

ORIGINAL

Decision No. 81152

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of

STAR TRUCK AND WAREHOUSE  
CORPORATION, a California  
corporation, d/b/a Star  
Truck & Transfer Company,  
and Pioneer Truck Company,  
and INTERAMERICAN WAREHOUSE  
CORPORATION, a corporation,  
to: merge into INTERAMERICAN  
WAREHOUSE CORPORATION; change  
the name of the surviving  
corporation to INTERAMERICAN  
STAR TRUCK AND WAREHOUSE  
CORPORATION; issue stock  
certificates; and for the  
surviving corporation to  
retain the d/b/a appellations  
of Star Truck & Transfer  
Company, and Pioneer Truck  
Company.

Application No. 53843  
(Filed February 14, 1973)

O P I N I O N

Star Truck and Warehouse Corporation and Interamerican Warehouse Corporation seek authority to merge, and the latter seeks authority to issue stock certificates.

Star Truck and Warehouse Corporation is a California corporation operating as (a) a public utility warehouseman in the City of Los Angeles pursuant to the certificate of public convenience and necessity granted by Decision No. 73941, dated April 2, 1968, in Application No. 49798, and (b) a highway common carrier in the Los Angeles Basin Territory under the certificate of public convenience and necessity granted by

Decision No. 54860, dated April 16, 1957, in Application No. 36187, and acquired pursuant to authority granted by Decision No. 73494, dated December 19, 1967, as amended by Decision No. 73941, dated April 2, 1968, in Application No. 49798. In addition, the corporation operates under permits issued by this Commission and under Interstate Commerce Commission authority.

Interamerican Warehouse Corporation is a California corporation operating as a public utility warehouseman in the City of Commerce pursuant to the certificate of public convenience and necessity granted by Decision No. 70022, dated November 30, 1965, in Application No. 47944. Also, it conducts operations under permits issued by this Commission.

The Agreement of Merger, a copy of which is attached to the application, shows that Star Truck and Warehouse Corporation would merge into Interamerican Warehouse Corporation, and that the name of the surviving corporation would become Interamerican Star Truck and Warehouse Corporation. Each of the 100 outstanding shares of \$1,000 par value common stock of Star Truck and Warehouse Corporation would be converted into one share of \$1,000 par value common stock of the surviving corporation, and stock certificates would be issued to evidence such converted shares. The application shows that both corporations have the same two shareholders, one holding 40 shares and the other 60 shares of each corporation's outstanding capital stock.

The reported balance sheet of applicants as of December 31, 1972, after giving effect to the proposed merger, is summarized from a portion of Exhibit G, attached to the application, as follows:

Assets

Current assets	\$482,402
Long-term receivables	180,000
Net equipment and improvements	186,427
Other assets	<u>13,322</u>
Total	<u>\$862,151</u>

Liabilities

Current and accrued liabilities	\$218,578
Deferred income	51,050
Common stock equity	<u>592,523</u>
Total	<u>\$862,151</u>

After consideration the Commission finds that:

1. The proposed merger would not be adverse to the public interest.
2. The proposed issue of stock certificates is for a proper purpose.
3. The money, property or labor to be procured or paid for by the issue of the stock certificates 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 should be granted. A public hearing is not necessary. The authorization herein granted is not to be construed as a finding of the value of applicants' stock or properties, nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

The order which follows will provide for, in the event the merger is consummated, the revocation of the public utility warehouseman and highway common carrier certificates presently held by Star Truck and Warehouse Corporation and by Interamerican Warehouse Corporation, and the issuance of certificates in appendix form to Interamerican Star Truck and Warehouse Corporation. The certificates will be restated, but such restatement will neither change nor broaden the authority presently held.

Interamerican Star Truck and Warehouse Corporation 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 June 30, 1973, Star Truck and Warehouse Corporation may merge into Interamerican Warehouse Corporation substantially in accordance with the terms and provisions of an Agreement of Merger, a copy of which is attached to the application as Exhibit B. The merger may be made effective as of January 1, 1973 for accounting purposes, and the name of the surviving corporation may be changed to Interamerican Star Truck and Warehouse Corporation.

2. Interamerican Warehouse Corporation, under its new name of Interamerican Star Truck and Warehouse Corporation, may issue certificates representing 100 shares of its \$1,000 par value common stock to the shareholders of Star Truck and Warehouse Corporation in exchange for certificates representing a like number of shares of presently outstanding common stock of the latter corporation.

3. Within thirty days after consummation of the merger herein authorized, the surviving corporation shall file with the Commission a copy of the Agreement of Merger certified by the California Secretary of State.

