

Decision No. 74345

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
David W. Reid, an individual doing)
business under the firm name and)
style of A. W. Reid Draying Company,)
to transfer highway common carrier)
authority,)

Application No. 50299
Filed June 11, 1968

and)

A. W. Reid Draying Company, A)
California corporation, to acquire)
said operating rights and assets,)
assumes liabilities and to issue)
capital stock.)

O P I N I O N

This is an application for an order of the Commission (1) authorizing David W. Reid, doing business as A. W. Reid Draying Company, to sell and transfer a highway common carrier certificate of public convenience and necessity, together with related assets, to A. W. Reid Draying Company, a corporation, and (2) authorizing the latter, in acquiring said assets, to assume liabilities and to issue 3,800 shares of its \$10 par value capital stock.

By Decision No. 71123, dated August 16, 1966, in Application No. 48534, the Commission granted a highway common carrier certificate of public convenience and necessity to David William Reid authorizing the transportation of general commodities, with certain exceptions, between all points and places in the San Francisco - East Bay Cartage Zone. The carrier also

holds permits issued by this Commission and engages in activities which are subject to the jurisdiction of the Interstate Commerce Commission.

In the present application David W. Reid requests authority to sell and transfer his highway common carrier certificate of public convenience and necessity, together with related assets, to A. W. Reid Draying Company, a California corporation organized on or about December 15, 1967. The corporation proposes to acquire said assets, subject to liabilities, in exchange for 8,800 shares of its \$10 par value capital stock.

A pro forma balance sheet of the corporation as of April 30, 1968, giving effect to the proposed transactions, is attached to the application as part of Exhibit B and is summarized as follows:

<u>Assets</u>	
Current assets	\$ 40,190
Net tangible property	63,604
Intangible property	767
Other assets	<u>3,264</u>
Total	<u>\$112,825</u>
<u>Liabilities</u>	
Current liabilities	\$ 15,024
Long-term debt	4,036
Capital stock and surplus	<u>93,765</u>
Total	<u>\$112,825</u>

After consideration the Commission 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 intra-state highway common carrier certificate of public convenience and necessity only. Any 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 December 31, 1968, David W. Reid, doing business as A. W. Reid Draying Company, may sell and transfer, and A. W. Reid Draying Company, a corporation, may purchase and acquire, the highway common carrier certificate of public convenience and necessity granted by Decision No. 71128, dated August 16, 1966, as amended by Decision No. 74082, dated May 7, 1968, together with the other assets referred to in the application.

2. A. W. Reid Draying Company, a corporation, on or after the date hereof and on or before December 31, 1968, for the purpose specified in this proceeding, may assume liabilities and may issue not exceeding 8,800 shares of its \$10 par value capital stock.

3. A. W. Reid Draying Company, a corporation, 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, A. W. Reid Draying Company, a corporation, 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. A. W. Reid Draying Company, a corporation, 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 10 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, A. W. Reid Draying Company, a corporation, 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. The effective date of this order is the date hereof.

Dated at San Francisco, California, this 2nd day of JULY, 1968.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners