

ORIGINAL

Decision No. 68367

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of MANUEL S. MANCEBO, MANUEL S.)
MANCEBO, JR., JOHN E. MANCEBO)
and JOE N. COELHO, JR., co-)
partners, doing business as)
C & M TRUCK LINES, to sell and)
transfer)

and of)

C & M TRUCK LINES, INC., a)
California corporation, to)
purchase and acquire the operative)
rights and property of MANUEL S.)
MANCEBO, MANUEL S. MANCEBO, JR.,)
JOHN E. MANCEBO, and JOE N.)
COELHO, JR., co-partners, doing)
business as C & M TRUCK LINES,)
conducted under and pursuant to)
Decision No. 64029 dated 31 July)
1962 in Application No. 44410,)

Application No. 47106
Filed November 12, 1964

and of)

C & M TRUCK LINES, INC., for)
authority to issue 4000 shares of)
its common capital stock having a)
par value of \$10.00 per share in)
payment of the purchase price of)
the operative rights and property)
proposed to be acquired under and)
pursuant to Sections 1063 and)
1064.1 of the Public Utilities)
Code of the State of California)

O P I N I O N

This is an application for an order of the Commission
(1) authorizing Manuel S. Mancebo, Manuel S. Mancebo, Jr., John
E. Mancebo and Joe N. Coelho, Jr., copartners, doing business as
C & M Truck Lines, to sell and transfer a highway common carrier

certificate of public convenience and necessity, together with related assets, to C & M Truck Lines Inc., and (2) authorizing C & M Truck Lines Inc., in acquiring said assets, to issue \$40,000 par value of its common stock.

Manuel S. Mancebo, Manuel S. Mancebo, Jr., John E. Mancebo and Joe N. Coelho, Jr., copartners, doing business as C & M Truck Lines, are engaged as a highway common carrier transporting certain commodities requiring refrigeration between various points and places in California under the certificate of public convenience and necessity acquired pursuant to authority granted by Decision No. 64029, dated July 31, 1962, in Application No. 44410. In this proceeding, the copartners propose to sell and transfer said certificate, together with related assets, to C & M Truck Lines Inc.

C & M Truck Lines Inc. is a California corporation organized on or about February 21, 1963 for the purpose of purchasing, acquiring and succeeding to the operative rights and property of the partners. The corporation reports that, pursuant to a permit dated June 14, 1963 of the Division of Corporations, it issued 4,000 shares of its \$10 par value common stock in exchange for the partnership assets. This Commission is of the opinion that it has sole jurisdiction, to the exclusion of the Division of Corporations, to authorize the issuance of said corporation's securities.

In accordance with Commission requirements, the corporation now seeks authority to issue the 4,000 shares of its common stock having an aggregate par value of \$40,000 in

exchange for the assets and subject to existing liabilities of the partnership as of March 31, 1964. The balance sheet, attached to the application as Exhibit A, indicates that as of March 31, 1964, total assets to be transferred amounting to \$124,478.38 were offset by current liabilities totaling \$51,374.89 and equity capital of \$73,103.49. Organization, franchises and permits are shown in said balance sheet at a cost of \$2,347.96. Applicants request that the proposed sale and transfer be made effective as of April 1, 1964.

We have considered this matter and find that:

(1) the proposed stock issue is for a proper purpose and requires authorization by this Commission; (2) the proposed sale and transfer would not be adverse to the public interest; (3) 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 (4) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

The action taken herein shall not be construed to be a finding of the value of the operative rights and other assets to be transferred. So far as the rights are concerned, the authorization herein granted is for the transfer of the highway common carrier certificate of public convenience and necessity only. The transfer of permitted operative rights must be the subject of a separate application or applications.

O R D E R

IT IS ORDERED that:

1. On or after the date hereof and on or before March 31, 1965, Manuel S. Mancebo, Manuel S. Mancebo, Jr., John E. Mancebo and Joe N. Coelho, Jr., copartners, doing business as C & M Truck Lines, may sell and transfer, and C & M Truck Lines Inc. may purchase and acquire the highway common carrier certificate of public convenience and necessity and other assets referred to in this application. Said sale and transfer may be made effective as of April 1, 1964, for accounting purposes.

2. C & M Truck Lines Inc., on or after the date hereof and on or before March 31, 1965, may acquire the assets and assume the liabilities of the partnership referred to herein, and for the purpose specified in this proceeding, may issue not to exceed 4,000 shares of its common stock at not less than their par value of \$10 per share. The excess of the net assets so acquired over the \$40,000 aggregate par value of stock issued shall be considered as paid-in surplus.

3. C & M Truck Lines Inc. shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

4. Within thirty days after the consummation of the transfer herein authorized, C & M Truck Lines Inc. 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.

5. C & M Truck Lines Inc. shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the common carrier operations herein to show that it has adopted or established as its own, said rates and rules. The tariff filings shall be made effective not earlier than ten days after the date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the consummation of the transfer herein authorized. 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-A.

6. On or before the end of the third month after the consummation of the transfer as herein authorized, C & M Truck Lines Inc. shall cause to be filed with the Commission, in such form as it may prescribe, an annual report, or reports, covering the period commencing with the first day of the current year to and including the effective date of the transfer for accounting purposes.

7. The effective date of this order is the date hereof.

Dated at San Francisco, California,
this 22nd day of DECEMBER, 1964.

Frederick C. Hildebrandt
President
Robert J. Mitchell
Robert J. Mitchell
George T. Grover
Melvin L. Bennett
Commissioners