

LBM

Decision No. 21562.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
THE PACIFIC TELEPHONE AND TELEGRAPH )  
COMPANY for authority to purchase and )  
acquire common capital stock of )  
Associated Telephone Company Ltd. )

**ORIGINAL**

Application No. 15921

Pillsbury, Madison and Sutro and  
James G. Marshall, for applicant.

BY THE COMMISSION:

OPINION AND ORDER

The Pacific Telephone and Telegraph Company in this application requests permission to acquire 12,966 shares of the common capital stock of Associated Telephone Company Ltd.

The company reports that it is the owner of 315 shares (\$31,500.00 par value) of the common stock of Santa Monica Bay Telephone Company and of 1,689 shares (\$168,900.00 par value) of the common stock of Associated Telephone Company. Recently, by Decision No. 21268, dated June 21, 1929, as amended by Decision No. 21493, dated August 31, 1929, the Commission authorized Associated Telephone Company Ltd., a new corporation, to acquire all or any part of the outstanding stock of Santa Monica Bay Telephone Company, Associated Telephone Company, Home Telephone Company of Covina, Huntington Beach Telephone Company, Redondo Home Telephone Company and Laguna Beach Telephone Company, and/or the properties of the said companies, and to issue and sell, at not less than \$23.00 a share, 106,312 shares of its preferred stock and 126,638 shares of its common stock, with-

out par value, to finance the cost of acquiring such stock and/or properties and of paying indebtedness.

It now appears that in acquiring the stock and/or properties of the several companies, Associated Telephone Company Ltd. has proposed to applicant that it sell, transfer, assign and deliver to it the 315 shares of the stock of Santa Monica Bay Telephone Company and the 1,689 shares of the stock of Associated Telephone Company it owns for the sum of \$408,986.00 payable \$298,218.00 through the issue of 12,966 shares, without par value, of the common stock of Associated Telephone Company Ltd., at the price of \$23.00 a share, and the balance, \$110,768.00, in cash. Applicant reports that it is willing to accept the proposal of Associated Telephone Company Ltd. provided it is granted permission to acquire and hold its stock.

The Commission has considered the company's request and believes a public hearing is not necessary in this matter and that the application should be granted, as herein provided, therefore,

IT IS HEREBY ORDERED that The Pacific Telephone and Telegraph Company be, and it hereby is, authorized to acquire and hold 12,966 shares, without par value, of the common capital stock of Associated Telephone Company Ltd., provided that the authority herein granted shall not be construed as a finding of the value of the stock of Associated Telephone Company Ltd. or of the stock of Santa Monica Bay Telephone Company or of the stock of Associated Telephone Company.

DATED at San Francisco, California, this 16<sup>th</sup> day of September, 1929.

Thomas S. Donnell  
Ch. J. ...  
...  
Leon ...  
...  
-2- Commissioners