

Decision No. 76349**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of HAROLD S. SCOTT, an Individual )  
doing business as STEWART DRAYAGE )  
LINES, to transfer a certificate )  
of public convenience and necessity )  
to STEWART DRAYAGE LINES, a )  
corporation, and to issue stock. )

Application No. 51411  
Filed October 8, 1969

O P I N I O N

Harold S. Scott, doing business as Stewart Drayage Lines, requests an order of the Commission authorizing him to transfer his highway common carrier certificate of public convenience and necessity to Stewart Drayage Lines, a corporation, and authorizing the latter to issue not exceeding 4,000 shares of its \$10 par value capital stock.

The transferor conducts highway common carrier operations pursuant to the certificate of public convenience and necessity acquired in accordance with Decision No. 61166, dated December 13, 1960, in Application No. 42938. Said certificate authorizes Harold S. Scott to transport general commodities, with limited exceptions, between points and places located on or laterally within five miles of certain highways extending from San Jose and Modesto, on the south, to Novato and Sacramento, on the north. In

addition, the carrier performs permitted carrier operations subject to the jurisdiction of this Commission and also operates under the jurisdiction of the Interstate Commerce Commission. For the year 1968, he reports total operating revenues and net income of \$1,011,116 and \$58,223, respectively.

Stewart Drayage Lines is a California corporation incorporated on or about September 24, 1969. In exchange for \$40,000 aggregate par value of its capital stock, the corporation proposes to acquire said certificate of public convenience and necessity together with goodwill. The consideration is predicated upon the book values of the certificate and goodwill amounting to \$5,316 and \$36,031, respectively, which approximate the corresponding amounts of \$5,000 and \$35,000 set forth in said Decision No. 61166.

After consideration the Commission finds that: (1) the proposed transfer would 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 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 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 properties 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 operative rights must be the subject of a separate application or applications.

O R D E R

IT IS ORDERED that:

1. On or before December 31, 1969, Harold S. Scott may sell and transfer, and Stewart Drayage Lines, a corporation, may purchase and acquire, the intrastate highway common carrier certificate of public convenience and necessity and goodwill referred to in the application.
2. Stewart Drayage Lines, a corporation, on or before December 31, 1969, for the purposes specified in this proceeding, may issue not exceeding 4,000 shares of its \$10 par value capital stock.
3. Stewart Drayage Lines, 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, Stewart Drayage Lines, 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. Stewart Drayage Lines, a corporation, 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 five days after the date of this order on not less than five 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. 20-A. Failure to comply with and observe the provisions of General Order No. 20-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 as herein authorized, Stewart Drayage Lines, 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 transferor for the period commencing with the first day of the current year to and including the effective date of the transfer.

7. Within thirty days after the transfer herein authorized is consummated, Stewart Drayage Lines, a corporation, shall file a written acceptance of the certificate. Stewart Drayage Lines, a corporation, is placed on notice that, if it accepts such certificate, it will be required, among other things, to comply with and observe the safety rules of the California Highway Patrol and the insurance requirements of the Commission's General Order No. 100-2.

8. Stewart Drayage Lines, a corporation, shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

9. Stewart Drayage Lines, a corporation, shall comply with the requirements of the Commission's General Order No. 84-Series for the transportation of collect on delivery shipments. If Stewart Drayage Lines, a corporation, elects not to transport collect on delivery shipments, it shall make the appropriate tariff filings as required by the General Order.

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

Dated at San Francisco, California,  
this 27th day of OCTOBER, 1969.

William Francis J.  
President

Augusta  
William J.  
Thomas

Yerman L. Sturgeon  
Commissioner's