

ORIGINAL

Decision 82 11 069 NOV 17 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LTS RENTALS, a California corpora-)
tion, to acquire control of LODI)
TRUCK SERVICE, INC., a California)
corporation.)

Application 82-07-26.
(Filed July 12, 1982)

O P I N I O N

By this application, LTS Rentals (LTS), a California corporation, seeks authority under Public Utilities (PU) Code Sections 854 and 3551 to acquire control of Lodi Truck Service, Inc. (Lodi), a California corporation.

Lodi holds two highway common carrier certificates, issued under PU Code Sections 1063 and 1063.5, and a cement carrier certificate. It also holds permitted authority as a highway contract, heavy-specialized, tank truck, and agricultural carrier under File T-136,934. In addition, Lodi conducts operations as a highway common carrier in interstate or foreign commerce as authorized by the Interstate Commerce Commission in Docket MC-107104.

LTS holds highway contract and agricultural carrier permits under File T-120,251. It holds no operating authority from the Interstate Commerce Commission.

All of the outstanding shares of stock of both corporations are held by Arthur R. Altnow. He proposes to transfer all 100,000 shares of Lodi as a contribution to the capital of LTS. By the proposed contribution, LTS will obtain control of Lodi. LTS will become the parent, and Lodi, the subsidiary. It is alleged that the parent-subsidiary relationship will permit more flexibility with respect to financing, stock transactions, and estate planning than an affiliated-company relationship. Tax benefits, such as the filing of consolidated tax returns, will also be achieved.

A balance sheet included as Exhibit 4 of the application, shows the net worth of LTS to be of \$956,268 as of December 31, 1981.

This application is a request for approval of change in control, involving no change in operative rights of Lodi. Thus, PU Code Sections 1064.5, 3594 and 3598.5 are not applicable.

Notice of the filing of the application appeared in the Commission's Daily Calendar of July 16, 1982. No protests have been received.

Findings of Fact

1. The proposed change of control is not adverse to the public interest.
2. A public hearing is not necessary.
3. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.
4. The provisions of PU Code Sections 1064.5, 3594, and 3598.5 do not apply.

Conclusion of Law

The proposed change of control should be authorized.

The action taken shall not be construed as a finding of value of the capital stock acquired.

O R D E R

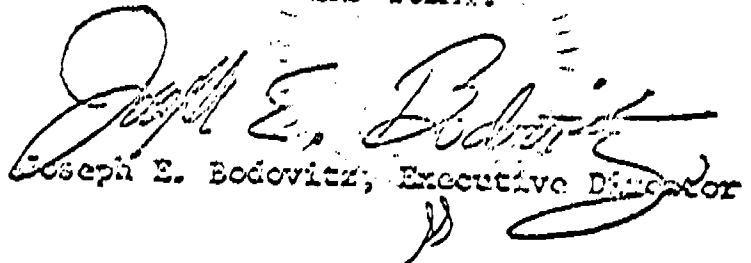
IT IS ORDERED that LTS Rentals, a California corporation, is authorized to acquire control of Lodi Truck Service, Inc., a California corporation.

This order becomes effective 30 days from today.

Dated NOV 17 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. CREW
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovitz, Executive Director