

ORIGINAL

Decision No. 70617

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
DESERT TRANSFER & STORAGE, a
corporation, to transfer, and of AUTO
FAST FREIGHT, INC., a corporation,
to acquire the Certificate of Public
Convenience and Necessity and certain
property of DESERT TRANSFER &
STORAGE, a corporation.

Application No. 48234
(Filed February 7, 1966)

O P I N I O N

This is an application for an order of the Commission
(1) authorizing Desert Transfer & Storage, a corporation, to
sell and transfer a highway common carrier certificate of public
convenience and necessity, together with motor vehicle equipment
and related assets, to Auto Fast Freight, Inc., a corporation,
and (2) authorizing Auto Fast Freight, Inc., to assume long-term
obligations and to issue a promissory note in the principal
amount of \$33,000.

Pursuant to authority granted by Decision No. 66427,
dated December 10, 1963, in Application No. 45921, Desert Transfer &
Storage acquired a certificate of public convenience and necessity
authorizing operations as a highway common carrier of general com-
modities, with certain exceptions, in portions of Los Angeles, San
Bernardino, and Riverside Counties.

Auto Fast Freight, Inc., operates as a highway common
carrier pursuant to authority granted by this Commission in

Decision No. 69430, dated July 27, 1965, in Application No. 47675. In this proceeding it proposes to acquire (1) the certificate of public convenience and necessity acquired pursuant to said Decision No. 66427; (2) a Certificate of Registration issued to Desert Transfer & Storage by the Interstate Commerce Commission in Docket No. MC-96739 (Sub.No.1); and (3) certain motor vehicle equipment and property. The total purchase price of the aforesaid described tangible and intangible property is \$33,050, including the interstate rights valued at \$500. Because of the interstate rights involved, this transaction is being submitted concurrently to the Interstate Commerce Commission. Transferee proposes to borrow \$33,000 from the Bank of America, Second and E Branch, San Bernardino, to obtain funds for working capital and for paying a portion of said purchase price. Said note shall be repaid in 36 monthly installments, including interest on unpaid principal at the rate of 6-1/2 percent per annum.

An itemization of the property to be transferred and the value placed upon each item by applicants is as follows:

Operating Authority

(a) Intrastate rights	\$ 2,000
(b) Interstate rights	500

Goodwill	2,500
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Operating Equipment

2 Tractors	14,000
2 Trucks	3,000
3 Trailers	9,000
1 Dolly	1,500
Office Furniture & Fixtures		550
Total Assets	<u>33,050</u>

A note payable with a balance due of \$10,300, secured by a chattel mortgage on the above equipment, will be assumed by transferee.

No protests have been received.

The Commission has considered this matter and finds that: (1) the proposed sale and transfer would not be adverse to the public interest; (2) the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required for the purposes specified herein; and (3) such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

On the basis of the foregoing findings we conclude that the application should be granted. 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 intrastate highway common carrier certificate of public convenience and necessity only.

O R D E R

IT IS ORDERED that:

1. On or after the effective date hereof and on or before December 31, 1966, Desert Transfer & Storage, a corporation, may sell and transfer, and Auto Fast Freight, Inc., a corporation, may purchase and acquire the highway common carrier certificate

of public convenience and necessity and other assets referred to in the application.

2. Auto Fast Freight, Inc., on or after the effective date hereof and on or before December 31, 1966, may assume payment of the outstanding obligation of approximately \$10,300 referred to in this opinion and may issue a promissory note to the Bank of America in the principal amount of not to exceed \$33,000 for the purposes specified in the application. Said note shall be in the same form, or in substantially the same form, as that attached to the application.

3. Auto Fast Freight, 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, Auto Fast Freight, 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.

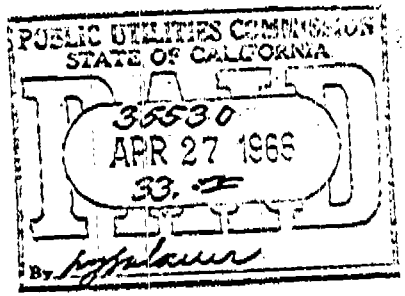
5. Auto Fast Freight, Inc., shall amend or reissue the tariffs on file with the Commission naming rates and rules governing the common carrier operations herein to show that it has adopted or established, as its own, said rates and rules. The tariff filings shall be made effective not earlier than thirty days after the effective date of this order or not less than thirty 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, Auto Fast Freight, Inc., shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the seller for the period commencing with the first day of the current year to and including the effective date of the transfer.

7. This order shall become effective when Auto Fast Freight, Inc., has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$33.

Dated at San Francisco, California, this 26th day of APRIL, 1966.



Fredrick B. Holbrook
President
[Signature]
George P. Grover
[Signature]
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Commissioners