

ORIGINAL

Decision No. 54424

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of MERCHANTS EXPRESS OF CALIFORNIA )  
to purchase operative rights and )  
property of KINGS COUNTY TRUCK )  
LINES, )

and )

Application No. 38601

In the Matter of the Application )  
of KINGS COUNTY TRUCK LINES to )  
sell operative rights and prop- )  
erty. )

Edward M. Berol, for Merchants Express  
of California, applicant.  
Orville A. Schulenberg, for Kings County  
Truck Lines, applicant.

O P I N I O N

Kings County Truck Lines (hereinafter referred to as seller) requests authority to sell, and Merchants Express of California (hereinafter referred to as buyer) requests authority to purchase, certain equipment and highway common carrier operative rights.

A public hearing on this matter was held before Commissioner Rex Hardy and Examiner William L. Cole in San Francisco on January 24, 1957 at which time the matter was taken under submission.

The subject of the sale as set forth in Exhibit A, attached to the application, involves approximately 150 pieces of equipment valued at \$261,475; and all of seller's operative rights, business and good will valued at \$30,000. A value of \$15,220.27 was placed upon the operative rights, which represents the actual cost to seller. The total consideration of \$291,475 is payable in

cash. A down payment of \$30,000 was placed in escrow upon the execution of the agreement and the balance is to be paid not later than five days after the effective date of this Commission's order authorizing the transfer.

Seller is presently authorized to operate as a highway common carrier generally between certain San Joaquin Valley points, the San Francisco Territory, the Los Angeles Territory, Stockton, and Sacramento.

Buyer is presently engaged as a highway common carrier between various points within the State. For the first nine months of 1956, it showed a net income of \$40,938.39.

After consideration the Commission is of the opinion and so finds that the proposed sale will not be adverse to the public interest. The action taken herein, however, shall not be construed to be a finding of the value of rights or property authorized to be transferred.

The Commission hereby takes judicial notice of Decision No. 54423 relative to the investigation on the Commission's own motion into the operations, rates, and practices of seller and the penalty assessed in that proceeding. The effective date of the order hereinbelow made will be adjusted accordingly.

#### O R D E R

Application having been filed and the Commission being advised in the premises,

#### IT IS ORDERED:

1. That after the effective date hereof and on or before May 15, 1957, Kings County Truck Lines may sell and transfer and Merchants Express of California may purchase and acquire the properties referred to in Exhibit A, attached to the application, as well as the operative rights described in Decision No. 49412, dated December 8, 1953, in Application No. 34620, and Decision No. 51529, dated May 31, 1955, in Application No. 35023.

2. That within thirty days after the consummation of the transfer herein authorized applicants shall notify the Commission in writing of that fact, and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

3. That after the effective date hereof and on or before May 15, 1957, and on not less than one day's 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 Kings County Truck Lines has withdrawn and Merchants Express of California has adopted as its own said rates, rules, and regulations.

The effective date of this order shall be February 2, 1957.

Dated at Los Angeles, California, this 29th day of January, 1957.

*W. E. Mitchell*  
President  
*Ray L. Katerine*  
*Marion D. Dooler*  
*H. H. Hart*  
*E. Lyn Fox*  
Commissioners