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Decision No. 85222

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of UNITED DRAYAGE COMPANY, a)
corporation, to acquire all of) Application No. 56004
the stock of C. N. BATES DRAYAGE,) (Filed October 14, 1975)
INC., a corporation operating as)
a highway common carrier.)

O P I N I O N

United Drayage Company (United), a California corporation, seeks authority to control C. N. Bates Drayage, Inc. (Bates), a California corporation, by purchase of all its outstanding shares of common stock from Clarence N. Bates, its sole stockholder.

Bates holds a certificate of public convenience and necessity authorizing operations as a highway common carrier for transportation of general commodities, with the usual exclusions, between points and over various routes in the general San Francisco Bay area. The certificate was granted by Decision No. 82524, dated March 5, 1974, in Application No. 54437 and was registered with the Interstate Commerce Commission in Docket No. MC-121697 (Sub-No. 1). Bates also holds highway carrier permits issued by this Commission.

United holds highway carrier permits issued by this Commission and a certificate of public convenience and necessity from the Interstate Commerce Commission issued in Docket No. MC-96633 authorizing transportation of general commodities from points in Los Angeles County to the Los Angeles Harbor Commerical Zone. An application under Section 5 of the Interstate Commerce Act was filed with the Interstate Commerce Commission on August 22, 1975, Docket No. MC-F-12619, seeking its approval of the proposed sale and purchase of the stock.

Pursuant to the Stock Purchase Agreement executed by the parties on August 15, 1975, United will purchase the 1,311 issued and outstanding shares of common stock of Bates held by its sole stockholder, Clarence H. Bates. The purchase price for the stock is \$59,677 plus seller's cash assets, accounts receivable, insurance deposits, C.O.D. account deposit, prepaid items and notes receivable, the value of which will be determined by reference to Bates' balance sheet at time of closing. Subsequent to final administrative approval of this Commission and the Interstate Commerce Commission, the full purchase price will be paid less \$5,000 which will be held in a savings account for three years to provide for contingent liability expenses of Bates which are not reflected in its balance sheet. The balance sheet dated April 30, 1975 of Bates filed with the application (Exhibit 7) shows total assets of \$56,216.44, total liabilities of \$748.76, for a net worth of \$55,467.68.


After consideration, the Commission finds that control of C. N. Bates Drayage, Inc., a California corporation by United Drayage Company, a California corporation, would not be adverse to the public interest, and concludes that the application should be granted. A public hearing is not necessary. The action taken herein shall not be construed as a finding of value of the stock of C. N. Bates Drayage, Inc.

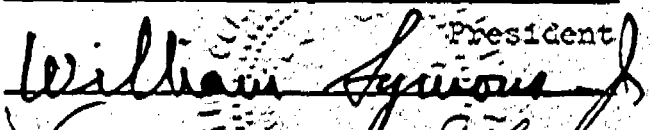

O R D E R


IT IS ORDERED that, upon approval of the proceeding in Docket No. IC-F-12619 by the Interstate Commerce Commission, United Drayage Company, a California corporation, may control C. N. Bates Drayage, Inc., a California corporation, and within ninety days thereof the former shall file a report 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 9th day of
December, 1975.



President





Commissioners

Commissioner Robert Batinovich, being
necessarily absent, did not participate
in the disposition of this proceeding.