

Decision 84 06 131

JUN 20 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of J. H. Evans, Inc. for an order authorizing it to control Evans Telephone Company and Livingston Telephone Company.

Application 84-05-044
(Filed May 11, 1984)

O P I N I O N

This is an application in which J. H. Evans, Inc. (applicant) seeks authority to acquire control of Evans Telephone Company (Evans) and Livingston Telephone Company (Livingston).

Notice of the filing of the application appeared in the Commission's Daily Calendar on May 16, 1984. There are no protests.

The Commission makes the following findings and conclusion.

Findings of Fact

1. A public hearing is not necessary in this matter.
2. Applicant is a California corporation.
3. Applicant presently owns 50% of the outstanding common stock and 25% of the outstanding voting preferred stock of Evans, a public utility furnishing telephone service to portions of Stanislaus and Santa Clara Counties. Applicant currently owns directly 27% of the outstanding voting stock of Livingston, a public utility furnishing telephone service to portions of Merced County. Applicant's current ownership represents 49.6% of the voting power of Evans and 47%, directly and indirectly, of the voting power of Livingston. Applicant proposes to acquire additional amounts of the outstanding voting stock of Evans and Livingston.
4. Evans, the successor to an unincorporated family business, was incorporated on December 27, 1951, as a public utility telephone company. Members of the Evans family have owned the predecessor business and 100% of Evans' stock since its incorporation. These

family members have served in various capacities as directors, officers, and employees of Evans.

5. The stock of Evans is now owned by (1) Jane Evans Vilas, widow of John H. Evans; (2) Jane Evans Vilas, trustee under the last will and testament of John Henry Evans, deceased (Evans Trust); and (3) applicant. The shares of applicant are owned by Jane Evans Vilas and the Evans Trust. The proposed transaction involves exchange of one share of the capital stock of applicant for each share of the common stock of Evans and one share of the capital stock of applicant for each share of the preferred stock of Evans.

6. Livingston was incorporated on November 14, 1968, as a public utility telephone company. Evans and members of the Evans family have controlled Livingston since its incorporation, and members of the Evans family have served in various capacities as directors, officers, and employees of Livingston. The stock of Livingston is now owned by Evans, Jane Evans Vilas, the Evans Trust, and applicant. The proposed transaction involves exchange of one share of the capital stock of applicant for each share of the common stock of Livingston.

7. If the proposed exchange of applicant's stock for Evans stock and Livingston stock is authorized, the control and management of applicant will be exactly the same as it now is for Evans and Livingston. The persons from whom applicant proposes to acquire stock of Evans and Livingston also are the sole stockholders of applicant. Therefore the same persons who now control Evans and Livingston will control applicant. Applicant will function as a holding company for the stock of Evans and Livingston and will engage in unregulated business activities. No change in the operation or management of Evans or Livingston will occur by reason of this transaction. The bylaws, officers, and directors of applicant are identical to the respective bylaws, officers, and directors of Evans and Livingston. Applicant does not anticipate becoming a utility.

8. The proposed acquisition of control of Evans and Livingston by applicant is not adverse to the public interest.

9. It can be seen with certainty that there is no possibility that a granting of this application may have a significant effect on the environment.

10. Since the order involves coordination with a proceeding before the Federal Communications Commission and only affects the parties to it, it should be made effective on the date of issuance.

Conclusion of Law

The application should be granted.

O R D E R

IT IS ORDERED that:

1. J. H. Evans, Inc., a California corporation, is authorized to acquire control of Evans Telephone Company and Livingston Telephone Company in accordance with the terms set forth in the application. Applicant shall file written notice of the acquisition of control with the Communications Division within 15 days after the purchase of the shares has been made.

2. The authority granted in Ordering Paragraph 1 shall expire unless it is exercised before December 31, 1984.

This order is effective today.

Dated JUN 20 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.
President

VICTOR CALVO

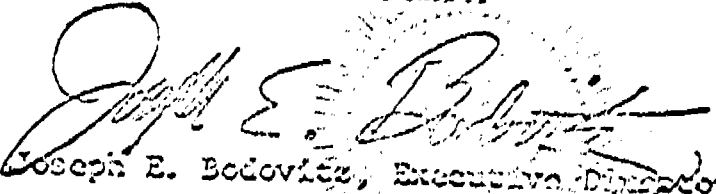
PRISCILLA C. GREW

DONALD VIAL

WILLIAM T. BAGLEY

Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Boedovitz, Executive Director