

ORIGINAL

Decision No. 82530

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of INTERCITY TRUCK & DELIVERY)
SERVICE, INC., a corporation, for)
authority to issue Promissory Notes)
and to execute and deliver a Security)
Agreement covering Operative Rights)
Pursuant to Section 816-830 and 851)
of the California Public Utilities)
Code,)

Application No. 54627
(Filed January 31, 1974)

and)

CHARLES T. MOHLER, an individual,)
(CECIL C. CLARK, BESS C. GOEHRINGER,)
and THOMAS EDWARD GOEHRINGER), for)
authority to acquire control of)
INTERCITY TRUCK & DELIVERY SERVICE,)
INC., pursuant to Section 854 of the)
California Public Utilities Code.)

O P I N I O N

Charles T. Mohler seeks authority to control Intercity Truck & Delivery Service, Inc., and the latter seeks authority to issue two promissory notes in the aggregate principal amount of \$30,200 and to execute and deliver a Security Agreement.

Intercity Truck & Delivery Service, Inc. is a California corporation operating as a highway common carrier of general commodities in the Los Angeles Basin Territory pursuant to the certificate of public convenience and necessity granted by Decision No. 61040, dated November 15, 1960, in Application No. 42711. Operations are also conducted under permits issued

by this Commission and under Interstate Commerce Commission authority. Its balance sheet at August 31, 1973, as summarized from Appendix 3, attached to the application, is as follows:

<u>Assets</u>	
Current assets	\$ 86,780
Net equipment	39,978
Other assets	<u>511</u>
Total	<u>\$127,269</u>
<u>Liabilities</u>	
Current and accrued liabilities	\$103,529
Notes payable	47,900
Common stock equity	<u>(24,160)</u>
Total	<u>\$127,269</u>

Charles T. Mohler proposes to control Intercity Truck & Delivery Service, Inc. by acquisition of all of its outstanding shares of capital stock pursuant to a Stock Purchase Agreement, a copy of which is attached to the application as Appendix 1. As partial security until full payment of the purchase price, he has agreed to cause Intercity Truck & Delivery Service, Inc. to execute and deliver a Security Agreement encumbering the certificate of public convenience and necessity granted by said Decision No. 61040.

In addition, Intercity Truck & Delivery Service, Inc. proposes to issue promissory notes to Cecil C. Clark and to Thomas Edward Goehringer in the principal amounts of \$15,100 each to replace existing notes representing indebtedness incurred for working capital. Each note would be repayable in monthly installments of \$220.60 or more, including interest at the rate of 6% per annum.

The application indicates that Charles T. Mohler has had in excess of 25 years of motor truck transportation experience, and that his most recent activity as operations manager for a transportation company whose operative rights are identical to those of Intercity Truck & Delivery Service, Inc. has resulted in improved financial position for the company from one of economic instability to a most successful business operation.

After consideration the Commission finds that:

1. The proposed transactions and documents would not be adverse to the public interest.
2. The proposed notes would be for a proper purpose.
3. The money, property or labor to be procured or paid for by the notes 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 action taken herein shall not be construed as a finding of the value of the stock or properties of Intercity Truck & Delivery Service, Inc.

O R D E R

IT IS ORDERED that:

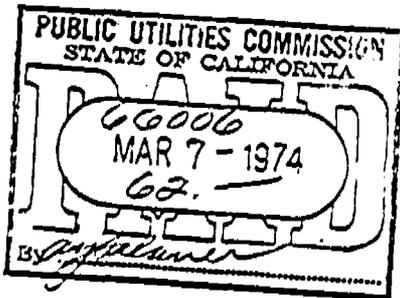
1. Charles T. Mohler may control Intercity Truck & Delivery Service, Inc.
2. Intercity Truck & Delivery Service, Inc. may execute and deliver a Security Agreement in substantially the same form as Exhibit E to Appendix 1 attached to the application.

3. Intercity Truck & Delivery Service, Inc., on or after the effective date hereof and on or before June 30, 1974, for the purpose and in the manner set forth in the application, may issue promissory notes in the aggregate principal amount of not exceeding \$30,200, which notes shall be in substantially the same forms as Appendix 2 attached to the application.

4. Intercity Truck & 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.

5. This order shall become effective when Intercity Truck & Delivery Service, Inc. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$62.

Dated at San Francisco, California, this 5th day of MARCH, 1974.



[Signature]
President
[Signature]
Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

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