

ORIGINAL

Decision No. 87098

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE CALIFORNIA

In the Matter of the Application)	
of Jack Y. M. Leong & Robert A.)	Application No. 56930
Davis for authority to control)	(Filed December 10, 1976)
CITY DRAYAGE CO., INC., a corpora-)	
tion.)	

O P I N I O N

Jack Y. M. Leong and Robert A. Davis, individuals, (purchasers) seek authority to control City Drayage Co., Inc., a California corporation.

City Drayage Co., Inc., operates as a highway common carrier pursuant to a certificate of public convenience and necessity granted by Decision 83547, dated October 8, 1974, in Application 54277. The certificate authorizes the transportation of general commodities with the usual exceptions over prescribed routes generally between Santa Rosa on the north, and Los Banos and Tulare on the south, including points within twenty-five statute miles of the routes described therein. The carrier also operates pursuant to highway carrier permits issued by this Commission.

The purchasers are employees of City Drayage Co., Inc., and presently hold no capital stock.

Daniel H. Souza presently holds 100% of the issued and outstanding stock of City Drayage Co., Inc., which consists of 1000 shares of no par value common stock.

Pursuant to the Purchase Agreement of September 3, 1976, Jack Y. M. Leong will purchase 510 shares and Robert A. Davis will purchase 200 shares of capital stock from Daniel H. Souza.

Daniel H. Souza is currently indebted to three persons in the total amount of approximately \$26,000, which amount has been contributed to City Drayage Co., Inc. Consideration to be

paid for the stock by the purchasers will be a promise to pay the amount owing by Daniel H. Souza in the proportion of five-sevenths of the purchase price by Jack Y. M. Leong and two-sevenths by Robert A. Davis. The agreement also provides that Daniel H. Souza may also execute and deliver 250 shares of the stock of City Drayage Co., Inc., to any of its employees who make a loan to the corporation.

A copy of the application has been sent to the California Trucking Association and notice of the filing of the application was made in the Commission's Daily Calendar of December 13, 1976. No protests to the application have been received.

After consideration, the Commission finds that control of City Drayage Co., Inc., a California corporation by Jack Y. M. Leong, an individual, as requested in the application, should be authorized. The stock purchased by Robert A. Davis and potentially by other persons will not individually constitute control of the corporation. Such transactions do not require the approval of this Commission pursuant to Section 854 of the Public Utilities Code.

The Commission further finds that the effective date of the order should be the date on which it is signed because there is no reason to delay granting the requested authority. A public hearing is not necessary. The action taken herein shall not be construed as a finding of value of the capital stock of City Drayage Co., Inc.

O R D E R

IT IS ORDERED that:

1. Jack Y. M. Leong may control City Drayage Co., Inc., a California corporation.
2. Within ninety days after the date hereof, Jack Y. M. Leong and City Drayage Co., Inc., shall file reports informing the Commission whether or not the control authorized has been completed.

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The effective date of this order is the date hereof.

Dated at San Francisco, California, this 15th day of
March, 1977.

Robert Bateman
President

William Lyons, Jr.

James L. Sturgeon

Hon

Richard D. Howell
Commissioners