ISYLVANIA PUBLIC UTILITY COMMISSION Uniform Cover and Calendar Sheet

REPORT DATE: **BUREAU AGENDA NO.:** October 24, 1994 NOV-94-T-961* **BUREAU:** Transportation **PUBLIC MEETING DATE:** SECTION(S): Technical Review November 10, 1994 APPROVED BY: Director: 7-2154 3-5945 Supervisor: Marzolf 7. PERSONS IN CHARGE: Travitz 7-5513 DOCKET NO.: A-00111513

- 9. (a) CAPTION (abbreviate if more than 4 lines)
 - (b) Short summary of history & facts, documents & briefs
 - (c) Recommendation

SECONDED:

- Application of R & J Truck & Auto Body, Inc., Youngstown, Ohio, for approval of the transfer to applicant of part of the rights held by Trans American Trucking Service, Inc. at A-00107793, Folder 2
- Transferor proposes to transfer part of its PUC common carrier rights for a total consideration of \$16,000. No tangible assets are involved.
- The Bureau of Transportation recommends that the Commission adopt the attached proposed order approving the transfer application and that a certificate be issued to the applicant. The rights issued to the transferor at A-00107793, Folder 2, Am-C adopted September 23, 1993 and entered September 29, 1993, be cancelled by supplemental order.

GET:rn

Commissioner Quain - Yes 10. MOTION BY: Commissioner Chm. Rolka

Commissioner Crutchfield - Yes

Commissioner Hanger - Yes

CONTENT OF MOTION:

Commissioner Rhodes

Staff recommendation adopted.



1A-00/07793F2

PENNSYLVANIA PUBLIC UTILITY COMMISSION Harrisburg, PA 17105-3265

Public Meeting held November 10, 1994

Commissioners Present:

David W. Rolka, Chairman Joseph Rhodes, Jr., Vice-Chairman John M. Quain Lisa Crutchfield John Hanger

Application of R & J Truck & Auto Body, Inc. for the transfer of part of the operating rights of Trans American Trucking Service, Inc. under the certificate issued at A-00107793, Folder 2 subject to the same limitations and conditions. DOCUMENT FOLDER

A-00111513

Pillar & Mulroy by John A. Pillar for the applicant.

DEC 19 1994

ORDER

BY THE COMMISSION:

This matter comes before the Commission on an application filed June 27, 1994. Public notice of the application was given in the Pennsylvania Bulletin of September 17, 1994. The unopposed application is certified to the Commission for its decision without oral hearing.

R & J Truck & Auto Body, Inc. (applicant, transferee or applicant) is a carrier domiciled in Youngstown, Ohio with the other terminals located in Marietta, Toledo and Lorraine, Ohio. At the main facility, being Youngstown, applicant has a garage, shop, office and central dispatch. Transferee operates a large fleet of equipment including approximately 210 company trucks and 50 owner-operators. Applicant is currently conducting operations under authority issued by ICC and the PUC of Ohio and also holds Canadian authority. Applicant has been in business since approximately 1984 and believes it has the necessary experience and equipment necessary to conduct operations under the authority to be acquired herein. Applicant conducts a comprehensive safety and maintenance program. The offices, shareholders and percentage of stock held are as follows: Ronald R. Carrocce, president, holds sixty percent of the stock; Mark A. Carrocce, vice president,

twenty percent stock; Gary L. Carrocce, secretary, ten percent stock and Troy Carrocce, treasurer, holds ten percent of the stock.

The unaudited balance sheet of the trucking division of R & J Truck as of April 30, 1993 shows total current assets of \$3,784,892, total assets of \$7,316,406, total current liabilities of \$2,285,271, long-term debt less principal due within one year of \$2,455,700 and total stockholder's equity of \$1,133,864. The statement of operations and retained earnings shows the total operating \$19,682,808, less direct cost of \$17,572,721 resulting in a gross profit of \$2,110,087, less general and administrative expenses of \$991,137, resulting in an income from operations of \$1,118,950. A net income of \$572,183 and retained earnings end of year of \$1,130,274 were reported.

The total consideration for the rights is \$16,000.

A review of the record before us indicates that the applicant possesses the requisite experience, equipment and financial capacity to provide the proposed service.

The authority to be transferred has been operated by the transferor, therefore, it is presumed that there is a continuing need, which may be overcome only by evidence to the contrary. <u>In re: Byerly</u>, 440 Pa. 521 (1970); <u>Hostetter v. Pa. P.U.C.</u>, 160 Super. Ct. 94 (1947). Since the record is void of any such evidence, this presumption of continuing public need applies in this transfer proceeding.

We find:

- 1. The applicant is fit, willing and able to provide the service proposed.
- 2. Transfer of the authority is in the public interest and is necessary for the continued accommodation and convenience of the public; THEREFORE,

IT IS ORDERED: That the transfer application be and is hereby approved and that a certificate be issued granting the rights contained in the order of Trans American Trucking Service, Inc. at A-00107793, Folder 2, Am-C adopted September 23, 1993 and entered September 29, 1993.

- 1. That the operating authority granted herein, or now held, or subsequently granted to the applicant to the extent that it is duplicative, shall not be construed as conferring more than one operating right.
- 2. 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 property and/or rights to be acquired by applicant from the

present certificate 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.

- 3. That the applicant record in its Utility Account 1321 Franchises, the actual cost of such rights recorded by the original holder thereof.
- 4. That the applicant charge to Account 1341 Other Intangible Property, any amount of the consideration paid for the rights and going concern value attributable thereto in excess of the amounts recorded under condition(s) 2 above.
- 5. That the certificate holder shall not transfer, sell or in any way convey any of its outstanding capital stock to any individual, partnership, corporation or any other entity, without the prior filing of an application and approval thereof by the Commission under Section 1102(a)(3) of Title 66, PA C.S.A.

IT IS FURTHER ORDERED: That the applicant shall not engage in any transportation granted in this application until the following is submitted to the Commission:

- 1. Form E evidence of insurance of Bodily Injury and Property Damage Liability Insurance.
- 2. Form H as evidence of cargo liability insurance.
- 3. A tariff establishing just and reasonable rates.

IT IS FURTHER ORDERED: That upon compliance with the requirements above set forth, a certificate issue evidencing the Commission's approval of the right to operate as above-determined.

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, Trans American Trucking Service, Inc. at A-00107793, Folder 2, Am-C adopted September 23, 1993 and entered September 29, 1993, be cancelled and the record be marked closed.

BY THE COMMISSION,

John G. Alford

Secretary

(SEAL)

ORDER ADOPTED: November 10, 1994

ORDER ENTERED: NOV 2 3 1994