

**ORIGINAL**

Decision No. 60020

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 JACK L. ANDERSON and HAZEL ANDERSON, )  
 a co-partnership, doing business as )  
 ANDERSON CARTAGE AND WAREHOUSE )  
 COMPANY, for a certificate of public )  
 convenience and necessity to operate )  
 as a Highway Common Carrier for the )  
 transportation of general commodities )  
 between Sacramento and Stockton. )

Application No. 41612

In the Matter of the Application of )  
 JACK L. ANDERSON AND HAZEL ANDERSON, )  
 a co-partnership, doing business as )  
 ANDERSON CARTAGE AND WAREHOUSE )  
 COMPANY, to sell and transfer, and )  
 ANDERSON CARTAGE, a California cor- )  
 poration, to purchase and acquire )  
 the operative rights, equipment and )  
 other assets of seller and to assume )  
 liabilities of seller, also for auth- )  
 ority to issue shares of its capital )  
 stock. )

Application No. 41918

Marquam C. George for applicants.  
Sidney J. Webb for the Commission staff.

O P I N I O N

Jack L. Anderson and Hazel Anderson have been operating as a highway common carrier pursuant to Commission authority<sup>1/</sup> between Stockton and points such as Modesto, Turlock, Escalon, Oakdale and Riverbank. By Application No. 41612 filed October 27, 1959, as amended March 7, 1960, authority is sought to extend service to Tracy on the west and to Sacramento and neighboring points as well as certain intermediate localities. By Application No. 41918, filed February 4, 1960, these applicants seek authority to transfer operative authority, property and equipment to a corporation in exchange for its stock. Authorization is also requested for the assumption of the seller's liabilities.

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<sup>1/</sup> Decision No. 57480.

These applications were consolidated for hearing which was held before Examiner Rowe on March 15, 1960, in Sacramento. At this time evidence was adduced and the matter submitted as to Application No. 41918, and as to Application No. 41612 continued to March 16, 1960, at Stockton at which time Application No. 41612 was submitted for decision.

The books of the partnership set forth an item of good will carried at \$13,936.59. This figure appears to be wholly fictitious. The correct net worth of assets, eliminating the good will, appears to be approximately \$40,000 without, however, giving full value to realty. After the assumption of partnership indebtedness the corporation will have outstanding \$10,000 par value of stock consisting of 1,000 shares at \$10 per share, which will be represented on the balance sheet as stated capital of \$10,000 and paid-in surplus of \$30,000.

In the sale price no value is assigned to either the certificate of public convenience and necessity transferred by the partners or the prescriptive or grandfather rights as a public warehouseman which, likewise, are to be acquired by the purchasing corporation. The permits held by the partners will be transferred similarly without specific payment of any amount therefor. The Commission finds that the proposed transfer of operative rights and property will not be adverse to the public interest.

Also, based upon the evidence of record that many shippers need the service proposed into the requested extended area, the Commission is of the opinion and finds that public convenience and necessity require that applicant corporation be authorized to render highway common carrier service between the points and along the routes as requested and as hereinafter set forth.

The requested relief in both applications will be granted by first authorizing the transfer and then issuing to the corporation highway common carrier rights authorizing service to points now served by the partners and also as to which service is sought by Application No. 41612. The highway common carrier rights issued by Decision No. 57480 will be revoked as they will be included in the new rights hereinafter granted. For rate-making purposes, the action taken herein shall not be construed to be a finding of the value of the property herein authorized to be transferred. For no purpose shall the action herein taken be construed as a finding of the value of operative rights.

O R D E R

Application as above entitled having been filed, a public hearing having been held, the Commission being fully advised in the premises, and the matters being under submission,

IT IS ORDERED:

(1) That Jack L. Anderson and Hazel Anderson, within one hundred days after the effective date hereof, may sell and transfer the operative rights and property referred to in Application No. 41918 to Anderson Cartage, a California corporation, and said corporation is authorized to issue therefor 1,000 shares of its \$10.00 par value stock and assume the debts and obligations described in said application, it being the opinion of the Commission that the money, property or labor to be procured or paid for through such issue is reasonably required for said purposes and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

(2) That within thirty days after the consummation of the transfer herein authorized, said Anderson Cartage 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 and shall file with the Commission a report or reports as required by General Order No. 24-A.

(3) That within one hundred days after the effective date hereof, and on not less than five days' notice to the Commission and to the public, applicant Anderson Cartage shall institute the service as a public warehouseman and as a highway common carrier and shall join with said Jack L. Anderson and Hazel Anderson in supplementing and amending tariffs on file with the Commission naming rates, rules and regulations governing the operations here involved to show that Jack L. Anderson and Hazel Anderson have withdrawn and Anderson Cartage has adopted as its own said rates, rules and regulations.

