

Decision No. 80521**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
 of BOB'S DELIVERY SERVICE, INC.,)
 a corporation, for authority to)
 issue shares of its common)
 capital stock pursuant to Section)
 315-330 of the California Public)
 Utilities Code, and to acquire)
 Certificate of Public Convenience)
 and Necessity and property, and)
 MILDRED C. O'DONNELL, doing)
 business as BOB'S DELIVERY)
 SERVICE, to transfer pursuant)
 to Section 851-854 of the)
 California Public Utilities)
 Code.)

Application No. 53479
 (Filed July 20, 1972)
 and Amendment
 (Filed August 16, 1972)

O P I N I O N

Mildred C. O'Donnell, doing business as Bob's Delivery Service, seeks authority to transfer her highway common carrier certificate of public convenience and necessity and related assets to Bob's Delivery Service, Inc., and the latter seeks authority to issue 100 shares of its no par value common stock for \$10,000 working capital.

Mildred C. O'Donnell operates as a highway common carrier of specified commodities in portions of southern California pursuant to the certificate of public convenience and necessity granted by Decision No. 73016, dated September 6, 1967, in Application No. 49573. This authority is the subject of a Certificate of Registration issued by the Interstate Commerce Commission in Docket No. MC-120590 (Sub-No. 1). Transferor also conducts operations in California as a permitted carrier.

Bob's Delivery Service, Inc. is a California corporation incorporated on July 12, 1972. It proposes to acquire from Mildred C. O'Donnell, for cash, her intrastate and interstate operating rights and related assets. It further proposes to issue 100 shares of its no par value common stock to Richard Lauterio at a stated value of \$100 per share, to provide \$10,000 working capital.

The corporation's pro forma balance sheet is summarized from Appendix 3, Revised, attached to the amendment to the application, as follows:

Assets

Cash	\$10,000
Revenue equipment	24,000
Office and warehouse equipment	6,000
Deferred debits	6,000
Intrastate certificate	1,000
Intrastate permits	1,000
Interstate certificate	500
Goodwill	1,500
Total	<u>\$50,000</u>

Liabilities

Loans payable	\$40,000
Capital stock	<u>10,000</u>
Total	<u>\$50,000</u>

After consideration the Commission finds that:

1. The proposed transactions would not be adverse to the public interest.
2. The proposed stock issue is for a proper purpose.

3. 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, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of the foregoing findings we conclude that the application, as amended, 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 operating rights are concerned, the authorization herein granted is for the transfer of the 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.

The order which follows will provide for, in the event the transfer is consummated, the revocation of the certificate presently held by Mildred C. O'Donnell and the issuance of a certificate in appendix form to Bob's Delivery Service, Inc. This certificate will be restated, but such restatement will not change nor broaden the authority transferred.

Bob's Delivery Service, 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, these rights extend to the holder a full or partial monopoly of a class of business. 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 December 31, 1972, Mildred C. O'Donnell may sell and transfer, and Bob's Delivery Service, Inc. may purchase and acquire, the highway common carrier certificate of public convenience and necessity and related assets referred to in the application as amended.

2. Bob's Delivery Service, Inc., on or after the effective date hereof and on or before December 31, 1972, for the purpose specified in the application, as amended, may issue not exceeding 100 shares of its no par value common stock at a stated value of \$100 per share to Richard Lauterio, who may control the corporation.

3. Bob's Delivery Service, Inc. shall file with the Commission the report 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, Bob's Delivery Service, 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. Bob's Delivery Service, Inc. 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 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. 30-Series. Failure to comply with and observe the provisions of General Order No. 30-Series may result in a cancellation of the operating authority granted by this decision.

6. On or before the end of the third month after the consummation of the transfer herein authorized, Bob's Delivery Service, Inc. 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 Mildred C. O'Donnell for the period commencing with the first day of the current year to and including the effective date of the transfer.

7. In the event the transfer authorized in Paragraph No. 1 hereof is consummated, a certificate of public convenience and necessity is granted to Bob's Delivery Service, Inc. authorizing it to operate as a highway common carrier, as defined in Section 213 of the Public Utilities Code, between the points and over the routes particularly set forth in Appendix A attached hereto and made a part hereof.

