

Decision No. 87763 AUG 23 1977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )	
of A.W. HAYS and G.P. TRUCKING )	
CO., for Transfer of Control of )	Application No. 57423
A.W. HAYS TRUCKING, INC., a )	(Filed June 30, 1977)
California Corporation )	

O P I N I O N

By this application, G.P. Trucking Co., a California corporation, seeks authority to control A.W. Hays Trucking, Inc., a California corporation by purchase of all of its issued and outstanding capital stock from A.W. Hays, an individual.

A.W. Hays Trucking, Inc. holds a certificate of public convenience and necessity as a petroleum irregular route carrier granted by Decision 70491, dated March 29, 1966, in Application 48232, which authorizes transportation of petroleum and petroleum products in tank trucks and tank trailers between all points and places in this State. It also holds highway carrier permits issued by this Commission as does G.P. Trucking Co.

Pursuant to the Stock Purchase Agreement of June 22, 1977 between the parties, A.W. Hays and Grace C. Hays, husband and wife, will sell all of the 300,000 issued and outstanding shares of \$1.00 par value, capital stock of A.W. Hays Trucking, Inc. to G.P. Trucking Co. for a total purchase price of \$2,829,000.

Buyer has paid \$50,000 of the purchase price and an additional \$279,000 will be paid upon the closing of the transaction. The balance of the purchase price will be paid pursuant to the terms of a promissory note with payments at \$372,575 each over a ten year period, including interest at eight percent per annum on the unpaid amount.

The promissory note will be secured by a first deed of trust on two parcels of real property which are presently the carrier's leased terminals at Stockton and Woodland, California, by a second deed of trust on a certain real property issued by the guaranty of the purchasers stockholder, John B. Anderson and by the assignment of life insurance in the amount of \$500,000 upon the life of John B. Anderson. None of the items which will be the basis of the security are the property of A.W. Hays Trucking, Inc.

The application indicates that A.W. Hays Trucking, Inc. is principally engaged in the transportation of agricultural commodities. The purchaser proposes to complement and expand its agricultural operations. Assertedly, the transfer of control as contemplated by this application will have no material effect upon the operations of A.W. Hays Trucking, Inc. after the authority requested is granted and the transaction consummated.

The applicants request a deviation from the Commission's Rules of Practice and Procedure which require wide dissemination of the application. 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 July 7, 1977. No protests to the application have been received.

After consideration, the Commission finds that control of A.W. Hays Trucking, Inc., G.P. Trucking Co., would not be adverse to the public interest.

The Commission concludes that the acquisition of the control of A.W. Hays Trucking, Inc., as requested in the application, should be authorized. A public hearing is not necessary. The action taken herein shall not be construed as a finding of value of the capital stock of A.W. Hays Trucking, Inc.

O R D E R

IT IS ORDERED that:

1. G.P. Trucking, Co., a California corporation, may control A.W. Hays Trucking, Inc., a California corporation.

2. Within ninety days after the date hereof, G.P. Trucking Co., and A.W. Hays Trucking, Inc., shall file reports informing the Commission whether or not the stock acquisition has been completed.

3. The applicants are granted a deviation from the Commission's Rules of Practice and Procedure to the extent requested in the application.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 23rd day of AUGUST, 1977.

Robert Bateman  
 resident  
William Sproull, Jr.  
Vernon L. Sturgeon  
Richard P. Hoyle

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Commissioners

Commissioner CLARE T. DEDRICK  
 present but not voting.