

ORIGINAL

Decision No. 70552

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)
))
JOHN F. JOHANNESSEN and HAROLD)
H. COLES,)
))
Shareholders of RADIO ELECTRONICS)
PRODUCTS CORPORATION (KMD 687))
for authority to sell and transfer,)
and for COMMUNICATION ENTERPRISES,)
INC., a California corporation,)
to purchase and acquire shares of)
the issued and outstanding stock)
of RADIO ELECTRONICS PRODUCTS)
CORPORATION.)

Application No. 48335
Filed March 23, 1966

O P I N I O N

In this proceeding Communication Enterprises, Inc., hereinafter sometimes referred to as applicant, seeks authority from this Commission to purchase and acquire 8,550 of the 11,910 shares of outstanding capital stock of Radio Electronic Products Corporation.

Radio Electronic Products Corporation is a California corporation operating as a radiotelephone common carrier public utility pursuant to authority set forth in Decision No. 62156, dated June 20, 1961, in Case No. 6945. The application shows that the corporation is the operator of a land mobile radio-telephone system, KMD 687, and moreover is engaged in the selling and servicing of equipment, its office and service facilities being located at 310 Lake Boulevard, Redding,

and its station facilities being located on Shasta Bally Mountain. Two shareholders of the company, namely, John F. Johannessen, holder of 5,050 shares, and Harold H. Coles, holder of 3,500 shares, have agreed to sell to applicant all of their right, title and interest to said shares of stock.

Communication Enterprises, Inc. is a California corporation which, according to the application, presently functions through four divisions, namely: (a) Bakersfield Electronics, a two-way radio sales and service company; (b) Kern Communications Company, a communication leasing company; (c) "Your Girl Friday," a telephone and radio answering service; and (d) Autofone, a miscellaneous radio common carrier operating in the States of Oregon and Washington. Said corporation proposes to become the controlling stockholder of Radio Electronic Products Corporation, and reports that it is affiliated with an existing radio-telephone utility operating in California under the name of Kern Radio Dispatch, which is owned by Thomas R. Poor, the president and major stockholder of applicant.

Applicant has agreed to purchase said 8,550 shares of capital stock for \$11,970, of which \$4,000 will be in the form of cash, and the balance of \$7,970 will be evidenced by a promissory note providing for 11 monthly installments of \$724.55 plus interest computed at the rate of 5% per annum on declining balances of principal.

The Commission has considered this matter and finds that the proposed stock acquisition will not be adverse to the public interest. A public hearing is not necessary.

On the basis of the foregoing finding we conclude that the application should be granted. The action taken herein shall not be construed as a finding of the value of the outstanding shares of capital stock of Radio Electronic Products Corporation nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that Communication Enterprises, Inc. may purchase and acquire 8,550 of the 11,910 outstanding shares of common capital stock of Radio Electronic Products Corporation in the manner and upon the terms and conditions set forth in that certain Agreement dated December 22, 1965, a copy of which is attached to the application as Appendix B, provided that the promissory note referred to on page 2 thereof shall require 11 instead of 24 monthly installments so as to conform with page 4 of the application.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 12th day
of APRIL, 1966.

Fredrick B. Holshoff
President

Walter E. Mitchell

George H. Hoover

Augusta

William W. Bennett
Commissioners