8. The certificate of public convenience and necessity granted in Paragraph No. 7 of this order shall supersede the certificate of public convenience and necessity granted by Decision No. 73016, which certificate is revoked effective concurrently with the effective date of the tariff filings required by Paragraph No. 5 hereof.

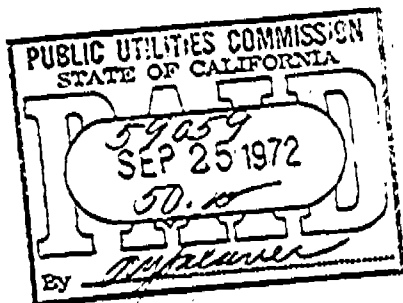
9. Within thirty days after the transfer herein authorized is consummated, Bob's Delivery Service, Inc. shall file a written acceptance of the certificate herein granted. Bob's Delivery Service, Inc. is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, 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-Series.

10. Bob's Delivery Service, 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.

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

12. This order shall become effective when Bob's Delivery Service, Inc. has paid the minimum fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$50.

Dated at San Francisco, California, this 19th day of SEPTEMBER, 1972.



Vernon L. Stenger
President
William H. Brown
John H. Brown
Commissioners

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.

Bob's Delivery Service, Inc., 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 for the transportation of:

1. Advertising Matter, viz.:

Advertising Matter, Cloth or Oilcloth, NOI, Prepaid,
Advertising Matter, Paper, Paperboard, NOI, Prepaid,
Advertising, Novelties, Cloth, Printed, Consisting of Hats, Caps, Mats,
Aprons, Visors, Gloves or Bags,
Advertising or Display Figures, NOI, Papier-Mache, or Papier-Mache
and Metal or Wood Combined,
Almanacs,
Bill Poster Sheets, Cloth,
Bill Poster Sheets, Paper,
Calendars, Cloth,
Calendars, Paper or Pulpboard,
Calendars, Steel, Celluloid Covered
Catalogues,
Circulars, Leaflets, Pamphlets, Sheets or Price Lists,
Display, Advertising, Store or Window, NOI, Other Than Expanded
Polystyrene, Other Than Flat, Folded Flat or K.D. Flat; also
Flat, Folded Flat or K.D. Flat,
Displays, Brick or Roofing, Shingle or Siding, Mounted on Panels,
Displays, Brick or Tile Facings or Tile Mounted on Panels,
Displays, Consisting of Empty Bottles, or Cans in Pyramids of Six,
Displays, Dummy Articles, Such as Imitation Bacon, Butter Squares,
Hams or Sausage,
Displays, Figures or Images, Rubber,
Displays, Itinerant, Consisting of Portable Material Used in Furnishing
and Equipping Display Windows for Temporary Merchandise Displays,
but do not include the Merchandise Displayed or Advertised,
Displays, Store or Window Paper or Paperboard,
Not Flat nor Folded Flat in Packages, Flat or Folded Flat in
Packages,
Fans, Advertising, Paper or Pulpboard, With Pulpboard or Wooden Handles.

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2. Cloth, Dry Goods and Fabrics, viz.:

Bagging, Burlap, Gunny, Istle, Ixtle, Jute or Sisal,
Bagging, Clayed Cotton,
Bagging, Grass or Fibre,
Bagging, Rayon,
Bagging, Woven Paper Fabric,
Binding, Cotton, Blankets,
Bottoms, Berths, Bunks, Cot or Litter,
Braid, Cotton,
Brattice Cloth, Burlap or Cotton,
Buckram,
Cloth, Alpaca Hair,
Cloth and Cellulose Film, Laminated,
Cloth, Burlap, Gunny, Istle, Ixtle, Jute or Sisal,
Cloth, Camels Hair,
Cloth, Camels Wool, Cloth, Cord, Sleeving or Tape, Glass Fibre,
Cloth, Cotton and Wire Combined,
Cloth, Cotton, Book Cover,
Cloth, Cotton, Fireproofed, Oiled or Waterproofed, not Coated
Cloth, Cotton, Photographic,
Cloth, Cotton, Processed for Printing,
Cloth, Cotton, Pyroxylin Processed,
Cloth, Cotton, Rubber, Coated,
Cloth, Cotton, Rubber Separating or Interleaving, Plasticized, Oil
and Gum Filled,
Cloth, Cotton, Saturated or Coated with Asphalt Pitch or Tar,
Cloth, Cotton, Synthetic Resin Coated,
Cloth, Cotton, Synthetic Plastic Coated,
Cloth, Cotton, Unwoven,
Cloth, Cotton, Waterproofed, Laminated,
Cloth, Flax and Jute,
Cloth, Gummed,
Cloth, Mohair, Cloth, Motion Picture Screen,
Cloth, Other Cotton, Rubber or Synthetic Coated,
Cloth, Other Than Wire,
Cloths, Polishing,
Cloth, Rayon, Rayon and Cotton,
Cloth Stripe, Gummed,

