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ORIGINAL

Decision 93401 AUG 4 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of STUART ALAN MESSNICK, an)
individual, doing business as)
THE CO-ORDINATORS, to transfer)
certain property and a)
Certificate of Public Convenience)
and Necessity and STURON)
INTERNATIONAL, INC., a California)
corporation to acquire, pursuant)
to Section 851, et seq., of the)
California Public Utilities Code.)

Application 60484
(Filed April 28, 1981)

O P I N I O N

Stuart Alan Messnick (transferor), an individual doing business as The Co-Ordinators, and Sturon International, Inc. (transferee), a California corporation, jointly seek authority to transfer transferor's motor vehicles and his certificate of public convenience and necessity (PSC-964). This certificate was issued by Decisions (D.) 92401 (1980) and 92647 (1981) in Application 59222. These decisions authorized transferor to operate as a passenger stage corporation providing sightseeing tours from Orange County and Los Angeles County points, on the one hand, to various points of interest throughout Southern California such as Newport Beach, San Ysidro, the Rose Bowl, Anaheim Stadium, and Universal Studios, on the other hand.

Transferee corporation at the present time holds no operating authority from this Commission. Transferor is president, chief administrative officer, majority shareholder, and chairman of the Board of Directors of transferee corporation and directs all of the corporation's activities, most of which are transportation related.

Transferee proposes to acquire all the licenses, operating rights, certificates, and rolling stock and to assume all outstanding balances owed on such rolling stock. Transferee has the necessary financial ability to continue the service operated by transferor. After the transfer is authorized, transferor will continue to control the authorized operations. Transferee will continue to render service to the public in compliance with the requirements of the certificate of public convenience and necessity and will adopt the tariff and timetables of transferor for such service.

Transferor has been operating the routes covered by the certificate sought to be transferred for a period of from 3 to 5 years with the exception of Route 10 (Universal Studios) for which service was to have commenced February 17, 1981.

It is alleged that transferee is ready, willing, and able to assume control of the certificates and liability for the balance remaining on the vehicles and that the transfer is in the best interests of the public. It is also alleged that the public will not be adversely affected in any way by the transfer and that the matter is therefore noncontroversial. Applicants therefore requested that the Commission grant the authority sought by ex parte order.

According to transferee's articles of incorporation it is authorized to issue 200,000 shares of \$1 par value stock. It is not clear whether or not it has already done so.

The parties have not sought Commission authorization to issue stock, perhaps under a misapprehension that such authority is unnecessary if the corporation issues stock before commencing operations or acquiring operating authority.

However, both transfer and stock issuance are clearly parts of a single transaction, all under the unilateral control of a single individual. Since neither transaction changed the beneficial interest or control in the corporation, a mere incident of timing should not affect the scope of the Commission's jurisdiction.

We will therefore assume that no stock has been issued and authorize its issuance. (If stock has been issued, Public Utilities (PU) Code § 825 declares such issuance void.)

Applicants served all parties likely to protest the authority sought. No protests have been received.

Findings of Fact

1. A public hearing is not necessary.
2. The proposed transfer of property is not adverse to the public interest.
3. This authorization is not a finding of the value of the rights and properties to be transferred.
4. Transferee was established for the principal purpose of becoming a passenger corporation and is the alter ego of an individual operating as a passenger stage.
5. It would not be adverse to the public interest to allow transferor to incorporate his passenger stage business.
6. The proposed security issue is for lawful purposes and the money, property, or labor to be obtained by it are required for these purposes. Proceeds from the security issue may not be charged to operating expenses or income.

Conclusions of Law

1. The proposed transfer is in the public interest and should be authorized. A public hearing is not necessary.
2. Transferee must comply with the provisions of PU Code §§ 816 et seq. and 1904.1 with regard to its issuance of stock. The issuance of stock should be authorized once the appropriate fees are paid.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

O R D E R

IT IS ORDERED that:

1. By December 1, 1981, Stuart Alan Messnick may sell and transfer the operative rights and property specified in the application to Sturon International, Inc.

2. Transferee shall:

- a. File with the Transportation Division written acceptance of the certificate and a copy of the bill of sale or other transfer document within 30 days after transfer.
- b. Amend or reissue transferor's tariffs and timetables, state in them when the service will start, make them effective 10 or more days after this order is effective, and allow at least 10 days' notice to the Commission.
- c. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol safety rules.
- d. Maintain accounting records in conformity with the Uniform System of Accounts.

3. If the transfer is completed, on the effective date of the tariffs a certificate of public convenience and necessity is granted to Sturon International, Inc., a corporation, authorizing it to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in Appendix A.

