

ORIGINAL

Decision No. 85184

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of LANDY CORPORATION)
 to acquire control through)
 stock ownership of ALLYN TRANS-)
 PORTATION COMPANY, a public)
 utility.)

Application No. 56041
 (Filed November 3, 1975)

O P I N I O N

Landy Corporation, a California corporation, seeks authority to control Allyn Transportation Company, a California corporation, by purchase of all its outstanding shares of common stock.

Allyn Transportation Company holds certificates of public convenience and necessity authorizing operations as a highway common carrier and as a petroleum irregular route carrier as defined in Sections 213 and 214, respectively, of the Public Utilities Code. In addition, it holds highway carriers permits issued by this Commission and various operating authorities issued by the Interstate Commerce Commission.

Applicants allege that there are 118,373 shares of capital stock of Allyn Transportation Company presently issued and outstanding; 58,237 held by William J. Collinge, 58,236 held by Doris A. Collinge, 1,500 held by Frank and Dolores Lucus and 400 shares held by Arvel and Phyllis Batchelor. No other shares have been issued.

Landy Corporation does not presently hold operating authority issued by this Commission. The capital stock it issues will be held by five parties, two of whom will each hold 325 shares which together will represent 72.22 percent of the issued and outstanding stock.

Pursuant to the Agreement for Purchase and Sale of Stock dated October 3, 1975, among Landy Corporation, Allyn Transportation Company and the shareholders of the latter corporation, the total purchase price for the Allyn Transportation Company's issued stock is \$1,330,450, of which \$300,000 will be paid on the scheduled closing date and the balance will be due and payable at an interest rate of seven percent (7%) per annum on a schedule commencing December 31, 1975 and concluding on November 15, 1981. A copy of said stock purchase agreement is attached to the application.

The unpaid principal will be evidenced by a promissory note and secured by a Pledge Agreement whereby the purchaser agrees to pledge the purchased stock of Allyn Transportation Company as collateral security for payment and performance of the Landy Corporation's obligations under the note. A copy of the Pledge Agreement was filed with the application. No encumbrance of the certificates issued by this Commission or property necessary or useful in the performance of the duty of Allyn Transportation Company to the public as a public utility is requested and none is authorized herein.

After consideration, the Commission finds that control of Allyn Transportation Company by Landy Corporation would not be adverse to the public interest.

The Commission concludes that the acquisition of control of Allyn Transportation Company, as requested in the application, 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 Allyn Transportation Company.

O R D E R

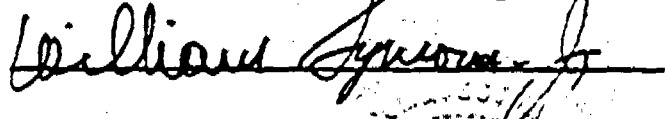
1. Landy Corporation, a California corporation, may control Allyn Transportation Company, a California corporation.

2. Within ninety days after the date hereof, Landy Corporation and Allyn Transportation Company shall file reports informing the Commission whether or not the stock acquisition has been completed.

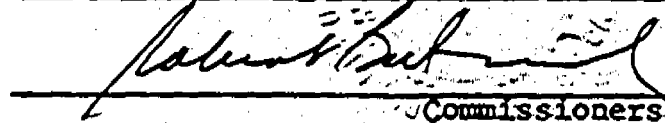
The effective date of this order is the date hereof.

Dated at San Francisco, California, this 25th day of November, 1975. X


President






Commissioners

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