In the Matter of the Application of:
(a) WATER-LAND TRUCK LINES, a corporation, to sell and of BRAKE DELIVERY SERVICE, a corporation, to purchase a certificate of public convenience and necessity for the transportation of general commodities between various points in southern California, pursuant to Sections 851-853 of the California Public Utilities Code.

(b) BRAKE DELIVERY SERVICE, a corporation, to sell, and of SYSTEM TRANS-PORT, a corporation, to purchase a separate portion of a certificate of public convenience and necessity for the transportation of general commodities between various points in Los Angeles County, pursuant to Sections 851-853 of the California Public Utilities Code.

Application No. 41678

<u>OPINION</u>

The parties to this application are Water-Land Truck Lines, a corporation (hereinafter sometimes called "Water-Land"), which is selling its highway common carrier operating rights in the Los Angeles Basin Territory, as described in Appendices A and B of Decision No. 55183, dated June 25, 1957, in Application No. 36384, to Brake Delivery Service, a corporation (hereinafter sometimes called "Brake"), and System Transport, a corporation (herein sometimes called "System"), which is purchasing from "Brake" the latter's highway common carrier operating rights in the Los Angeles Territory, as described in Appendices A and B of Decision No. 54165, dated December 4, 1956, as emended by Decision No. 54694, dated March 19, 1957, in Application No. 36275. "Brake" will retain that portion of its present authority between Inglewood and Los Angeles, on the one hand, and points in the San Diego

Territory, on the other hand, as set forth in said decision. Decision No. 54165, as amended by Decision No. 54694 and Decision No. 55183 authorize the transportation of general commodities subject to certain restrictions and exceptions.

"Water-Land" proposes to discontinue certificated highway common carrier business within this State, but proposes to continue its present permitted carrier and interstate operations. "Brake" proposes to acquire the "Water-Land" certificate, in lieu of that separate portion of its present certificate which authorizes general commodity service between points in the Los Angeles Territory, and to operate under said "Water-Land" certificate in addition to the other separate portion of its present certificate which authorizes general commodity service between Los Angeles and Inglewood, on the one hand, and, on the other, the San Diego Territory, including intermediate points on U. S. Highways 101 and 101-A. "System", recently incorporated, proposes to acquire and conduct the highway common carrier service within the Los Angeles Territory as now certificated to "Brake". All parties have personnel experienced in the trucking business.

"Brake" will pay "Water-Land" \$30,000 cash for the said rights, payable upon the consummation of the transaction, which date is thirty days after the effective date of this Commission's order. "System" will pay "Brake" \$10,000 as follows: \$4,000 upon said consummation date, the balance in twenty-four installments of \$250 each payable monthly beginning on the first day of the month following consummation. Said installments will bear interest at the rate of 6 percent per annum.

Other than the said certificated operating rights, no property is being sold or purchased by any of the said parties.

The financial condition of said parties is as follows:

WATER-LAND TRUCK LINES As of June 30, 1959

Total Assets Total Liabilities	\$216,457.63 350,619.51
Deficit	(134,161.88)
Represented by:	
Capital Stock Outstanding Deficit	55,000.00 (189,161.88)
Deficit	(134,161.88)

(Red Figure)

For the first six months of 1959 "Water-Land" operated at a profit of \$8,470.65.

BRAKE DELIVERY SERVICE As of September 30, 1959

Total Assets Total Liabilities	\$105,111.06 32,196.99
Net Worth	72,914.07
Represented by:	
Capital Stock Outstanding Surplus	47,190.00 25,724.07
Total Capital and Surplus	72,914.07

For the first nine months of 1959 "Brake" operated at a profit of \$9,438.73. Assets include twenty-one trucks used in the operation of the present business within the Los Angeles Territory and between Inglewood-Los Angeles and San Diego.

SYSTEM TRANSPORT As of November 1, 1959

Total Assets
Total Liabilities

Net Worth

\$ 17,096.80
12,096.80
5,000.00

Represented by:

Capital Stock Outstanding

5,000.00

Assets of this company include two trucks, two tractors and two semitrailers.