4. The certificate of public convenience and necessity granted by D.92401 and 92647 is revoked on the effective date of the tariffs.

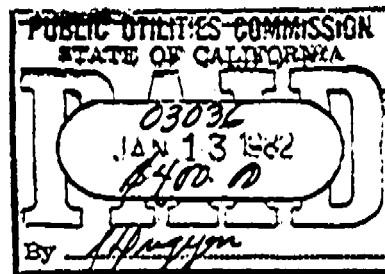
5. On or after the effective date of this order, but before December 1, 1981, for the purposes specified, transferee may issue up to 200,000 shares of common stock with par value of \$1 per share.

6. Sturon International, Inc. shall comply with General Order Series 24.

The authority granted by this order to issue stock will become effective when the issuer pays \$400, set by PU Code § 1904.1. In all other respects this order becomes effective 30 days from today.

Dated AUG 4 1981, at San Francisco, California.

John G. Crayon
President
William D. Powell
Edward J. ...
Robert ...
Priscilla C. ...
Commissioners



CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC - 964

Showing passenger stage operative rights, restrictions,
limitations, exceptions, and privileges.

All changes and amendments as authorized by
the Public Utilities Commission of the State of California
will be made as revised pages or added original pages.

Issued under authority of Decision 93401, dated
August 1981 of the Public Utilities Commission
of the State of California, in Application 60484.

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SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS.

Sturon International, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers (Route 1) between certain points in Buena Park, Anaheim, and Santa Ana, on the one hand, and San Ysidro, California, on the other hand, and intermediate points for tour stops only, over and along the routes described, and (Route 2) between points in the "Newport Beach Tour" Service Territory as described, on the one hand, and Newport Beach, on the other hand; and (Routes 3 through 8) between certain points in Los Angeles County, on the one hand, and Anaheim Stadium, on the other hand, for the limited purpose of transporting passengers to and from Los Angeles Rams football events; and (Route 9) between points in the "Rose Bowl" Service Territory and the Rose Bowl stadium in Pasadena; and (Route 10) between points in areas of Buena Park, Anaheim, Santa Ana, Fullerton, Costa Mesa, and Garden Grove, on the one hand, the Universal Studios in the North Hollywood area of Los Angeles, on the other hand.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS. (Continuation)Restrictions, Limitations, and Specifications:

All of the routes described in the General Authorizations are subject to the authority of this Commission to change or modify the authority at any time and subject to the following provisions:

1.0 Provisions Applicable to All Routes

- 1.1 Motor vehicles may be turned at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections, in accordance with local traffic regulations.
- 1.2 When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.
- 1.3 All service authorized shall be limited to the transportation of round-trip passengers only.
- 1.4 For all service the availability of seats shall be predicated upon advance reservations.
- 1.5 Carrier shall not transport any baggage except handcarried items of the passengers.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS. (Continuation)Restrictions, Limitations, and Specifications:2.0 Minimum number of passengers for service:

- 2.1 Service on Route 1 shall be performed subject to a minimum of 8 passengers.
- 2.2 Service on Route 2 shall be performed subject to a minimum of 30 passengers.
- 2.3 Service on Routes 3 through 8 shall be performed subject to a minimum of 24 passengers per route with combining of routes permitted, provided current timetables filed with the Commission reflect actual service offered.
- 2.4 Service on Route 9 shall be performed subject to a minimum of 8 passengers.
- 2.5 Service on Route 10 shall be performed subject to a minimum of 8 passengers.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS. (Continuation)Restrictions, Limitations, and Specifications3.0 Provision Applicable to Route 1

3.1 No passengers on Route 1 shall be transported except those having point of origin and destination at one of the following points:

3.1.1 Buena Park Hotel and Holiday Inn, Buena Park.

3.1.2 Sheraton Motor Hotel, Disneyland Hotel, Quality Inn Hotel, Hyatt House Hotel, The Boxoffice, and Howard Johnson's Hotel, Anaheim.

3.1.3 Saddleback Inn, Santa Ana.

This restriction shall not prevent stopovers for the purpose of permitting sightseeing passengers to visit various points of interest along the route as noted.

3.2 Carrier on Route 1 shall make stopovers at San Juan Capistrano, San Clemente, and San Onofre as points of interest.

3.3 Carrier on Route 1 is permitted to make a stopover at San Diego for rest and meals only.

4.0 Provisions Applicable to Route 2

4.1 Carrier shall not pick up or discharge passengers on Route 2 except within the limits of the specified service area as set forth. This restriction shall not prevent stopovers for the purpose of permitting sightseeing passengers to visit various points of interest along the route as noted.

