

ORIGINAL

Decision No. 73849

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of William G. Webster doing)
business as Bill Webster and)
Sons, to Sell, and Barstow-Death)
Valley Freight Lines to purchase)
certain property and operating)
rights of a passenger stage)
corporation and a highway common)
carrier, and to issue stock.)
_____)

Application No. 49943
Filed January 15, 1968
and Amendment
Filed February 23, 1968

O P I N I O N

This is an application for an order of the Commission (1) authorizing William G. Webster, an individual doing business as Bill Webster & Sons, to sell and transfer a certificate of public convenience and necessity as a highway common carrier and as a passenger stage corporation, together with related assets, to Barstow-Death Valley Freight Lines, a corporation, and (2) authorizing Barstow-Death Valley Freight Lines to issue 100 shares of its capital stock, without par value, and an unsecured promissory note in the principal amount of not exceeding \$26,177.45.

Pursuant to authority granted by Decision No. 67110, dated April 21, 1964, in Application No. 46274, William G. Webster acquired a certificate of public convenience and necessity as a highway common carrier and as a passenger stage corporation. Said certificate authorizes the transportation

of freight and passengers between Barstow and Stovepipe Wells, including certain intermediate and off-route points. The carrier also has acquired certificates of registration issued by the Interstate Commerce Commission in connection with his operations.

In the present proceeding William G. Webster requests authority to sell and transfer said certificate of public convenience and necessity, together with related assets for a price of \$32,500 to Barstow-Death Valley Freight Lines, a California corporation organized on or about July 10, 1967. In connection with the acquisition of said certificate and assets, the corporation proposes to issue a promissory note in the principal amount of not exceeding \$26,177.45, repayable in monthly installments of \$700 or more, including interest at the rate of 7% per annum. The corporation also proposes to issue 100 shares of its no par value capital stock for cash, at a stated value of \$10 per share, in order to increase working capital by \$1,000.

According to the application, as amended, Barstow-Death Valley Freight Lines plans to allocate \$24,200 of the purchase price to intangible property and the balance of \$8,300 to motor vehicles. Of the \$24,200 for intangible property, \$24,198 represents the premium for acquiring the business and the remaining \$2 is assigned to goodwill and mail contracts in amounts of \$1 each. No value is assigned to the certificate of public convenience and necessity.

The application shows that the proposed stockholders are in a position to advance additional cash to the corporation.

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 and 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. 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 operative rights and other assets to be transferred.

O R D E R

IT IS ORDERED that:

1. On or before December 31, 1968, William G. Webster may sell and transfer, and Barstow-Death Valley Freight Lines may purchase and acquire, the certificate of public convenience and necessity as a highway common carrier and as a passenger stage corporation, together with other related assets referred to in the application.

2. Barstow-Death Valley Freight Lines, on or before December 31, 1968, for the purpose of financing, in part, the acquisition of said certificate and other assets, may issue a promissory note in the principal amount of not exceeding \$26,177.45. Said note shall be in the same form, or in substantially the same form, as that attached to the amendment to the application.

3. On or before December 31, 1968, Barstow-Death Valley Freight Lines, for the purpose of obtaining \$1,000 working capital, may issue and sell not exceeding 100 shares of its no par value capital stock for cash, at a stated value of \$10 per share.

4. Barstow-Death Valley Freight Lines 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.

5. Within thirty days after the consummation of the transfer herein authorized, Barstow-Death Valley Freight Lines 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.

6. Barstow-Death Valley Freight Lines shall amend or reissue the tariffs and timetables on file with the Commission, naming rates and rules governing the highway common carrier and passenger stage operations herein to show that William G. Webster has withdrawn or canceled, and Barstow-Death Valley Freight Lines has adopted or established, as its own, said rates and rules.

The tariff and timetable 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 and timetable filings shall be concurrent with the consummation of the transfer herein authorized. The tariff and timetable filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79, 80-A and 98-A. Failure to comply with and observe the provisions of General Orders Nos. 79, 80-A and 98-A may result in a cancellation of the operating authority granted by this decision.

7. This order shall become effective when Barstow-Death Valley Freight Lines has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$27.

Dated at San Francisco, California,
 this 12th day of MARCH, 1968.

[Signature]
 President
[Signature]
[Signature]
[Signature]
 Commissioners

