

Decision No. 85932

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

EX PARTE Application of EDWARD)
 L. PROVOST and ALBERT L. GRIM to)
 acquire, and NEDA M. BARLOW and)
 ALBERT T. FANNON to transfer con-)
 trol of INDUSTRIAL FREIGHT)
 SYSTEM, INC.)

Application No. 56380
 (Filed April 5, 1976)

O P I N I O N

Edward L. Provost and Albert L. Grim, individuals, (purchasers) seek authority to acquire control of Industrial Freight System, Inc., from Neda M. Barlow and Albert T. Fannon, individuals, (sellers) through stock purchase.

Industrial Freight System, Inc., (Industrial) is a California corporation operating as a highway common carrier pursuant to certificates of public convenience and necessity granted by Decision 72623 dated June 30, 1967 in Application 48046 and Decision 77587 dated August 11, 1970 in Application 52001. In addition Industrial Freight Systems, Inc., operates under the jurisdiction of this Commission as a radial highway common carrier and highway contract carrier.

The purchasers each desire to acquire one half of all the outstanding capital stock of Industrial and have entered into an agreement with the sellers for the purchase of 2142 shares having a par value of \$5.00 per share. The agreement also provides for the acquisition by the purchasers of 12 1/2 shares of the common stock of Andaver, Inc., a non carrier corporation affiliated with Industrial by reason of common control and ownership. These shares carry a par value of \$100 per share. The agreement further includes provision for the acquisition of a

co extensive Certificate of Registration issued by the Interstate Commerce Commission in Docket Mc-120822 (Sub 1).

The total purchase price of four hundred thousand (\$400,000.00) dollars is payable as follows:

- (a) \$25,000.00 upon consummation of the sale.
- (b) \$25,000.00 at the end of the third month following consummation of said sale - without interest.
- (c) \$325,000.00 in 120 equal monthly installments with an interest rate of 5% per annum on the unpaid balance.

The agreement makes no breakdown of amounts applicable to each segment of the total acquisition.

After consideration the Commission finds that the proposed transaction 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 Industrial Freight Systems, Inc., nor as indicative of a conclusion by the Commission that the holding by one party of not more than 50% of the outstanding stock of a corporation constitutes control of said corporation. The Commission further concludes that the effective date of this order should be the date on which it is signed because there is no known opposition and no reason to delay granting the relief requested.



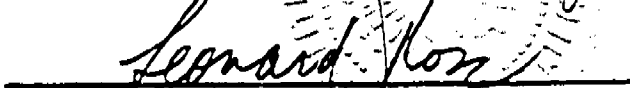

O R D E R

IT IS ORDERED that:

Edward L. Provost and Albert Grim, individuals, may control Industrial Freight System, Inc., a California corporation, and within thirty days after the consummation of the sale 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 8th day of
June, 1976.


President
William S. Simon

Vernon L. Lathrop

Leonard R. Ross

Commissioners