Cloth, Wool,
Comforts, Corduroy,
Cotton Bale Coverings, Hemp or Jute,
Cotton Knit Fabric,
Cotton Piece Goods,
Cotton Tapestries,
Cotton Tapestry,
Dry Goods,
Dry Goods Samples,
Fabric, Woven Paper, Woven Paper and Cotton, Combined,
Fabric, Woven Cellulose Film or Woven Cellulose and Paper Combined,
Friction Fabric,
Haircloth,
Lace Curtain Fabric,
Lap Robes,
Linings,
Netting, Cotton,
Netting Other Than Wire,
Oilcloth,
Oilcloth, Edging,
Packing Cotton,
Paper and Cellulose Film, Laminated,
Plush,
Quilts,
Roofing, Cotton Duck,
Roofing, Glass Fibre,
Sheets, Cotton,
Velours,
Velvet,
Velveteen,
Webbing,
Wicking,
Window Shade Cloth or Felt.

3. Curtain Poles or Rods, viz.:
Metal or Metal Covered, With or Without Fixtures, Wooden, Finished or
Stucco Covered With Fixtures,
Wooden Stucco Covered, Without Fixtures,
Wooden, NOI, Finished, Without Fixtures,
Wooden, NOI, in the Rough or in the White.

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4. Floor Coverings, or Related Articles, viz.:

Carpet Lining, Carpet or Rug Cushions, Cushioning or Lining,
Carpet or Rug Cushions, Cushioning or Lining, NOI,
Carpets, Carpeting Mats, Matting or Rugs, Fibre,
Carpets, Carpeting, Mats, Matting or Rugs, Iron, Steel or Wire,
Carpets, Carpeting, Mats, Matting or Rugs, Synthetic Plastic Compositions,
Carpets, Carpeting, Mats, Matting or Rugs, Twisted Paper or Twisted
Paper With Not More Than 50% of Other Fibres,
Carpets, Carpeting, Mats, Matting or Rugs, Wood (Parquet Flooring),
Carpets or Carpeting, or Carpet Remnants, NOI,
Covering, Facing or Floor:
 Linoleum; Cork; Felt Base;
Mats, Fibreboard Wallboard,
Mats, Floor,
Mats, Wood,
Mats or Matting,
Mats or Matting, NOI,
Rugs, NOI,
Stair Treads, Rubber,
Stair Treads, Steel, Jute and Carpet Combined,
Underlayment Compounds, Floor Covering, NOI.

5. Shades, With or Without Fixtures, viz.:

Porch, Bamboo, Cloth or Fibre, Wood Slat Other Than Venetian Blinds,
Window, Bamboo, Paper,
Venetian Blinds,
Window Shades, NOI.

6. Tile or Tiling, Facing or Flooring, or Facing Cove or Molding, viz.:

Abrasive Composition,
Aluminum, Plain or Coated,
Asphalt Compositions,
Brick or Stone Facing, Mounted on Pulpboard,
Building, Cast Stone:
 Metal coated;
Clay or Earthenware, Glazed or not Glazed, NOI, With or Without Backing,
Composition, NOI,
Concrete,

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Decorated Art,
Flooring, Fibreboard,
Iron or Steel, Glazed or Enamelled, Mounted or Not Mounted,
Magnesite Composition,
Quarries (Flooring, Paving or Promenade Tile),
Rubber Composition,
Slag, Granular.

