

ORIGINAL

Decision No. 74815

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
)
 ANAHEIM TRUCK & TRANSFER CO.,)
)
 a California corporation, For an)
 Order Authorizing It to Issue)
 Stock; and of)
)
 CHARLES A. PEARSON,)
)
 d/b/a ANAHEIM TRUCK & TRANSFER CO.)
)
 to Transfer All of His Assets and)
 Property in Exchange for Said Shares.)
 _____)

Application No. 50549
Filed September 12, 1968

O P I N I O N

This is an application for an order of the Commission

(1) authorizing Charles A. Pearson, doing business as Anaheim Truck & Transfer Co., to transfer his motor carrier certificates of public convenience and necessity and prescriptive operative right as a public utility warehouseman, together with related assets, to Anaheim Truck & Transfer Co., a corporation, and

(2) authorizing the latter, in acquiring said assets, to assume liabilities and to issue 10,000 shares of its \$10 par value common stock.

Charles A. Pearson operates as a highway common carrier of general commodities, with certain exceptions, in portions of southern California pursuant to the certificate of public convenience and necessity granted by Decision No. 61264, dated December 28, 1960, as amended by Decisions Nos. 63043, dated January 9, 1962, 74082, dated May 7, 1968, and 74541, dated August 13, 1968, all in Application No. 42491. Also, Charles A. Pearson operates (a) as a petroleum irregular route carrier under the statewide certificate of public convenience and necessity granted by Decision No. 44391, dated June 20, 1950, in Application No. 31228, and (b) as a public utility warehouseman pursuant to the prescriptive operative right determined on August 1, 1960, in Case No. 6724, which right is for the operation of 21,750 square feet of storage or warehouse floor space at Anaheim, exclusive of the expansion permissible under Section 1051 of the Public Utilities Code. In addition, Charles A. Pearson conducts operations under radial highway common carrier, highway contract carrier, city carrier and household goods carrier permits issued by this Commission, and also operates under the jurisdiction of the Interstate Commerce Commission.

In exchange for 10,000 shares of its \$10 par value common stock, Anaheim Truck & Transfer Co., a California corporation organized on or about August 20, 1968, proposes to acquire the assets, subject to liabilities, of Charles A. Pearson, doing business as Anaheim Truck & Transfer Co.

For the year 1967, the transferor reports carrier operating revenues and warehouse public utility operating revenues of \$2,611,516 and \$49,811, respectively, and a net income of \$24,060. The corresponding December 31, 1967 balance sheet is summarized as follows:

Assets

| | |
|---------------------------------------|------------------|
| Current assets | \$376,863 |
| Tangible property - net | 446,115 |
| Organization, franchises, and permits | 1,196 |
| Other intangible property - net | 23,018 |
| Deferred debits | <u>9,207</u> |
| Total | <u>\$856,399</u> |

Liabilities

| | |
|--|------------------|
| Current liabilities | \$221,185 |
| Long-term debt | 11,675 |
| Deferred credits | 2,147 |
| Reserve for cargo loss and damage claims | 100 |
| Sole proprietorship capital | <u>621,292</u> |
| Total | <u>\$856,399</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 herein authorized to be transferred, nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates. So far as the rights are concerned, the authorization herein granted is for the transfer of the intrastate highway common carrier and petroleum irregular route carrier certificates of public convenience and necessity and prescriptive operative right as a public utility warehouseman 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, Charles A. Pearson may transfer, and Anaheim Truck & Transfer Co., a corporation, may acquire, the highway common carrier and petroleum irregular route carrier certificates of public convenience and necessity, the prescriptive operative right as a public utility warehouseman, and the other assets referred to in the application.

2. Anaheim Truck & Transfer Co., 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 10,000 shares of its \$10 par value common stock.

3. Anaheim Truck & Transfer Co., 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, Anaheim Truck & Transfer Co., 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. Anaheim Truck & Transfer Co., a corporation, shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the highway common carrier, petroleum irregular route carrier and warehouse 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 Orders Nos. 61-A and 80-A. Failure to comply with and observe the provisions of General Orders Nos. 61-A and 80-A may result in a cancellation of the operating authority acquired pursuant to this decision.

6. Concurrently with the effective date of the tariff filings for warehouse operations required by Ordering Paragraph No. 5 hereof, the prescriptive operative right as a public utility warehouseman set forth in the Order dated August 1, 1960, in Case No. 6724, is hereby revoked and, in place and stead thereof, a prescriptive operative right as a public utility warehouseman is hereby stated for Anaheim Truck & Transfer Co., a corporation, as more particularly set forth in Appendix A attached hereto.

7. On or before the end of the third month after the consummation of the transfer as herein authorized, Anaheim Truck & Transfer Co., a corporation, shall cause to be filed with the Commission, in such form as the Commission may prescribe, annual

reports related to the operations of the transferor for the period commencing with the first day of the current year to and including the effective date of the transfer.

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

Dated at San Francisco, California,
this 15th day of OCTOBER, 1968.

William Sproule, Jr.
President

Robert E. Fitchell

William W. Bennett

Augusta

Greg P. Monassey
Commissioners

Anaheim Truck & Transfer Co., a corporation, possesses a prescriptive operative right as a public utility warehouseman for the operation of storage or warehouse floor space as follows:

| <u>Location</u> | <u>Number of Square Feet of Floor Space</u> |
|-----------------|---|
| Anaheim | 21,750 |

(The floor space shown above is exclusive of the expansion permissible under Section 1051 of the Public Utilities Code.)

(End of Appendix A)

Issued by California Public Utilities Commission.

Decision No. 74815, Application No. 50549.