

Decision No. 87820 SEP 7 1977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of MB TRANSPORT SERVICES, INC.,)
an Oregon corporation, for the) Application No. 57374
authority to control MITCHELL) (Filed June 13, 1977)
BROS. TRUCK LINES, an Oregon)
corporation.)

O P I N I O N

MB Transport Services, Inc., an Oregon corporation, authorized to do business in this State, seeks authority to control Mitchell Bros. Truck Lines, an Oregon corporation, which holds operating authority issued by this Commission, including the following:

1. A certificate of public convenience and necessity authorizing operations as a highway common carrier for the transportation of certain lumber and forest products between designated points in northern California. The certificate was granted by Decision 56215, dated February 4, 1958 in Application 36518.
2. A certificate of public convenience and necessity authorizing operations as a cement carrier to and within the County of Del Norte. The certificate was granted by Resolution 13825, Sub 2, dated June 23, 1964.
3. Highway carrier permits including radial highway common carrier, highway contract carrier, dump truck carrier and livestock carrier.

Pursuant to the Stock Purchase and Redemption Agreement proposed to be executed by the applicants, MB Transport Services, Inc., will purchase 180 of the 200 issued and outstanding shares of no par value common stock of Mitchell Bros. Truck Lines from O. J. Mitchell and B. D. Mitchell, for \$2,567,000. The purchase also includes the assets of Best Way Transport, Inc., an Oregon

corporation, which does not hold operating authority issued by this Commission, for an additional \$60,000.

The remaining 20 shares of stock will be redeemed by the corporation from the sellers in exchange for certain assets of the corporation which include life insurance policies, accounts receivable and highway vehicles, all of which have an estimated total value of \$284,200. In addition, sellers will receive the net proceeds, if any, which the corporation may realize from a claim filed against a legal firm.

Payment of the total purchase price for the 180 shares of stock will be made contemporaneously with the execution of the sales agreement. Thereafter, as shown by the pro forma balance sheet, the net worth of Mitchell Bros. Truck Lines is expected to total \$1,086,111.

Applicants request a deviation from the provisions of the Commission's Rules of Practice and Procedure which require wide distribution of the application. A copy of the application has been served on the California Trucking Association and notice of the filing of the application was made in the Commission's Daily Calendar of June 15, 1977. No protests to the application have been received.

After consideration, the Commission finds that control of Mitchell Bros. Truck Lines by MB Transport Services, Inc., would not be adverse to the public interest.

The Commission concludes that the acquisition of control of Mitchell Bros. Truck Lines, 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 Mitchell Bros. Truck Lines.

O R D E R

IT IS ORDERED that:

1. MB Transport Services, Inc., an Oregon corporation, may control Mitchell Bros. Truck Lines, an Oregon corporation.
2. Within ninety days after the date hereof, MB Transport Services, Inc. and Mitchell Bros. Truck Lines shall file reports informing the Commission whether or not the control authorized has been completed.
3. 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 7th
day of SEPTEMBER, 1977.

Robert Bateman
President
William Agnew Jr.

Richard D. Gwalle
Clare J. Delrich
Commissioners

Commissioner Vernon L. Sturgeon, being
necessitated, did not participate
in the disposition of this proceeding.