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Decision No. 82868

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of A. W. Reid Draying
Company, a California corporation,
for authority to issue certificates
representing 8,800 shares of its
\$3.00 par value capital stock in
exchange for certificates of
\$10.00 par value stock and of
William D. Reid for authority to
control A. W. Reid Draying Company.

Application No. 54823
(Filed April 24, 1974)

O P I N I O N

A. W. Reid Draying Company seeks authority to issue certificates representing 8,800 shares of \$3 par value capital stock in exchange for certificates representing a like number of outstanding shares of \$10 par value capital stock, and William D. Reid seeks authority to control A. W. Reid Draying Company.

A. W. Reid Draying Company is a California corporation operating under the jurisdiction of this Commission as a highway common carrier of general commodities in the San Francisco-East Bay Cartage Zone, and as a radial highway common carrier. Its outstanding capital stock consists of 8,800 shares of \$10 par value common stock, of which shares the Estate of David W. Reid, deceased, holds 8,550 shares, and William D. Reid, manager of the company and son of David W. Reid, holds 250 shares.

By amending its Articles of Incorporation, the company proposes to reduce the par value of its capital stock from \$10 per share to \$3 per share, and to issue certificates in exchange for outstanding certificates in order to reflect the change in par value of the shares.

In addition, the company proposes to reacquire the 8,550 shares of common stock held by the Estate of David W. Reid, deceased. As a result, William D. Reid would control A. W. Reid Draying Company.

The application indicates that William D. Reid has worked for A. W. Reid Draying Company and its predecessors for approximately twenty years, and has been manager of the company since the death of his father.

After consideration the Commission finds that:

1. Control of A. W. Reid Draying Company by William D. Reid would not be adverse to the public interest.
2. The proposed stock certificates would be for a proper purpose.
3. The money, property or labor to be procured or paid for by the stock certificates herein authorized is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary. The authorization herein granted shall not be construed as a finding of the value of the stock of A. W. Reid Draying Company.

O R D E R

IT IS ORDERED that:

1. A. W. Reid Draying Company, in exchange for its outstanding stock certificates, may issue to its shareholders certificates evidencing not exceeding 3,800 shares of \$3 par value capital stock.
2. As soon as available, A. W. Reid Draying Company shall file with the Commission a certified copy of the Amendment of its Articles of Incorporation changing the par value of its capital stock from \$10 per share to \$3 per share.
3. A. W. Reid Draying Company shall file with the Commission the report required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.
4. William D. Reid may control A. W. Reid Draying Company.
The effective date of this order is the date hereof.
Dated at San Francisco, California, this 15th
day of MAY, 1974.

William D. Reid President
[Signature]
[Signature]
[Signature] Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.