

ORIGINAL

Decision No. 77963

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of A. R. PEARSON TRUCK CO., INC., a corporation, to transfer, and of PEARSON TRUCKING & RIGGING, INC., a corporation, to acquire, a certificate of public convenience and necessity authorizing service in the transportation of general commodities, with exceptions, to and within portions of the Counties of Los Angeles and Orange, in the State of California, pursuant to Sections 851-853 of the California Public Utilities Code.

Application No. 52177
(Filed September 2, 1970)

O P I N I O N

A. R. Pearson Truck Co., Inc. requests authority to sell and transfer and Pearson Trucking & Rigging, Inc. requests authority to purchase and acquire a certificate of public convenience and necessity authorizing operations as a highway common carrier.

The certificate was granted by Decision No. 55255, dated July 9, 1957, as amended by Decision No. 55827, dated November 12, 1957, Decision No. 56585, dated April 22, 1958, and Decision No. 63080, dated January 9, 1962, in Application No. 36197 and authorizes the transportation of general commodities between various points and places in the Counties of Los Angeles and Orange, and is the subject of a coextensive Certificate of Registration issued by the Interstate Commerce Commission in Docket No. MC-61166, Sub No. 3.

Applicant purchaser is a subsidiary of applicant seller. Applicant seller is in the process of voluntary dissolution and as part of its plan intends to transfer its carrier operations to applicant purchaser. All of the motor carrier equipment of applicant

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seller will be leased to applicant purchaser. The officers, directors and key personnel of applicant seller will continue to serve applicant purchaser. The transfer is to be made without consideration.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest. A public hearing is not necessary. The order which follows will provide for, in the event the transfer is consummated, the transfer of the certificate presently held by A. R. Pearson Truck Co., Inc. to Pearson Trucking & Rigging, Inc., and its restatement in appendix form.

Pearson Trucking & Rigging, Inc. is hereby placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. On or before May 1, 1971, A. R. Pearson Truck Co., Inc. may sell and transfer, and Pearson Trucking & Rigging, Inc. may purchase and acquire, the operative rights referred to in the application.

2. Within thirty days after the consummation of the transfer herein authorized, purchaser 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.

3. Purchaser 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 or 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 granted by this decision.

4. On or before the end of the third month after the consummation of the transfer as herein authorized, purchaser 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.

5. In the event the transfer authorized by paragraph 1 hereof is consummated, a certificate of public convenience and necessity is transferred to Pearson Trucking & Rigging, Inc. from A. R. Pearson Truck Co., Inc., authorizing Pearson Trucking & Rigging, Inc. to

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operate as a highway common carrier as defined in Section 213 of the Public Utilities Code between the points particularly set forth in Appendix A attached hereto.

6. Within thirty days after the transfer herein authorized is consummated, purchaser shall file a written acceptance of the certificate. Purchaser 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-F.

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

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 24th day of NOVEMBER, 1970.

[Signature]
Chairman
[Signature]
[Signature]
[Signature]
Commissioners

Pearson Trucking & Rigging, Inc., a corporation, by the certificate of public convenience and necessity granted by the decision noted in the margin is authorized to conduct operations as a highway common carrier as defined in Section 213 of the Public Utilities Code and is authorized to transport general commodities between all points and places within the following described area:

Beginning at the intersection of the westerly boundary of the City of Los Angeles and the Pacific Ocean, then via the westerly and northerly boundaries of the City of Los Angeles, the southerly boundary of the Angeles National Forest, the easterly boundary of Los Angeles County, and the northeasterly boundary of Orange County to its junction with the U. S. Highway 91, then via U. S. Highway 91 and State Highway 55 and the prolongation of State Highway 55 in a generally southwesterly direction to the Pacific Ocean, then via the coastline of the Pacific Ocean to the point of beginning; also, points and places south and east of U. S. Highway 91 and State Highway 55 within a radius of five miles of said highways between the Orange County line and the Pacific Ocean.

Applicant shall not transport any shipments of:

1. Used household goods and personal effects not packed in accordance with the crated property requirements set forth in paragraph (d) of Item No. 10-C of Minimum Rate Tariff No. 4-A.
2. Automobiles, trucks and buses, viz.: new and used, finished or unfinished passenger automobiles (including jeeps), ambulances, hearses and taxis; freight automobiles, automobile chasses, trucks, truck chassis, truck trailers, trucks and trailers combined, buses and bus chasses.

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3. Livestock, viz.: bucks, bulls, calves, cattle cows, dairy cattle, ewes, goats, hogs, horses, kids, lambs, oxen, pigs, sheep, sheep camp outfits, sows, steers, stags or swine.
4. Commodities requiring protection from heat by the use of ice (either water or solidified carbon dioxide) or by mechanical refrigeration.
5. Liquids, compressed gases, commodities in semi-plastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semitrailers or a combination of such highway vehicles.
6. Commodities when transported in bulk in dump trucks or in hopper-type trucks.
7. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.

Note: The commodities excluded by the above exceptions Nos. 1 to 7, both inclusive, may nevertheless be carried by applicant if tendered for shipment with non-excepted commodities as part of the same shipment or movement.

END OF APPENDIX A

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