

THP/FS

Decision No. 90243 APR 24 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Ex Parte application of)
INDUSTRIAL FREIGHT SYSTEM, INC.)
to acquire and JACK LEONG,) Application No. 57857
DANIEL H. SOUZA and ROBERT A.) (Filed February 8, 1978)
DAVIS to transfer control of)
CITY DRAYAGE, INC.)

O P I N I O N

By this application, Industrial Freight System, Inc., a California corporation, seeks authority to control City Drayage, Inc., a California corporation.

City Drayage, Inc., presently holds a highway common carrier certificate of public convenience and necessity and highway carrier permits issued by this Commission. The certificate is registered with the Interstate Commerce Commission for coextensive interstate operations in Docket No. MC-121752. The certificate was granted by Decision 83547, dated October 8, 1974, in Application 54277 and authorizes transportation of general commodities with the usual exclusions over specified routes and between various points in central California.

Industrial Freight System, Inc. also holds a highway common carrier certificate and permits issued by this Commission. Its certificate was granted by Decision 86104, dated July 13, 1976 in Application 56402, is registered with the Interstate Commerce Commission in Docket No MC-120822, (Sub. No. 2) and authorizes transportation of general commodities with the usual exceptions between and within all points in the Los Angeles Basin Territory and the San Diego Territory and intermediate points between such areas on Interstate Highway 5 including points within twenty miles laterally from such route.

Pursuant to the Agreement of Purchase and Sale of Stock dated December 31, 1977, a total of 1,000 shares of the capital no par value stock of City Drayage, Inc., are issued and outstanding to:

<u>SHAREHOLDERS</u>	<u>SHARES</u>
Jack Leong	510 Shares
Daniel H. Souza	290 Shares
Robert A. Davis	200 Shares

The purchase price for the 1,000 shares of the corporation stock is \$26,000.

The application indicates that City Drayage, Inc., is experiencing numerous problems with operational costs, sales, equipment control and working capital. Assertedly, the corporation cannot continue in business without additional capital and new management contribution which will be provided by the purchaser of the corporation's stock.

The transaction herein has been approved by the Interstate Commerce Commission pursuant to its Decision No. MC-F-13625 served on October 27, 1978.

Applicants request relief from the provisions of the Commission's Rules of Practice and Procedure which require wide dissemination of the application. Notice of the filing of the application appeared in the Commission's Daily Calendar of February 10, 1978. No protests to the application have been received.

After consideration, the Commission finds that control of City Drayage, Inc., by Industrial Freight System, Inc., would not be adverse to the public interest and that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

The Commission concludes that the acquisition of control of City Drayage, Inc., as requested in the application should be authorized. A public hearing is not necessary. The action taken herein shall not be construed as a finding of the value of the capital stock of City Drayage, Inc.

ORDER

IT IS ORDERED that:

1. Industrial Freight Systems, Inc., a California corporation may control City Drayage, Inc., a California corporation.
2. Within ninety days after the date hereof, Industrial Freight Systems, Inc., and City Drayage, Inc., shall file reports informing the Commission whether or not the change in control authorized herein has been completed.
3. The applicant is granted a deviation from the Commission's Rules of Practice and Procedure to the extent requested in the application.

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

Dated at San Francisco, California, this 24th day of APRIL, 1979.

John E. Bryan
President

James L. Stinson

Richard P. Grock

Clair T. ...

James H. ...
Commissioners