

Decision No. 77037

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:)

(a) C. N. BATES DRAYAGE, INC., a
 corporation, to purchase, and of
 C. N. BATES, an individual, doing
 business as C. N. BATES DRAYAGE,
 to sell a certificate of public
 convenience and necessity for
 the transportation of general
 commodities, as a highway common
 carrier, pursuant to Sections
 851-853 of the California Public
 Utilities Code.

Application No. 51765
 Filed March 10, 1970

(b) C. N. BATES DRAYAGE, INC., a
 corporation, to issue shares of its
 common capital stock, pursuant to
 Section 816-830 of the California
 Public Utilities Code.

O P I N I O N

C. N. Bates, doing business as C. N. Bates Drayage, seeks an order of the Commission authorizing him to sell his highway common carrier certificate of public convenience and necessity and related assets to C. N. Bates Drayage, Inc., and the latter seeks authority to issue not exceeding 1,100 shares of its \$25 par value common capital stock.

Pursuant to the certificate of public convenience and necessity granted by Decision No. 60187, dated May 24, 1960, as amended, in Application No. 41852, C. N. Bates operates as a highway common carrier in portions of the Counties of Alameda, Contra Costa, San Mateo and Santa Clara, and the City and County of San Francisco. In addition, he operates as a highway contract carrier and a radial highway common carrier subject to the jurisdiction of this Commission.

For the year 1969, the carrier reports total operating revenues and net income of \$234,457 and \$43,503, respectively.

C. N. Bates Drayage, Inc., is a California corporation incorporated on or about December 18, 1969. In exchange for \$27,500 aggregate par value of its common capital stock, the corporation proposes to acquire certain assets, subject to current liabilities, of C. N. Bates, doing business as C. N. Bates Drayage. As of January 1, 1970, the net book value, after deducting reserves for depreciation, of the assets to be transferred amounted to \$29,448, with no value being assigned to operating rights, and the current liabilities aggregated \$1,813.

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 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 properties to be transferred. So far as the rights are concerned the authorization granted is for the transfer of the highway common carrier certificate of public convenience and necessity only. Any transfer of permitted operating rights must be the subject of a separate application or applications.

O R D E R

IT IS ORDERED that:

1. On or before September 30, 1970, C. N. Bates may sell and transfer, and C. N. Bates Drayage, Inc. may purchase and acquire, the highway common carrier certificate of public convenience and necessity and related assets referred to in the application.

2. C. N. Bates Drayage, Inc., on or before September 30, 1970, for the purpose specified in this proceeding, may issue not exceeding 1,100 shares of its \$25 par value common capital stock.

3. C. N. Bates Drayage, 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, C. N. Bates Drayage, 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. C. N. Bates Drayage, 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 five

days after the effective 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. 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. Within thirty days after the transfer herein authorized is consummated, C. N. Bates Drayage, Inc. shall file a written acceptance of the certificate. C. N. Bates Drayage, Inc. 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-E.

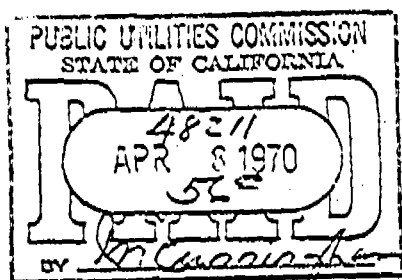
7. C. N. Bates Drayage, Inc. shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual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

8. C. N. Bates Drayage, Inc. shall comply with the requirements of the Commission's General Order No. 84-Series

for the transportation of collect on delivery shipments. If C. N. Bates Drayage, Inc. elects not to transport collect on delivery shipments, it shall make the appropriate tariff filings as required by the General Order.

9. This order shall become effective when C. N. Bates Drayage, Inc. has paid the fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$56.

Dated at Los Angeles, California, this 7th day of APRIL, 1970.



William J. ...
President

Augustor

[Signature]

[Signature]

Vernon L. Sturgeon
Commissioners