"Brake" presently participates in the rates set forth in Western Motor Tariff Bureau, Inc., Agent, Local, Joint and Proportional Freight Tariff No. 17-A, Cal. P.U.C. Tariff No. 33

(Elmer Ahl, Agent, W. J. Knoell, Issuing Officer, hereinafter sometimes called the "Ahl Tariff"). In addition, "Brake" publishes its own Brake Delivery Service Parcel Tariff No. 1, Cal. P.U.C. No. 1

(hereinafter sometimes called the "Brake parcel tariff"). "Brake" is not a party to any joint through rate tariffs. "System" proposes to establish its rates and charges by becoming a party to the Ahl tariff if the separate Los Angeles Territory portion of the "Brake" certificate is republished as hereinafter requested, otherwise "System" proposes to adopt the Ahl tariff of "Brake" to the extent that it applies to the separate Los Angeles Territory portion of the "Brake" certificate being transferred to "System." "System" does not propose to adopt the Brake parcel tariff.

Applicant "Water-Land" presently participates in the rates set forth in Western Motor Tariff Bureau, Inc., Agent, Local, Joint and Proportional Freight Tariff No. 18-B, Cal. P.U.C. Tariff No. 17 (J. L. Beeler, Agent), W. J. Knoell, Issuing Officer, (hereinafter

sometimes called the "Beeler tariff"). "Water-Land" is not a party to any joint through rate tariffs. "Brake" proposes to increase its participation in the Ahl tariff to include the "Water-Land" Los Angeles Basin Territory certificate, if its certificate is republished to include said certificate as well as its retained San Diego portion of its present certificate. If its certificate is not republished, "Brake" proposes initially to adopt the Beeler tariff of "Water-Land" to the extent of the certificate acquired from "Water-Land", but as soon as practicable thereafter to substitute its present Ahl tariff for the Becler tariff. In either event, "Brake" proposes to retain its parcel tariff and to make appropriate amendments to reflect the acquisition of the Los Angeles Basin Territory certificate in lieu of its present Los Angeles Territory certificate which it is proposing to transfer to "System."

It is also requested that an in lieu certificate be issued to "Brake" subject to the same applicable exceptions and conditions as now contained in its present certificate and the certificate of "Water-Land", and that a certificate be issued to "System" subject to the exceptions and conditions applicable to rights being transferred.

It is alleged that, while both the Ahl and Beeler tariffs have virtually identical rates, charges and rules, nevertheless it is the applicants' belief that the republication of the transferred authorities will not only result in simplified statements of such authorities in the names of the transferrees, but also will simplify the tariff action to be taken by each applicant.

Applicants have filed a petition asking that they be relieved from compliance with Rule 29(a) of the Rules of Practice because, when this application of forty-six pages was being prepared, applicants and their attorneys were unaware of said rule change and, therefore, no extra copies for service upon the numerous carriers in the Los Angeles area were printed. The cost of printing or mimeographing sufficient copies and mailing them would be a considerable financial burden upon the applicants. The petitioners and applicants herein having mailed a copy of the application and the petition to the California Trucking Associations, Inc., which publishes in its weekly magazine "Caltrux" a summary of the applications filed with this Commission, are of the opinion and believe that the carriers have had some notice and, under the said circumstances, relief should be granted. No new or additional operating rights will result from the granting of this application.

The Commission having considered the application and petition, is of the opinion and finds the proposed sales and transfers are not adverse to the public interest, therefore, the application and petition will be granted. A public hearing is not deemed necessary.

The action taken herein shall not be construed to be a finding of value of the properties herein authorized to be transferred.

For the purpose of clarification, an in lieu certificate of public convenience and necessity will be granted to Brake Delivery Service, and an original certificate will be granted to System Transport. Present certificates of Water-Land Truck Lines and Brake Delivery Service will be cancelled effective concurrently with the effective date of this order. Applicants will be required to conform with tariff filings as hereinbelow set forth.

