

Decision No. 85007**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of RWH, INC., a California)
corporation, to control BONANZA)
CONCRETE, a California corpora-)
tion, HOLIDAY TRANSPORTATION,)
a California corporation, a)
cement common carrier.

Application No. 55908
(Filed September 2, 1975)**O P I N I O N**

RWH Inc., a California corporation, seeks authority to control Bonanza Concrete and Holiday Transportation, also California corporations, by purchase of all their outstanding shares of common stock from Theron N. Bohannan, their sole stockholder.

Bonanza Concrete is a noncarrier corporation which does not presently hold highway carrier operating authority issued by this Commission. Thus, the proposed acquisition of control as it affects that corporation is not subject to this Commission's jurisdiction under Sections 354 and 3551 of the Public Utilities Code.

Holiday Transportation holds a certificate of public convenience and necessity authorizing operations as a cement carrier as defined in Section 214.1 of the Public Utilities Code, to and within the Counties of Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara, Shasta and Ventura. The certificate was issued by Decision No. 69525, dated August 10, 1965, in Application No. 47553 and contains a restriction requiring payment of 100% of the carrier's tariff rates to subhaulers it engages for transportation of property of Bonanza Concrete, its affiliate, or customers or suppliers of such corporation. Holiday Transportation also holds highway carrier permits issued by the Commission.

According to the application, Bonanza has 900 shares and Holiday Transportation has 511 shares of stock presently issued and outstanding. The total purchase price to be paid for all the shares of capital stock of both corporations is one million dollars (\$1,000,000) of which six hundred thousand dollars (\$600,000) will be paid at close of escrow and the balance of four hundred thousand dollars (\$400,000) will be paid at the rate of \$5,287.00 or more per month, including interest at ten percent (10%) per annum, all due and payable within ten years from date of closing of escrow.

Pursuant to the agreement of purchase and sale (Exhibit 1 to the application) executed on April 30, 1975, the debt will be evidenced by a promissory note executed by RWH Inc., payable to the joint order of Theron N. Bohannan and his wife, Lennis C. Bohannan and secured by an agreement executed by the buyer creating a security interest in certain assets of purchaser. The promissory note will be cosigned by Robert W. Haigh, majority stockholder of RWH Inc., and his wife, Elizabeth A. Haigh. No encumbrance of the certificate or property necessary or useful in the performance of Holiday Transportation's duty to the public as a public utility is requested and none is authorized herein.

After consideration, the Commission finds that control of Holiday Transportation by RWH Inc., would not be adverse to the public interest; that the proposed acquisition of control of Bonanza Concrete is not within the purview of Sections 851 and 3551 of the Public Utilities Code, is not subject to this Commission's jurisdiction and, to that extent, the application should be dismissed.

The Commission concludes that the acquisition of control of Holiday Transportation should be authorized. A public hearing is not necessary. The action taken herein shall not be construed as a finding of value of the capital stock of RWH Inc. or Holiday

Transportation. Because of the affiliation which will exist between the foregoing corporations, an appropriate restriction will be placed in the carrier's operating authorities.

O R D E R

1. RWH Inc., a California corporation, may control Holiday Transportation, a California corporation.

2. Decision No. 69525 is hereby amended by substituting Appendix A hereto in the place and stead of Appendix A of said decision.

3. The portion of the application which requests authority for RWH Inc., to control Bonanza Concrete is dismissed.

4. Within ninety days after the date hereof, RWH Inc., and Holiday Transportation shall file reports informing the Commission whether or not the stock acquisition has been completed.

The effective date of Ordering Paragraph 2 hereof will be the date the carriers comply with Ordering Paragraph 4 hereof. In all other respects the effective date of this order is the date hereof.

Dated at San Francisco, California, this 15th day of October, 1975.

William J. Young, Jr.
President

Vernon L. Sturgeon
John H. Tidwell
Commissioners

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

Holiday Transportation, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to conduct operations as a cement carrier as defined in Section 214.1 of the Public Utilities Code to and within the Counties of Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara, Shasta and Ventura from any and all points of origin (See Restriction).

RESTRICTION: Whenever Holiday Transportation engages other carriers for the transportation of property of Bonanza Concrete, a corporation, RWI Inc., a corporation, or customers or suppliers of said corporations, Holiday Transportation shall pay such other carriers not less than the rates and charges published in the Holiday Transportation tariffs on file with this Commission.

(END OF APPENDIX A)

Issued by California Public Utilities Commission.

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