7. Miscellaneous Commodities, viz.:

Cement, Linoleum,
Compounds, Buffing or Polishing,
Compounds, Calking,
Compounds, Cleaning, Washing or Scouring,
Glue,
Laminated Plastics,
Lath, Wooden,
Moldings, Aluminum Iron or Steel,
Screens, Window,
Soap.

BETWEEN:

- (1) All points and places within the Los Angeles Basin Territory as described in Note A;
- (2) All points and places within the San Diego Territory as described in Note B;
- (3) All points and places intermediate between the Los Angeles Basin Territory via State Highway 1 to Capistrano Beach, thence Interstate Highway 5 and the San Diego Territory, including all points laterally within 5 air miles of this route and the off-route point of Camp Pendleton;
- (4) All points and places described in paragraph (1), on the one hand, and all points and places described in paragraphs (2) and (3), on the other hand;
- (5) All points and places in paragraph (2), on the one hand, and all points and places described in paragraph (3), on the other hand.

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Service to, from or between points located laterally from the above highways may be performed via any or all available roads, highways or streets. Service between points within the Los Angeles Basin Territory and San Diego Territory may be performed via any and all available streets and highways. Service between points in the Los Angeles Basin Territory, on the one hand, and San Diego Territory, on the other hand, may be performed via U. S. Highway 395 as an alternate route for traversing purposes only and without service to any points located on and along said highway.

Note A

LOS ANGELES BASIN TERRITORY

Los Angeles Basin Territory includes that area embraced by the following boundary: Beginning at the point the Ventura County-Los Angeles County boundary line intersects the Pacific Ocean; thence northeasterly along said county line to the point it intersects State Highway 118, approximately two miles west of Chatsworth; easterly along State Highway 118 to Sepulveda Boulevard; northerly along Sepulveda Boulevard to Chatsworth Drive; northeasterly along Chatsworth Drive to the corporate boundary of the City of San Fernando; westerly and northerly along said corporate boundary of the City of San Fernando to Maclay Avenue; northeasterly along Maclay and its prolongation to the Los Angeles National Forest Boundary; southeasterly and easterly along the Angeles National Forest and San Bernardino National Forest Boundary to Mill Creek Road (State Highway 38); westerly along Mill Creek Road to Bryant Street; southerly along Bryant Street to and including the unincorporated community of Yucaipa; westerly along Yucaipa Boulevard to Interstate Highway 10; northwesterly along Interstate Highway 10 to Redlands Boulevard; northwesterly along Redlands Boulevard to Barton Road; westerly along Barton Road to La Cadena Drive; southerly along La Cadena Drive to Iowa Avenue; southerly along Iowa Avenue to State Highway 60; southeasterly along State Highway 60 and U. S. Highway 395 to Nuevo Road; easterly along Nuevo Road via Nuevo and Lakeview to State Highway 79; southerly along State Highway 79 to State Highway 74; thence westerly to the corporate

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boundary of the City of Hemet; southerly, westerly and northerly along said corporate boundary to the Atchison, Topeka & Santa Fe right-of-way; southerly along said right-of-way to Washington Road; southerly along Washington Road through and including the unincorporated community of Winchester to Benton Road; westerly along Benton Road to Winchester Road (State Highway 79) to Jefferson Avenue; southerly along Jefferson Avenue to U. S. Highway 395; southerly along U. S. Highway 395 to the Riverside County-San Diego County Boundary Line; westerly along said boundary line to the Orange County-San Diego County Boundary Line; southerly along said boundary line to the Pacific Ocean; northwesterly along the shoreline of the Pacific Ocean to point of beginning, including the point of March Air Force Base.

Note B

SAN DIEGO TERRITORY

The San Diego Territory includes that area embraced by following an imaginary line starting at a point approximately 4 miles north of La Jolla on the Pacific Coast shoreline running east to Miramar on U. S. Highway 395; thence following an imaginary line running southeasterly to Lakeside on State Highway 67; thence southerly on County Road S17 (San Diego County) and its prolongation to State Highway 94; easterly on State Highway 94 to Jamul; thence due south following an imaginary line to the California-Mexico Boundary Line; thence westerly along the boundary line to the Pacific Ocean and north along the shoreline to point of beginning.

(END OF APPENDIX A)

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