

Decision No. 71584

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of:

(a) Senna Trucking Co., Inc., a corporation to purchase, and of Senna Enterprises, a corporation, to sell and merge their assets, subject to their liabilities into Senna Trucking Co., Inc., and for Senna Trucking Co., Inc., to issue shares of its common capital stock, pursuant to Sections 816-830 of the California Public Utilities Code.

Application No. 48896
Filed October 27, 1966

O P I N I O N

This is an application for an order of the Commission authorizing Senna Trucking Co., Inc. to issue 10,000 shares of its \$10 par value capital stock and to assume obligations as the surviving corporation in a proposed merger with a non-utility affiliate.

Senna Trucking Co., Inc. is a California corporation engaged in business as a highway common carrier subject to the jurisdiction of this Commission. For the year 1965, the company reports gross operating revenues of \$558,031 and net income of \$32,029.

The application shows that the carrier plans to acquire the assets and assume the liabilities of Senna Enterprises, Inc. at their net book value as of May 31, 1966, which amounted to \$223,813. It is reported that the transferor

is engaged in nonutility activities and that its principal assets consist of real estate investments.

According to the application, both corporations are controlled by Manuel Senna and Isabel Senna through 100 percent ownership of their outstanding capital stock.

As the surviving corporation under the terms of a Merger Agreement, Senna Trucking Co., Inc. proposes to issue 10,000 shares of its \$10 par value capital stock in exchange for the outstanding capital stock of Senna Enterprises, Inc.

The Commission has considered this matter and finds that: (1) the proposed merger will not be adverse to the public interest; (2) the proposed issue of stock and stock certificates is for a proper purpose; (3) the money, property or labor to be procured or paid for by the issue of the stock and stock certificates herein authorized is reasonably required for the purpose specified herein; and (4) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

The authorization herein given is not to be construed as a finding of the value of the properties herein authorized to be transferred.

O R D E R

IT IS ORDERED that:

1. Senna Trucking Co., Inc., on or after the date hereof and on or before March 31, 1967, may acquire the assets and assume the liabilities of Senna Enterprises, Inc., and may carry out the terms of a Merger Agreement in the same form, or in substantially the same form, as that attached to the application as Exhibit C. Said merger transaction may be made effective as of June 1, 1966 for accounting purposes.

2. Senna Trucking Co., Inc., on or after the date hereof and on or before March 31, 1967, may issue not to exceed 10,000 shares of its \$10 par value capital stock and related stock certificates in exchange for all of the outstanding capital stock and stock certificates of Senna Enterprises, Inc.

3. Senna Trucking Co., Inc. shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

4. Within thirty days after consummating the merger herein authorized, Senna Trucking Co., Inc. shall file with the Commission a certified copy of its Merger Agreement as actually filed with the Secretary of State.

5. The effective date of this order is the date hereof.

Dated at San Francisco, California,
this 29th day of NOVEMBER, 1966.

President

Frederick B. Holtzoff
William W. Bennett
Augustus

Commissioners

Commissioner George G. Grover did not participate in the disposition of this proceeding.

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.