4. Interamerican Warehouse Corporation, under its new name of Interamerican Star Truck and Warehouse Corporation, shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the warehouse and 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 merger 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-Series. Failure to comply with and observe the provisions of General Orders Nos. 61-A and 80-Series may result in a cancellation of the operating authority granted by this decision.

5. In the event the merger authorized in Paragraph No. 1 hereof is consummated, certificates of public convenience and necessity are granted to Interamerican Star Truck and Warehouse Corporation authorizing it to operate as (a) 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 and made a part hereof, and (b) a public utility warehouseman, as defined in Section 239(b) of the Public Utilities Code, for the operation of storage or warehouse floor space as set forth in Appendix B attached hereto and made a part hereof.

6. The certificates of public convenience and necessity granted in Paragraph No. 5 of this order shall supersede the certificates of public convenience and necessity granted by Decisions Nos. 54860, 70022 and 73941, which certificates are revoked effective concurrently with the effective date of the tariff filings required by Paragraph No. 4 hereof.

7. Within thirty days after the merger herein authorized is consummated, Interamerican Star Truck and Warehouse Corporation shall file a written acceptance of the certificates herein granted. Interamerican Star Truck and Warehouse Corporation is placed on notice that, if it accepts the certificates 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.

8. Interamerican Star Truck and Warehouse 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, annual reports of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

9. Interamerican Star Truck and Warehouse Corporation shall comply with the requirements of the Commission's General Order No. 84-Series for the transportation of collect on delivery shipments. If Interamerican Star Truck and Warehouse Corporation elects not to transport collect on delivery shipments, it shall make the appropriate tariff filings as required by the General Order.

10. Within sixty days after the consummation of the merger herein authorized, Interamerican Star Truck and Warehouse Corporation shall file with the Commission a copy of each journal entry used to record the merger on its books of account.

11. Interamerican Star Truck and Warehouse Corporation may retain the d/b/a appellations of Star Truck & Transfer Company and Pioneer Truck Company.

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

Dated at San Francisco, California, this 13<sup>th</sup>  
day of MARCH, 1973.

Yvonne L. Sturgeon  
President  
William Synovus J.  
William  
Commissioners

INTERAMERICAN STAR TRUCK  
and WAREHOUSE CORPORATION  
(a corporation)  
doing business as  
STAR TRUCK & TRANSFER COMPANY and  
PIONEER TRUCK COMPANY

Interamerican Star Truck and Warehouse Corporation, doing business as Star Truck & Transfer Company and Pioneer Truck Company, by the certificate of public convenience and necessity granted in 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 general commodities between all points and places within the area delineated below:

LOS ANGELES BASIN TERRITORY EXCLUDING HEMET

Los Angeles Basin Territory, excluding Hemet, 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 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 U.S. Highway 395 (Interstate Highway 15); southerly along U.S. Highway 395 to State Highway 91; southwesterly along State Highway 91 to State Highway 55; southerly and southwesterly along State Highway 55 and its prolongation to the Pacific Ocean; northwesterly along the shoreline of the Pacific Ocean to the point of beginning.

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Except that pursuant to the authority herein granted carrier shall not transport any shipments of:

1. Used household goods, personal effects and office, store and institution furniture, fixtures and equipment not packed in accordance with the crated property requirements set forth in Item 5 of Minimum Rate Tariff 4-B.
2. Automobiles, trucks and buses, viz.: new and used, finished or unfinished passenger automobiles (including jeeps), ambulances, hearses and taxis; freight automobiles, automobile chassis, trucks, truck chassis, truck trailers, trucks and trailers combined, buses and bus chassis.
3. Livestock, viz.: barrows, boars, bulls, butcher hogs, calves, cattle, cows, dairy cattle, ewes, feeder pigs, gilts, goats, heifers, hogs, kids, lambs, oxen, pigs, rams (bucks), sheep, sheep camp outfits, sows, steers, stags, swine or wethers.
4. 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.
5. Commodities when transported in bulk in dump trucks or in hopper-type trucks.
6. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
7. Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerator equipment.

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8. Dangerous explosives

Note: These restrictions do not apply to transportation performed between Los Angeles, Wilmington and San Pedro.

(END OF APPENDIX A)

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Interamerican Star Truck and Warehouse Corporation,  
by the certificate of public convenience and necessity granted  
in the decision noted in the margin, is authorized to operate  
as a public utility warehouseman as defined in Section 239(b)  
of the Public Utilities Code for the operation of storage or  
warehouse floor space as follows:

<u>Location</u>	<u>Number of Square Feet of Floor Space</u>
City of Commerce	250,000
City of Los Angeles	185,459

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

(END OF APPENDIX B)

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