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Decision No. 81447

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

IN THE MATTER OF THE APPLICATION)
OF DIGITAL PAGING SYSTEMS, INC.,)
ELECTROPAGE, INC., NICHOLAS)
ILLINSKI AND JEANETTE ILLINSKI,)
FOR AN ORDER OR ORDERS AUTHORIZING)
THE TRANSFER OF ALL OF THE STOCK)
OF ELECTROPAGE, INC., FROM)
NICHOLAS ILLINSKI AND JEANETTE)
ILLINSKI TO DIGITAL PAGING)
SYSTEMS, INC.)

Application No. 53986
(Filed April 20, 1973)
and Amendment
(Filed May 24, 1973)

O P I N I O N

As required by Section 854 of the California Public Utilities Code, Barry Yampol, Graphic Scanning Corp. and Digital Paging Systems, Inc. seek authority to control Electropage, Inc.

Electropage, Inc. is a California corporation operating as a radiotelephone utility currently providing one-way paging service to the public in Sacramento and vicinity. In Exhibit F, attached to the application, the utility reports 1972 page rental income of \$28,211.50, other income amounting to \$146,567.26, and a net income of \$21,899.80. The corporation's 9,000 shares of outstanding capital stock, amounting to \$9,000 aggregate par value of common stock, are held by Nicholas Illinski and Jeanette Illinski.

Digital Paging Systems, Inc. is a Delaware corporation which is a 68% owned subsidiary of Graphic Scanning Corp. The application shows that Digital Paging Systems, Inc. presently owns and operates a miscellaneous common carrier in the greater

Miami area of Florida, and has recently executed an agreement to purchase 47% of the common stock of Radio Relay Corporation, one of the nation's largest radio common carriers, with operations in New York, Detroit, Chicago, St. Louis, Newark, Buffalo and Cincinnati.

Graphic Scanning Corp. is a Delaware corporation controlled by Barry Yampol. The corporation's 1972 Annual Report, a copy of which is attached to the application as Exhibit C, shows that it is engaged primarily in providing specialized data and information processing and delivery services to fulfill particular industry needs.

In accordance with a Stock Purchase Agreement dated March 1, 1973, Digital Paging Systems, Inc. proposes to purchase from Nicholas Illinski and Jeanette Illinski for \$400,000 all of the issued and outstanding shares of capital stock of Electropage, Inc.

According to the application, the equipment presently used in the utility's operations will become obsolete within the next two to five years, and a substantial capital investment will be required during such period to replace and upgrade such equipment. It appears that Digital Paging Systems, Inc. has substantial technical and financial resources, and is able to meet the need to modernize the system.

After consideration the Commission finds that control of Electropage, Inc. by Barry Yampol, Graphic Scanning Corp. and Digital Paging Systems, Inc. would not be adverse to the public interest. On the basis of this finding we conclude that the application, as amended, should be granted. A public hearing is not necessary. The action taken herein shall not be construed as a finding of value of the capital stock of Electropage, Inc.

