

ORIGINAL

Decision No. 73900

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)
))
(a) DIRECT MOTOR TRANSPORT, INC.,)
for authority to issue shares of)
its common capital stock pursuant)
to Section 816-830 of the)
California Public Utilities Code.)
))
(b) DANIEL TRASK and WARREN A.)
ANDRIUZZO, co-partners, doing)
business as DIRECT MOTOR)
TRANSPORT, a partnership, to)
sell, and DIRECT MOTOR TRANSPORT,)
INC., a corporation, to purchase)
highway common carrier operating)
rights and property, pursuant to)
Section 851-853 of the)
California Public Utilities Code.)

Application No. 50059
Filed February 27, 1968

O P I N I O N

This is an application for an order of the Commission

(1) authorizing Daniel Trask and Warren A. Andriuzzo, copartners doing business as Direct Motor Transport, to sell and transfer their highway common carrier certificate of public convenience and necessity, together with related assets, to Direct Motor Transport, Inc., and (2) authorizing the latter, in acquiring said assets, to assume liabilities and to issue 83 shares of its capital stock without par value.

Pursuant to authority granted by Decision No. 72728, dated July 11, 1967, in Application No. 49413, Daniel Trask and Warren A. Andriuzzo acquired a highway common carrier

certificate of public convenience and necessity which authorizes the transportation of general commodities, with certain exceptions, between various points and places in southern California. The partners also hold permits issued by this Commission and engage in activities which are subject to the jurisdiction of the Interstate Commerce Commission. According to the balance sheet, attached to the application as Exhibit B, the partners' equity in the enterprise as of December 31, 1967 was \$8,364.

In this proceeding Daniel Trask and Warren A. Andriuzzo propose to sell and transfer said highway common carrier certificate and related assets to Direct Motor Transport, Inc., a California corporation organized on or about January 2, 1968. For the purpose of acquiring said assets, the corporation proposes to assume liabilities and to issue 83 shares of its no par value capital stock at a stated value of \$100 per share.

A pro forma balance sheet of Direct Motor Transport, Inc. as of January 2, 1968, giving effect to the transactions proposed herein, is attached to the application as Exhibit D and is summarized as follows:

<u>Assets</u>	
Current assets	\$ 30,017
Net tangible property	70,065
Intangible property	<u>3,912</u>
Total	<u>\$103,994</u>
<u>Liabilities</u>	
Current liabilities	\$ 29,055
Long-term debt	66,575
Capital stock and surplus	<u>8,364</u>
Total	<u>\$103,994</u>

The corporation proposes to assign \$500 of intangible costs to the intrastate highway common carrier certificate of public convenience and necessity.

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 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. 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. Any transfer of permitted 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 September 30, 1968, Daniel Trask and Warren A. Andriuzzo may sell and transfer, and Direct Motor Transport, Inc. may purchase and acquire, the highway common carrier certificate of public

convenience and necessity and other assets referred to in this proceeding. Said sale and transfer may be made effective as of December 31, 1967, for accounting purposes.

2. Direct Motor Transport, Inc., on or after the date hereof and on or before September 30, 1968, for the purpose specified herein, may issue not exceeding 83 shares of its capital stock, without par value, at a stated value of \$100 per share.

3. Direct Motor Transport, 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, Direct Motor Transport, 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. Direct Motor Transport, 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. Failure to comply with and observe the provisions of General Order No. 80-A may result in a cancellation of the operating authority acquired pursuant to this decision.

6. On or before the end of the third month after the consummation of the transfer herein authorized, Direct Motor Transport, 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 sellers for the period commencing with the first day of the current year to and including the effective date for accounting purposes of the transfer, if such date is other than December 31, 1967.

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

Dated at Los Angeles, California, this 26th day of MARCH, 1968.

[Signature]
President

[Signature]

[Signature]

[Signature]
Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

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