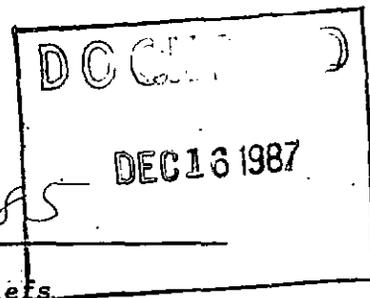


PUC-77

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Uniform Cover and Calendar Sheets

1. <u>REPORT DATE:</u>	October 28, 1987	2. <u>BUREAU AGENDA NO.</u>	
3. <u>BUREAU:</u>	Transportation		NOV-87-T-1327*
4. <u>SECTION</u>	Technical Review	5. <u>PUBLIC MEETING DATE:</u>	
6. <u>APPROVED BY:</u>			November 25, 1987
	Director: Ernst 7-2154		
	Supervisor: Bigelow/Marzolf 3-5945		
7. <u>MONITOR:</u>			
8. <u>PERSON IN CHARGE:</u>	Hoshour 7-5513		
9. <u>DOCKET NO.:</u>	A-00107671		A-105185
10. (a) <u>CAPTION</u> (abbreviate if more than 4 lines)			
(b) Short summary of history & facts, documents & briefs			
(c) Recommendation			



(a) Application of McHale's Delivery Service, Inc., Reading, Berks County, a corporation of the Commonwealth of Pennsylvania, for approval of the transfer to it of all of the contract carrier rights authorized under the contract carrier permit issued at A-00105185, to Kevin R. McHale, t/d/b/a McHale's Delivery Service, subject to the same limitations and conditions.

(b) The transferor is seeking to operate as a corporation through the transfer of his contract carrier rights to the applicant corporation. The total consideration for the two contract carrier rights is to be nine hundred ninety-nine dollars (\$999), payable in common stock of the transferee. There is no tangible property involved in the transfer proceeding. The record indicates that the applicant is fit to hold a contract carrier permit and that there is a continuing public need for the service.

(c) The Bureau of Transportation recommends that the Commission adopt the proposed order approving the transfer application and by supplemental order, cancel the contract carrier permit of the transferor at A-00105185.

11. MOTION BY:	Commissioner Chm. Shane	Commissioner Taliaferro - Yes
		Commissioner Fischl - Yes
SECONDED:	Commissioner Smith	Commissioner

CONTENT OF MOTION: Staff recommendation adopted.



A-105185

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

Public Meeting held November 25, 1987

Commissioners Present:

Bill Shane, Chairman
Linda C. Taliaferro
Frank Fischl
William H. Smith

Application of McHale's Delivery Service, Inc., a corporation of the Commonwealth of Pennsylvania, for the right to begin to transport, as a contract carrier, by motor vehicle, (1) duplicating machines and other machines used in the printing industry, for AM International, Inc., from points in the borough of West Reading, Berks County, to points in Pennsylvania, and vice versa; and (2) copies, postage machines, postal scales, and other office products, for Pitney Bowes, Inc., from its facilities located in the city of Reading, Berks County, and the city of Harrisburg, Dauphin County, to points in Pennsylvania; which is to be a transfer of the rights authorized under the certificate issued at A-00105185, to Kevin R. McHale, t/d/b/a McHale's Delivery Service, subject to the same limitations and conditions.

A-00107671

DOCKETED
DEC 16 1987

**DOCUMENT
FOLDER**

Graf, Andrews & Radcliff, P.C. by Christian V. Graf for the applicant.

O R D E R

BY THE COMMISSION:

This matter comes before the Commission on an application filed August 4, 1987. Public notice of the application was given in the Pennsylvania Bulletin of August 22, 1987. No protests were filed. The application is unopposed and the record is certified to the Commission for its decision without an oral hearing.

McHale's Delivery Service, Inc. (applicant or transferee), 2802 Perkiomen Avenue, Reading, Berks County, seeks to acquire all of the contract carrier authority issued to Kevin R. McHale, t/d/b/a McHale's Delivery Service (transferor) at A-00105185. The applicant has been a Pennsylvania corporation since incorporation on January 22, 1986, and its officers are Kevin R. McHale, president, Bonnie J. Sussman, secretary/treasurer, and David M. Kleckner, vice president.

