

Decision 82 12 027 DEC 1 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Graebel Movers, Inc., a)
Wisconsin Corporation, to Acquire)
Control Through the Acquisition of)
Stock of Erickson Van & Storage,)
Inc., Now Renamed Graebel/Erickson)
Movers, Inc., a California)
Corporation, Pursuant to Section)
854 of the Public Utilities Code.)

Application 82-08-50
(Filed August 23, 1982)

O P I N I O N

By this application Graebel Movers, Inc. (Graebel), a Wisconsin corporation, seeks authority to acquire control of Erickson Van & Storage, Inc. (Erickson), now Graebel/Erickson Movers, Inc., through the acquisition of stock as provided in Public Utilities (PU) Code § 854.

Graebel's principal place of business is in Wausau, Wisconsin. Prior to its affiliation with Erickson it conducted no business in California. Erickson is authorized to operate as a household goods carrier. Erickson also has highway contract carrier, agricultural carrier, and heavy specialized carrier authority under File T-65,770 in addition to a § 1063.5 common carrier certificate authorizing the transportation of general commodities.

On October 26, 1981, Graebel and Erickson executed a stock purchase agreement (Exhibit C attached to the application) whereby Graebel was to purchase the 49 outstanding shares of Erickson. The

agreement provides for the sale by Erickson's shareholders to Graebel for a purchase price of \$500,000. The purchase price was payable \$100,000 cash at closing with the balance secured by a promissory note payable to the shareholders in quarterly installments over a five-year period with interest at 12% per annum.

On consummation of the purchase agreement, Erickson amended its articles of incorporation adopting the name of Graebel/Erickson Movers, Inc. (Graebel/Erickson). At the time the agreement was executed Graebel was of the opinion that no approval of this Commission was necessary to effect the change in operating authority. After consultation with the Commission staff (staff), Graebel/Erickson filed Application (A.) 82-03-83 requesting authority to transfer Erickson's operating authority to Graebel/Erickson. Graebel/Erickson was then advised that a formal application was not required for a name change. Concurrent with the filing of this application on August 23, 1982, Graebel/Erickson requested that A.82-03-83 be dismissed. Decision (D.) 82-09-059 dated September 22, 1982 dismissed A.82-03-83.

The application states that Erickson did not maintain joint rates and through routes, that there has been no discontinuance of service, and that the change in control should have no effect on Graebel/Erickson's service. The application alleges that Graebel/Erickson maintains a fleet with a book value of approximately \$400,000 before depreciation. It states that until October 19, 1981, it had an agency agreement with Allied Van Lines but on that date became affiliated with Bekins Van Lines. For the year 1981, Graebel's gross income exceeded \$37 million with a net income of \$138,706.

Finally, the application states Graebel/Erickson is a competent financial successor with a wealth of experience and ability to continue providing quality service to the shipping public.

The financial statement attached to the application shows assets for Graebel/Erickson of \$823,500, liabilities of \$311,608, and a net worth of \$511,892.

The application appeared on the Commission's Daily Calendar of August 25, 1982. No protests have been received.

Findings of Fact

1. Graebel/Erickson is a California corporation operating as a household goods carrier, highway contract carrier, agricultural carrier, heavy specialized carrier, and a highway common carrier.

2. Graebel is a foreign corporation whose principal place of business is Wausau, Wisconsin.

3. The control and management of Graebel/Erickson by Graebel will have no effect on service to the shipping public.

4. The proposed control of Graebel/Erickson by Graebel is not adverse to the public interest.

5. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.

Conclusions of Law

1. The application should be granted.

2. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Graebel Movers, Inc. is authorized to acquire control of Graebel/Erickson Movers, Inc. in accordance with the terms of the stock purchase agreement as set forth in Exhibit C attached to the application.

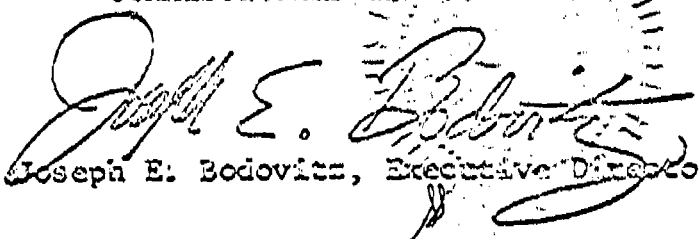
2. Written notice of the consummation of the control transaction authorized shall be filed with the Commission within 10 days after its completion.

This order becomes effective 30 days from today.

Dated DEC 1 1982, at San Francisco, California..

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. GREW
Commissioners

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


Joseph E. Bodovitz, Executive Director