appears on the balance sheet of the partnership for operative rights and no portion of the \$294,000 is assigned by applicants to such rights or claimed in the application as the value of them.

The Commission finds that the transfer of operative rights and equipment will not be adverse to the public interest. Baker & Stanton, Inc., in recording on its corporate books the acquisition of the properties of Baker and Stanton Transfer & Storage Co. must transfer to its property and depreciation reserve accounts the book balances of said Baker and Stanton Transfer & Storage Co. at the date of transfer.

The application will be granted. A public hearing is unnecessary. 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. The present book value of the assets appears adequate to warrant an order authorizing the issue of \$294,000 of capital stock.

O R D E R

Application therefor having been filed, a public hearing appearing not to be required and the Commission being of the opinion that the application should be granted, and finding that the money, property or labor to be procured or paid for through the issue of \$294,000 par value of stock is reasonably required for the purpose specified herein and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED:

- (1) George A. Baker, Daniel R. Baker and Thomas E. Baker, copartners may transfer their operative rights and properties to Baker & Stanton, Inc., on or before March 30, 1956.
- (2) Baker & Stanton, Inc., in acquiring such rights and properties may assume the payment of the outstanding indebtedness of said partnership and may issue not exceeding \$294,000 par value of its common stock therefor.
- (3) On not less than five days' notice to the Commission and to the public, applicants shall, effective concurrently with the consummation of such transfer, supplement or reissue the tariffs on file with the Commission naming rates, rules and regulations governing the common carrier operations here involved so as to show that George A. Baker, Daniel R. Baker and Thomas E. Baker, copartners have withdrawn or canceled and Baker & Stanton, Inc., a corporation has adopted or established, as its own, said rates, rules and regulations. The tariff filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs set forth in General Order No. 80.
- (4) Baker & Stanton, Inc., shall file a report, or reports, as required by General Order No. 24-A, which order, insofar as

applicable, is made a part of this order.

(5) Baker & Stanton, Inc., shall file with the Commission a copy of each journal entry used to record on its books the acquisition of the properties of George A. Baker, Daniel R. Baker and Thomas E. Baker, copartners, and the distribution of the purchase price to primary accounts, such filing to be made within thirty days after the date of such entries.

(6) This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 24th
day of April, 1956.

[Signature]
President
Justin J. Calver
Robert L. [unclear]
[Signature]
[Signature]
Commissioners