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SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS. (Continuation)Restrictions, Limitations, and Specifications5.0 Provisions Applicable to Routes 3 through 8

5.1 Service on Routes 3 through 8 shall be limited to the transportation of passengers to and from football games of the Los Angeles Rams when such games are scheduled at Anaheim Stadium.

5.2 No service on Routes 3 through 8 shall be provided to passengers whose origin and destination are both wholly within Los Angeles County or wholly within Orange County.

6.0 Provisions Applicable to Route 9

6.1 Service on Route 9 shall be limited to the transportation of passengers to and from the Rose Bowl football game or to the Super Bowl football game.

7.0 Provisions Applicable to Route 10

7.1 Applicant shall not pick up or discharge passengers except within the limits of the specified service areas for Route 10 as set forth.

7.2 Service will be rendered on a year-round basis daily including Thanksgiving Day, Christmas Day, and New Year's Day.

7.3 Service on Route 10 shall be limited to a maximum of 2 round trips per day.

SECTION 2. DESCRIPTION OF SERVICE POINTS AND/OR TERRITORIES.

1.0 Route 1 Origin and Destination Points

1.1 No passengers on Route 1 shall be transported except those having point of origin and destination at one of the following points:

1.1.1 Buena Park Hotel and Holiday Inn, Buena Park.

1.1.2 Sheraton Motor Hotel, Disneyland Hotel, Quality Inn Hotel, Hyatt House Hotel, The Boxoffice, and Howard Johnson's Hotel, Anaheim.

1.1.3 Saddleback Inn, Santa Ana.

2.0 Route 2 Pickup Service Area2.1 Newport Beach Tour Pickup Service Area

The portion of Orange County bordered by Los Angeles County on the north, State Highway 55 on the east, Knott Avenue in Orange County on the west, and the Pacific Ocean on the south.

3.0 Routes 3 through 8

3.1 Pickup points for Routes 3 through 8 are stops on the routes themselves.

4.0 Route 9 Pickup Service Area4.1 Rose Bowl Pickup Service Area

Beginning at the intersection of State Highway 1 (Pacific Coast Highway) and Sunset Boulevard, northeasterly on Sunset to Interstate 405, north on Interstate 405 to Highway 101 (Ventura Freeway), east on 101 and State Highway 134 to Interstate Route 5, southeasterly on Interstate Route 5 to Interstate Route 10, east on Interstate Route 10 to State Route 57, southerly on State Route 57 to Interstate Route 5, southeasterly on Interstate Route 5 to Intersection with State Highway 1 (Pacific Coast Highway), northerly on State Highway 1 to Sunset Boulevard, point of beginning.

SECTION 2. DESCRIPTION OF SERVICE POINTS AND/OR TERRITORIES. (Cont.)

5.0 Route 10 Nonexclusive Pickup Territories

Passengers may be picked up and discharged at any point within the following described areas, subject to local traffic regulations:

5.1 Buena Park

That territory bounded by a line described as follows:

North - Rosecrans

South - Cerritos (Between Valley View & Knott)

Orange (Between Walker & Dale)

East - Magnolia

West - Valley View & Walker

5.2 Anaheim

That territory bounded by a line described as follows:

North - Orangethorpe

South - Chapman

East - Weir Canyon Road

West - Holder

5.3 Santa Ana

That territory bounded by a line described as follows:

North - Garden Grove Fwy & Main Street

South - Main Street & Newport Beach Fwy.

East - First Street & Newport Beach Fwy.

West - First Street & Cooper

5.4 Fullerton

That territory bounded by a line described as follows:

North - Imperial

South - Riverside Fwy.

East - Placentia

West - Section Line

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SECTION 2. DESCRIPTION OF SERVICE POINTS AND/OR TERRITORIES. (Cont.)

5.0 Route 10 Nonexclusive Pickup Territories5.5 Costa Mesa

That territory bounded by a line described as follows:

North - Sunflower Street

South - Sixteenth Street

East - Irvine Blvd.

West - Santa Ana Riverbed

5.6 Garden Grove

That territory bounded by a line described as follows:

North - Katella Ave.

South - Hazard

East - Orange County Flood Control Channel

West - Louis Street

5.7 Newport Beach

That territory bounded by a line described as follows:

North - Campus Drive

South - Pacific Coast Highway

East - Coyote Canyon Road

West - Santa Ana River

SECTION 3. ROUTE DESCRIPTION.

Route 1. Anaheim - Santa Ana - San Ysidro.