A. 41678 GH* Public Utilities Code for the transportation of property between the points and over the routes as more particularly set forth in Appendices A and B attached hereto and made a part hereof. That concurrently with the consummation of the transfer herein authorized a certificate of public convenience and necessity is granted to System Transport, a corporation, authorizing it to operate as a highway common carrier as defined by Section 213 of the Public Utilities Code for the transportation of property between the points and over the routes as more particularly set forth in Appendices C and D attached hereto and made a part hereof. That in providing service pursuant to the certificate herein granted, applicants shall comply with and observe the following service regulations: Within thirty days after the effective date hereof, applicants shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicants are placed upon notice that they will be required, among other things, to file annual reports of their operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 99. Failure to file such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Order No. 99, may result in a cancellation of the operating authority granted by this decision. That on not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of the transfers as herein authorized, applicants shall supplement or reissue the tariffs on file with the Commission naming rates, rules and regulations governing the common carrier operation here involved to show that Water-Land Truck Lines and Brake Delivery Service have withdrawn or canceled and Brake Delivery Service and System Transport have adopted or established as their 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 the Commission's General Order No. 80. -8-

- (6) That in the event the authority herein granted is exercised, applicants shall notify the Commission in writing of the fact within thirty days after the date of transfer.
- (7) That applicants are relieved from compliance with Rule 29(a) of the Commission's Rules of Procedure as amended, effective September 1, 1959, by Decision No. 58444 in Case No. 4924.
- (8) That the certificates of public convenience and necessity granted in paragraphs (3) and (4) of this order are hereby issued in lieu of and supersede all existing certificates of public convenience and necessity heretofore granted to or acquired by Water-Land Truck Lines by Decision No. 55183, supra, and by Brake Delivery Service, by Decision No. 54165, as amended by Decision No. 54694, supra, which certificates are hereby canceled and revoked, said revocations to become effective concurrently with the effective date of the tariff filings required by paragraph (5) b hereof.
- (9) This order shall become effective upon payment of the \$25 fee prescribed in Section 1904(b) of the Public Utilities Code.
- (10) That the authorities herein granted shall expire unless exercised within ninety days after the effective date of this order.

Dated at San Francisco, California, this 9th day of folywary, 1960.

Presiden

Commissioners

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PUBLIC UTILITIES COMMISSION STATE OF CALIFORNIA FEB 11 1250

Applicant shall not transport any shipments of:

- 1. Used household goods and personal effects not packed in accordance with the crated property requirements set forth in paragraph (d) of Item No. 10-C of Minimum Rate Tariff No. 4-A.
- 2. Automobiles, trucks and buses, viz.: new and used, finished or unfinished passenger automobiles (including jeeps), ambulances, hearses and taxis; freight automobiles, automobile chassis, trucks, truck chassis, truck trailers, trucks and trailers combined, buses and bus chassis.
- 3. Livestock, viz.: bucks, bulls, calves, cattle, cows, dairy cattle, ewcs, goats, hogs, horses, kids, lambs, oxen, pigs, sheep, sheep camp outfits, sows, steers, stags or swine.
- 4. Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerated equipment.
- 5. Liquids, compressed gases, commodities in semiplastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semitrailers or a combination of such highway vehicles.
- 6. Commodities when transported in bulk in dump trucks or in hopper-type trucks.
- 7. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.

Issued by California Public Utilities Commission.

Decision No. 59643 , Application No. 41678

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Appendix B

Brake Delivery Service a corporation

Description of Los Angeles Basin Territory, excluding Hemet:

Beginning at the intersection of Sunset Boulevard and U. S. Highway No. 101, Alternate; thence northeasterly on Sunset Boulevard to State Highway No. 7; northerly along State Highway No. 7 to Chatsworth Drive; northeasterly along Chatsworth Drive to the corporate boundary of the City of San Farnando; westerly and northerly along said corporate boundary to McClay Avenue; northeasterly along McClay Avenue and its prolongation to the Angeles National Forest boundary; southeasterly and easterly along the Angeles National Forest and San Bernardino National Forest boundary to the county road known as Mill Creek Road; westerly along Mill Creek Road to the county road 3.8 miles north of Yucaipa; southerly along said county road to and including the unincorporated community of Yucaipa; westerly along Redlands Boulevard to U. S. Highway No. 99; northwesterly along U. S. Highway No. 99 to and including the City of Redlands; westerly along U. S. Highway No. 99 to U. S. Highway No. 395; southerly along U. S. Highway No. 395 to State Highway No. 18; southwesterly along State Highway No. 18 to U. S. Highway No. 91; westerly along U. S. Highway No. 91 to State Highway No. 55; southerly on State Highway No. 55 to the Pacific Ocean; westerly and northerly along the shore line of the Pacific Ocean; westerly and northerly south of the intersection of Sunset Boulevard and U. S. Highway No. 101, Alternate; thence northerly along an imaginary line to point of beginning.

