

ORIGINAL

Decision No. 69989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 LYMAN G. BERG, doing business as
 AIRPAGE OF SAN DIEGO, and of
 ITT MOBILE TELEPHONE, INC., a cor-
 poration, (a) For authority for
 Lyman G. Berg, doing business as
 Airpage of San Diego, to sell, and
 for ITT Mobile Telephone, Inc., to
 buy, certain operating rights to
 perform service as a radiotelephone
 utility in the San Diego area and
 certain utility properties necessary
 or useful in the performance of
 duties to the public; (b) For
 authority for ITT Mobile Telephone,
 Inc., to operate as a radiotelephone
 utility in the San Diego area under
 the operating rights to be trans-
 ferred; and (c) For authority for
 Lyman G. Berg, doing business as
 Airpage of San Diego, to discontinue
 service as a radiotelephone utility
 in the San Diego area.

Application No. 47800
 Filed August 11, 1965

O P I N I O N

This is an application under Section 851 of the Public Utilities Code for an order of the Commission authorizing Lyman G. Berg (seller), doing business as Airpage of San Diego, to sell and transfer his radiotelephone common carrier system KMD-691 to ITT Mobile Telephone, Inc. (purchaser).

Seller is engaged in the operation of a radiotelephone common carrier system which he acquired pursuant to authority granted by Decision No. 62156, dated June 20, 1961, in Case No. 6945 (58 Cal. P.U.C. 756). Seller provides a 1-way paging service in the San Diego area. The application states that seller desires to withdraw from such service. Purchaser operates 1-way paging and 2-way mobile service in the San Diego area under the call letters KMA-262. The

application avers that purchaser is willing and well qualified to operate the service sought to be transferred; consolidation of the two operations under control of purchaser should result in improved service to the public by making available to seller's subscribers the financial strength and operating skill of purchaser; and the transfer should permit some economies and efficiencies to be effected.

Balance sheets and income statements of seller and purchaser are incorporated in the application. The income statement of seller, covering the year ended December 31, 1964, shows that his mobile telephone operations resulted in a net loss before income taxes of \$490, on gross revenues of \$1,000. Purchaser's balance sheet as of June 30, 1965, shows that purchaser, a subsidiary of International Telephone and Telegraph Corporation, possesses the financial resources necessary to acquire and operate the service to be transferred.

The total consideration to be paid by purchaser is \$25,000, in cash, of which \$500 was paid to seller on May 1, 1965; \$14,500 will be paid upon transfer of the property involved; and \$10,000 will be paid 30 days thereafter.

Applicants allege that the proposed transfer will be completed following the grant of authority herein requested and the approval by the Federal Communications Commission of the assignment of seller's station to buyer.

The Commission has considered this matter and finds that:

1. There will be no change in rates or service to the public as a result of the transfer.
2. The proposed sale and transfer will not be adverse to the public interest.
3. A public hearing is not necessary.

The Commission concludes that the application should be granted as set forth in the ensuing order.

O R D E R

IT IS ORDERED that:

1. Lyman G. Berg (doing business as Airpage of San Diego) may, on or after the effective date hereof, and on or before June 1, 1966, sell, assign and dispose of its radiotelephone utility system KMD-691 to ITT Mobile Telephone, Inc.

2. As a condition of the authority herein granted, ITT Mobile Telephone, Inc. is directed to continue the public utility responsibilities of Lyman G. Berg with respect to the area served by the properties to be transferred.

3. The tariffs of Lyman G. Berg now on file with this Commission shall be refiled, within thirty days of actual transfer, under the name of ITT Mobile Telephone, Inc. in accordance with the procedure described in General Order No. 96-A, or, in lieu thereof, ITT Mobile Telephone, Inc. may file a notice of adoption of said presently filed tariffs. No increase in presently filed rates shall be made without the express authority of this Commission.

4. On or before the date of actual transfer of the specific properties herein authorized to be transferred, Lyman G. Berg shall transfer and deliver to ITT Mobile Telephone, Inc. and the latter shall receive and preserve, all records, memoranda, and other documents pertaining to the construction and operation of said radiotelephone utility authorized to be transferred.

5. If the authority granted herein is exercised, ITT Mobile Telephone, Inc. shall, within thirty days thereafter, file with this Commission a copy of the journal entries by which it proposes to record the acquisition of the radiotelephone utility properties

herein authorized to be transferred, together with a statement showing the determination of the original cost of such properties, and together with a statement showing the determination of the amount of accrued depreciation applicable to such properties as of the date of transfer.

6. ITT Mobile Telephone, Inc. shall file with this Commission copies of all annual reports made to the Federal Communications Commission.

7. If the authority herein granted is exercised, ITT Mobile Telephone, Inc. shall, within thirty days thereafter, notify this Commission, in writing, of the date of the completion of the transfer herein authorized and of its compliance with the conditions hereof.

The authorization herein granted shall not be construed to be a finding of the value of the property herein authorized to be transferred nor as indicative of amounts to be included in a future proceeding for the purpose of fixing just and reasonable rates.

The effective date of this order shall be the date on which ITT Mobile Telephone, Inc. shall have filed with this Commission a written statement showing that it has obtained authority from the Federal Communications Commission for the transfer of seller's station authorization to ITT Mobile Telephone, Inc.

Dated at San Francisco, California, this 23rd day of November, 1965.

[Signature] President
[Signature]
[Signature]
[Signature] Commissioners

-4-Commissioner Frederick B. Holoboff, being necessarily absent, did not participate in the disposition of this proceeding.