(4) That a certificate of public convenience and necessity is granted to Anderson Cartage authorizing it to operate as a highway common carrier as defined in Section 213 of the California Public Utilities Code for the transportation of general commodities with the exceptions, and between the points and places, and over the routes stated and set forth in Appendix A attached hereto and by reference made a part hereof.

(5) That in providing service pursuant to the certificate herein granted, applicant Anderson Cartage shall comply with and observe the following service regulations:

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that it will be required, among



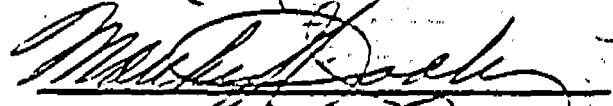
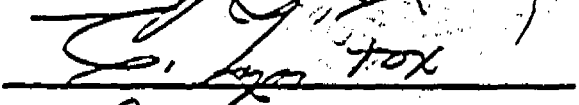
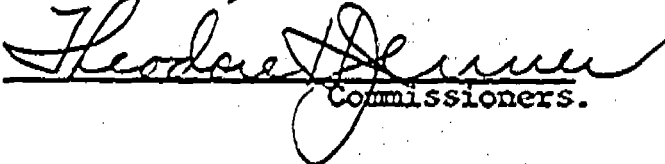
other things, to file annual reports of its operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 99 and insurance requirements of the Commission's General Order No. 100-A. Failure to file such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Orders Nos. 99 and 100-A, may result in a cancellation of the operating authority granted by this decision.

- (b) Within sixty days after the effective date hereof, and on not less than ten days' notice to the Commission and the public, applicant shall establish the service herein authorized and file in triplicate and concurrently make effective, tariffs satisfactory to the Commission.

(6) That the highway common carrier operative rights granted by said Decision 57480 are revoked, said revocation to become effective concurrently with the effective date of the tariff filings required by paragraph numbered (3).

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 3rd day of May, 1960.

  
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President  
  
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Commissioners.

Anderson Cartage, by the certificate of public convenience and necessity granted by the Decision noted in the margin, is authorized to transport general commodities excepting:

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, 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 refrigerator equipment;
5. Liquids, compressed gases, commodities in semiplastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semi-trailers 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;
8. Logs;

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to, from and between:

- I. Sacramento vicinity (as defined on page 3 hereof) and Turlock and intermediate points via U.S. Highway 99 and between said intermediate points;
- II. Sacramento vicinity (as defined on page 3 hereof) and Tracy and points intermediate thereto and between said intermediate points via U.S. Highway 50;
- III. Tracy and Manteca via U.S. Highway 50 and State Highway 120, and Manteca and Modesto and points intermediate and between said intermediate points via State Highway 120 and unnumbered County road between Oakdale and Modesto via Riverbank;
- IV. Between Sacramento vicinity (as defined on page 3 hereof) and Stockton and points intermediate and between said intermediate points via unnumbered County road known as Thornton Road, passing through the points of Franklin, Thornton and Woodbridge.

Also service to, from and between any points within an air-line distance of three miles of any and all of the above points and routes.

For operating convenience only, all roads, streets and highways connecting the above points and routes.

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SACRAMENTO VICINITY

The Sacramento vicinity is defined as follows:

All of the City of Sacramento, also territory located within three miles of the city limits and including Nimbus, Mather Field, McClellan Field, Carmichael, North Sacramento, West Sacramento, and including the plants of the Lumbermen's Supply Inc., Essex Lumber Company, Campbell Soup Company, McKesson & Robbins, Inc., Howard Terminal Warehouse, Royal Packing Company, Proctor & Gamble Manufacturing Company, Fort Sutter Warehouse Co., Libby, McNeill & Libby, Boone Warehouses, Inc., Sacramento Air Depot, Sacramento Municipal Airport, Sacramento Signal Depot, as well as the territory beginning at the point where Highway U.S. 40-Highway U.S. 99E (Del Paso Boulevard) intersects the northern city limits of Sacramento along said highway to Rio Linda Boulevard, northeasterly along Rio Linda Boulevard to Nogales Avenue, southeasterly along Nogales Avenue to 10th Street, southerly along 10th Street to East El Camino Avenue, easterly along East El Camino Avenue to 11th Street, southerly along 11th Street to Bassetlaw Avenue, southeasterly along Bassetlaw Avenue to its junction with the Swanston Road at Swanston Station including the plants of C. Swanston & Son, Lumbermen's Supply, Inc., Sacramento Wool Company, Sacramento Feed Company and the Essex Lumber Company, returning westerly along Bassetlaw Avenue to its junction with Highway U.S. 40-99E (Del Paso Boulevard) and along Del Paso Boulevard to point of beginning, and including any points or places intermediate to the communities, plants or other locations identified in this paragraph.

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