Description of San Diego Territory:

San Diego Territory includes that area embraced by the following imaginary line starting at the northerly junction of U. S. Highways Nos. 101-E and 101-W (four miles north of La Jolla); thence easterly to Miramar on State Highway No. 395; thence southeasterly to Lakeside on the El Cajon-Ramona Highway; thence southerly to Bostonia on U. S. Highway No. 80; thence southeasterly to Jamul on State Highway No. 94; thence due south to the International Boundary Line; west to the Pacific Ocean and north along the coast to point of beginning.

Issued by California Public Utilities Commission.

Decision No. 59643 , Application No. 41678.

System Transport, a corporation, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport general commodities between all points within the Los Angeles Territory as described in Appendix D attached hereto.

Applicant shall not transport any shipments of:

- 1. Used household goods and personal effects not packed in accordance with the crated property requirements set forth in paragraph (d) of Item No. 10-C of Minimum Rate Tariff No. 4-A.
- Automobiles, trucks and buses, viz.: new and used, finished or unfinished passenger automobiles (including jeeps), ambulances, hearses and taxis; freight automobiles, automobile chassis, trucks, truck chassis, truck trailers, trucks and trailers combined, buses and bus chassis.
- Livestock, viz.: bucks, bulls, calves, cattle, cows, dairy cattle, ewes, goats, hogs, horses, kids, lambs, oxen, pigs, sheep, sheep camp outfits, sows, steers, stags or swine.
- 4. Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerated equipment.
- 5. Liquids, compressed gases, commodities in semiplastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semitrailers or a combination of such highway vehicles.
- Commodities when transported in bulk in dump trucks, in hopper-type trucks, or in motor vehicles equipped for mechanical mixing in transit.

Issued by California Public Utilities Commission. Decision No. 59643, Application No. 41678.

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Appendix D System Transport a corporation

The Los Angeles Territory includes that area embraced by the following boundary: Beginning at the intersection of Sumset Boulevard and U. S. Highway No. 101, Alternate; thence northeasterly on Sunset Boulevard to State Highway No. 7; northerly along State Highway No. 7 to State Highway No. 118; northeasterly along State Highway No. 118 through and including the City of San Fernando; continuing northeasterly and southeasterly along State Highway No. 118 to and including the City of Pasadena; easterly along U. S. Highway No. 66 to State Highway No. 19; southerly along State Highway No. 19 to Lower Azusa Road; easterly on Lower Azusa Road to its intersection with the San Gabriel River; southerly along the west bank of the San Gabriel River to Beverly Boulevard; southeasterly on Beverly Boulevard to Painter Avenue in the City of Whittier; southerly on Painter Avenue to State Highway No. 26; westerly along State Highway No. 26 to the west bank of the San Gabriel River; southerly along the west bank of the San Gabriel River; southerly along State Highway No. 19 to its intersection with U. S. Highway; westerly on Imperial Highway to State Highway No. 19; southerly along State Highway No. 19 to its intersection with U. S. Highway No. 101, Alternate, at Ximeno Street; southerly along Ximeno Street and its prolongation to the Pacific Ocean; westerly and northerly along the shore line of the Pacific Ocean to a point directly south of the intersection of Sunset Boulevard and U. S. Highway No. 101, Alternate; thence northerly along an imaginary line to point of beginning.

Issued by California Public Utilities Commission. Decision No. 50643, Application No. 41678.