Beginning at Buena Park Hotel, 7675 Crescent Avenue, Buena Park, over the most appropriate and convenient streets and freeways to pick up passengers at Holiday Inn, Buena Park; Sheraton Motor Hotel, Disneyland Hotel, Quality Inn Hotel, Hyatt House Hotel, The Boxoffice, and Howard Johnson's Hotel, Anaheim; and Saddleback Inn, Santa Ana, continue over the most appropriate streets and freeways to San Juan Capistrano, San Clemente, San Onofre, San Diego, and to San Ysidro.

Route 2. Anaheim - Newport Beach.

From the Route 2 Pickup Service Area to the beginning at the terminal located at 304 East Katella Way, Anaheim; thence, east on Katella Way, south on Interstate Highway 5, California Highway 55 and to the junction of California Highway 55 and Washington Street in Newport Beach where the passengers will disembark from the buses and board a vessel for an evening sightseeing tour of the Newport Beach Harbor.

Route 3. San Fernando - North Hollywood - Hollywood - Anaheim.

Beginning at Sherman Way and Topanga Canyon Boulevard, where passengers are boarded; south on Topanga Canyon Boulevard to U.S. 101 (Ventura Freeway); east on U.S. 101 to Tujunga Avenue; north on Tujunga to Riverside Drive, where passengers are boarded; return southerly on U.S. 101 (Hollywood Freeway) to Hollywood Boulevard off ramp, where passengers are boarded; southerly on U.S. 101 to Interstate 5 (Golden State Freeway); southerly on Interstate 5 to State Highway 91 (Artesia Freeway); east on State Highway 91 to State Highway 57 (Orange Freeway); south on State Highway 57 to Orangewood Avenue in Anaheim; west on Orangewood Avenue to Anaheim Stadium parking lot. This route may be operated as three sub-routes.

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SECTION 3. ROUTE DESCRIPTION. (Continuation)

Route 4. West Los Angeles - Anaheim.

Beginning at Avenue of the Stars and Olympic Boulevard, where passengers are boarded; east on Olympic to La Cienega Boulevard; south on La Cienega Boulevard; to Interstate 10 (Santa Monica Freeway); east on Interstate 10 to Interstate 5 (Golden State Freeway); southerly on Interstate 5 to State Highway 91 (Artesia Freeway); east on State Highway 91 to State Highway 57 (Orange Freeway); south on State Highway 57 to Orangewood Avenue in Anaheim; west on Orangewood Avenue to Anaheim Stadium parking lot.

Route 5. South Bay - Anaheim.

Beginning at Hawthorne and Manhattan Beach Boulevards, where passengers are boarded; southerly on Interstate 405 (San Diego Freeway) to State Highway 91 (Artesia Freeway); east on State Highway 91 to State Highway 57 (Orange Freeway); south on State Freeway 57 to Orangewood Avenue in Anaheim; west on Orangewood Avenue to Anaheim Stadium parking lot.

Route 6. Central Los Angeles - Anaheim.

Beginning at Santa Barbara and Vermont Avenues, where passengers are boarded; south on State Highway 11 (Harbor Freeway) to State Highway 91 (Artesia Freeway); east on State Highway 91 to State Highway 57 (Orange Freeway); south on State Highway 57 to Orangewood Avenue; west on Orangewood Avenue to Anaheim Stadium parking lot.

Route 7. Pasadena - Anaheim.

Beginning at Colorado Boulevard and Arroyo Parkway, where passengers are boarded; north on Arroyo to Interstate 210 (Foothill Freeway); east on Interstate 210 to State Highway 57 (Orange Freeway); south on State Highway 57 to Orangewood Avenue in Anaheim; west on Orangewood Avenue to Anaheim Stadium parking lot.

SECTION 3. ROUTE DESCRIPTION. (Continuation)

Route 8. Pomona - Anaheim.

Beginning at Diamond Bar Avenue and State Highway 57 (Orange Freeway), where passengers are boarded; south on State Highway 57 to Orangewood Avenue in Anaheim; west on Orangewood Avenue to Anaheim Stadium parking lot.

Route 9. Orange County - Rose Bowl, Pasadena.

Beginning at any point within Route 9 Rose Bowl Pickup Service Area, then along the most convenient and direct routes to the Rose Bowl in Pasadena.

Route 10. Anaheim - Universal Studios.

From the Route 10 nonexclusive pickup territories to the beginning at 2045 State College Boulevard in the City of Anaheim, north on College Boulevard to Katella Avenue, west on Katella Avenue to Interstate Highway 5 (I-5), then, north on Interstate Highway 5 (I-5) to U.S. Highway 101 (and State Highway 170), continue in a northerly direction to Lankershim Boulevard, northeast on Lankershim to the Universal Studios located at Lankershim Boulevard, and Tour Road located in North Hollywood, then, return to point of beginning via the most appropriate direct route.