

**ORIGINAL**

Decision No. 72375

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of DONALD L. VEINO, )  
 doing business as SOLVANG FREIGHT )  
 LINE, a sole proprietorship, for )  
 authority to sell property and to )  
 transfer highway common carrier )  
 certificate and radial highway )  
 common carrier permit to SOLVANG )  
 FREIGHT LINES, INC., a )  
 California corporation. )

Application No. 49225  
 Filed March 20, 1967  
 and Amendment  
 Filed April 13, 1967

Application of SOLVANG FREIGHT )  
 LINES, INC., a California )  
 corporation, for a permit to )  
 sell and issue its securities. )

O P I N I O N

This is an application for an order of the Commission

(1) authorizing Donald L. Veino, doing business as Solvang Freight Line, to sell and transfer his highway common carrier certificate of public convenience and necessity, together with certain related assets, to Solvang Freight Lines, Inc., and

(2) authorizing the latter, in acquiring said assets, to assume certain liabilities and to issue \$6,900 aggregate par value of its capital stock.

By Decision No. 66855, dated February 25, 1964, in Application No. 45315, the Commission granted a certificate of public convenience and necessity to Donald L. Veino authorizing the transportation of general commodities, with certain

exceptions, between that portion of the Los Angeles Basin Territory west of California State Highway 39, on the one hand, and the Santa Ynez Valley and Las Cruces, on the other hand. The trucker also possesses a radial highway common carrier permit issued by this Commission.

The application shows that Donald L. Veino desires to incorporate his enterprise for reasons of business expediency. To accomplish such objective he seeks authority to sell and transfer his highway common carrier certificate of public convenience and necessity, together with motor carrier equipment, furniture and fixtures, to Solvang Freight Lines, Inc. It is indicated that said assets will be sold at net book value as of December 31, 1966, which is shown as \$15,440.02 in the seller's balance sheet attached to the application as part of Exhibit A. No value is assigned to the certificate of public convenience and necessity or other intangibles.

Solvang Freight Lines, Inc. is a California corporation organized on or about January 23, 1967. In acquiring said operative rights and assets, it proposes to issue \$6,900 aggregate par value of its capital stock and to assume certain liabilities of the seller which, as of December 31, 1966, amounted to \$8,506.31. It appears that the excess of net assets to be acquired over the total par value of stock to be issued will be credited to capital surplus.

The Commission has considered this matter and finds that: (1) the proposed transactions will not be adverse to the public interest; (2) 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 (3) 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, as amended, should be granted. A public hearing is not necessary.

The action taken herein shall not be construed as a finding of the value of the highway common carrier certificate of public convenience and necessity and other assets herein authorized to be transferred.

O R D E R

IT IS ORDERED that:

1. On or before December 31, 1967, Donald L. Veino may sell and transfer, and Solvang Freight Lines, Inc. may purchase and acquire, the highway common carrier certificate of public convenience and necessity and other assets referred to in this proceeding. The transfer may be consummated as of December 31, 1966 for accounting purposes.

2. Solvang Freight Lines, Inc., on or before December 31, 1967, for the purpose of acquiring said certificate and other assets, may assume the liabilities referred to in this proceeding and may issue not to exceed 69 shares of its \$100 par value capital stock.

3. Solvang Freight 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, Solvang Freight 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. Solvang Freight Lines, Inc. shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the highway 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. The effective date of this order is the date hereof.

Dated at San Francisco, California, this 2nd day of MAY, 1967.

[Signature]  
President

[Signature]

[Signature]

[Signature]  
Commissioners

Commissioner A. W. Gatov, being necessarily absent, did not participate in the disposition of this proceeding.