

Decision No. 62203

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:

a) L. A. EUREKA LINES, a corporation, to purchase, and of JOE P. CABRAL, an individual, doing business as L. A. EUREKA LINES, to sell a certificate of public convenience and necessity for the transportation of special commodities between various points in California, pursuant to Section 851-853 of the California Public Utilities Code.

Application No. 43414

b) L. A. EUREKA LINES, a corporation, to issue shares of its common capital stock, pursuant to Section 816-830 of the California Public Utilities Code.

O P I N I O N

Joe P. Cabral, doing business as L. A. Eureka Lines, requests authority to sell and transfer, and L. A. Eureka Lines, a newly formed corporation, requests authority to purchase and acquire certain properties and highway common carrier operative rights. L. A. Eureka Lines also requests authority to issue 89 shares of its common capital stock, at a par value of \$100, to Joe P. Cabral and his wife D. Arlene Cabral in consideration for the transfer of the property and operative rights.

The operating authority was created by Decision No. 55204 dated July 2, 1957, in Application No. 35947 and authorizes the transportation of special commodities between the Eureka area on the one hand, and the San Francisco Bay area, Stockton and the Los Angeles Territory, on the other hand.

The proposed transfer will also include all motor equipment, accounts receivable, cash, office equipment, dock equipment, tools, permits and good will. All real property, however, will be retained in the name of Joe P. Cabral and his wife and will be leased to the

corporation. No value has been placed upon the operative rights or good will. As of March 31, 1961, the business had a total book value of \$259,024.89 subject to liabilities as of the same date in the amount of \$250,123.07. For the three months ending March 31, 1961, applicant seller indicated a net profit in the amount of \$6,719.94.

After consideration the Commission finds and concludes that the proposed transfer would not be adverse to the public interest, and that the money, property or labor to be procured or paid for by the issue of the stock herein authorized 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. A public hearing is not 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 October 1, 1961, Joe P. Cabral may sell and transfer and L. A. Eureka Lines, a corporation, may purchase and acquire the operative rights granted by Decision No. 55204 dated July 2, 1957, in Application No. 35947, as well as the property referred to in the application.
2. That, within thirty days after the consummation of the transfer herein authorized, the purchaser shall notify the Commission, in writing, 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, on not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of the transfer, applicants shall amend or reissue the

tariffs on file with the Commission, naming rates, rules and regulations governing the highway common carrier operations here involved, to show that Joe P. Cabral has withdrawn or canceled, and that L. A. Eureka Lines has adopted or established as its own, said rates, rules and regulations. The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 80.

4. That, after the effective date hereof and on or before October 1, 1961, L. A. Eureka Lines may assume the payment of outstanding indebtedness and may issue not to exceed \$8,900 par value of its capital stock for the purpose heretofore specified.

5. That L. A. Eureka Lines shall file with the Commission a report or reports, as required by General Order No. 24-A, which order, in so far as applicable, is made a part of this order.

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

Dated at San Francisco, California, this 27th day of June, 1961.

Ernest A. Page
 President

W. L. Mitchell

E. L. Fox

George W. Hoover

Frederick B. Holbrook
 Commissioners