The transferor, a sole proprietorship, seeks to operate as a corporation through the transfer of his contract carrier authority to the applicant corporation. The total consideration, based on the transferor's operation as reflected in the 1986 year-end statement of the applicant, is to be nine hundred ninety-nine (\$999) dollars, payable by the issuance to the transferor of nine hundred ninety-nine (999) shares of the common stock of the transferee taken at the par value of one (\$1.00) dollar per share. The applicant agrees to acquire all of the assets of the transferor and to assume all business liabilities of the transferor.

The financial statement of the applicant indicates that as of December 31, 1986, the applicant has total current assets of \$23,834, total assets of \$29,015, total current liabilities of \$18,479, long-term debt of \$8,000 and retained earnings of \$1,636. During the last six months of 1986, the applicant generated a net income of \$6,898 from total income of \$72,995.

We find:

1. That the applicant is fit to hold a contract carrier permit;
2. That there is a continuing need for the rights herein involved; THEREFORE,

IT IS ORDERED: That the application for the transfer of the contract carrier rights held by Kevin R. McHale, t/d/b/a McHale's Delivery Service at A-00105185, be and is hereby approved, granting the following rights:

To transport, as a contract carrier by motor vehicle, duplicating machines and other machines used in the printing industry, for AM International, Inc., from points in the borough of West Reading, Berks County, to points in Pennsylvania, and vice versa.

To transport, as a contract carrier by motor vehicle, copies, postage machines, postal scales and other office products, for Pitney Bowes, Inc., from its facilities located in the city of Reading, Berks County, and

the city of Harrisburg, Dauphin County, to points in Pennsylvania.

subject to the following general conditions:

1. That the approval hereby given is not to be understood as committing the Commission, in any proceedings that may be brought before it for any purpose, to fix a valuation on the rights to be acquired by applicant from the present permit holder equal to the consideration to be paid therefor, or equal to any value that may be placed thereon by applicant, or to approve or prescribe rates sufficient to yield a return thereon.
2. That applicant shall not record in its utility accounts any amount representing the rights herein granted in excess of the actual cost of such rights to the original holder thereof.
3. That the applicant charge to Account 1550, Other Intangible Property, \$999, being the amount of the consideration payable by it for the rights and going concern value attributable thereto; less any amount recorded under condition 2 above.
4. That the permit holder shall comply with all of the provisions of the Public Utility Code as now existing or as may hereafter be amended, and 52 Pa. Code §31, as now existing or as may hereafter be amended, and any other rules and regulations as may hereafter be prescribed by the Commission. Failure to comply shall be sufficient cause to suspend, revoke or rescind the rights and privileges conferred by the permit.
5. That the permit holder shall not transfer, sell or in any way convey any of its outstanding capital stock to any individual, partnership, corporation or any entity, without the prior filing of an application and approval thereof by the Commission under 66 Pa. C.S.A. §1102(3).

IT IS FURTHER ORDERED: That the authority granted herein, to the extent that it duplicates authority now held by or subsequently granted to the carrier, shall not be construed as conferring more than one operating right.

IT IS FURTHER ORDERED: That the issuance of the permit is subject to the applicant filing two acceptable contracts in accordance with 52 Pa. Code §31.45 with this Commission for its approval.

IT IS FURTHER ORDERED: That upon compliance with the requirements of the Public Utility Code relating to insurance and the filing and acceptance of a schedule of minimum rates and charges, and two contracts, a permit issue evidencing this Commission's approval of the right to operate as above determined.

IT IS FURTHER ORDERED: That the applicant shall not engage in any transportation granted herein until it has complied with the requirements of the Pennsylvania Public Utility Code and the rules and regulations of this Commission relative to the filing and acceptance of evidence of insurance, a schedule of minimum rates and charges, and two contracts.

IT IS FURTHER ORDERED: That in the event said applicant has not, on or before sixty (60) days from the date of the service of this order, complied with the requirements hereinbefore set forth, the application shall be dismissed without further proceedings.

IT IS FURTHER ORDERED: That upon compliance with this order, the rights granted the transferor, Kevin K. McHale, t/d/b/a McHale's Delivery Service, at A-00105185 be cancelled and the record be marked closed.

BY THE COMMISSION,



Jerry Rich
Secretary

(SEAL)

ORDER ADOPTED: November 25, 1987

ORDER ENTERED: DEC 02 1987