

Decision No. 28827

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC GREYHOUND LINES, INC.,)
a corporation, for permission to pur-)
chase all of the outstanding and is-)
sued capital stock of Pacific South-)
land Stages, Incorporated.)

Application No. 20360

H. C. Lucas, for applicant.

BY THE COMMISSION:

ORIGINAL

O P I N I O N

Pacific Greyhound Lines, Inc., a California corporation, has applied to the Railroad Commission for an order permitting it to acquire all the issued and outstanding stock (\$7,500. par value) of Pacific Southland Stages, Incorporated.

It appears that Pacific Southland Stages, Incorporated, is a corporation organized on or about May 23, 1934 under the laws of the State of California and that it is engaged in the business of operating motor coaches, primarily for the transportation of passengers, between San Diego and Tijuana, B. C. Mexico, both in intrastate and foreign commerce. As of December 31, 1935 the corporation reports its assets and liabilities as follows:-

ASSETS

Stage line buses	\$5,500.00	
Stage line franchise	1.00	
Garage equipment	1,329.00	
Office equipment	500.00	
Cash	1,096.07	
Accounts receivable	238.95	
Prepayments	15.00	
Total		<u>\$8,680.02</u>

LIABILITIES

Capital stock	\$7,500.00	
Accounts payable	531.51	
Profit	648.51	
Total		<u>\$8,680.02</u>

All of the present outstanding stock, consisting of 75 shares of the par value of \$100. each, was issued in 1934 pursuant to authority granted by the Commission by Decision No. 27198, dated July 10, 1934, in payment for motor coach properties formerly owned by Fred A. Sutherland.

The present application shows that on January 28, 1936 Pacific Greyhound Lines, Inc. entered into an agreement with Charles E. Cheney to purchase from him the outstanding 75 shares of stock of Pacific Southland Stages, Incorporated, for a consideration of \$17,500.00, payment to be made in cash.

The application accordingly is made to permit the applicant to acquire and hold said shares of stock. It does not involve the transfer of any operating rights or properties nor does it contain any request to change the service now being given. The purchase price to be paid by applicant for the shares of stock is not, of course, chargeable to its plant and equipment accounts and the Commission in passing on the application has made no determination of how much Pacific Greyhound Lines, Inc. may charge to plant and equipment accounts if and when it acquires the properties of Pacific Southland Stages, Incorporated. The authority granted in this decision is not to be construed as determining the value of the properties of Pacific Southland Stages, Incorporated, for the purpose of accounting, fixing rates or authorizing the issue of securities.

ORDER

Pacific Greyhound Lines, Inc., having asked the Railroad Commission for permission to purchase all of the outstanding and issued capital stock of Pacific Southland Stages, Incorporated, and the Railroad Commission being of the opinion that the application should be granted, as herein provided,

IT IS HEREBY ORDERED that Pacific Greyhound Lines, Inc. be, and it hereby is, authorized to purchase, on or before June 30, 1936, and hold the outstanding and issued capital stock of Pacific Southland Stages, Incorporated, consisting of 75 shares of the aggregate par value of \$7,500.00, provided that the consideration paid for said shares of stock shall not hereafter be urged before the Commission as determining the value of the properties of Pacific Southland Stages, Incorporated, for the purpose of accounting, fixing rates or issuing securities.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective fifteen (15) days after the date hereof.

DATED at San Francisco, California, this 16th day of March, 1936.

M B Davis
Leon A. Whidby
W. A. Linn
W. H. Linn
W. H. Linn

Commissioners.