

Decision No. 88798 MAY 2 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of WILLIAM L. HAMIC to)
acquire control of PEARSON TRUCK- )
ING & RIGGING, INC., pursuant to )
the terms and conditions of Sec- )
tions 854 and 3551 of the Public )
Utilities Code of the State of )
California. )

Application No. 57942
(Filed March 20, 1978)

O P I N I O N

By this application, William L. Hamic, an individual, seeks authority under Sections 854 and 3551 of the Public Utilities Code to control Pearson Trucking & Rigging, Inc., a California corporation.

The corporation currently operates under the following authorities granted by this Commission:

1. Certificate of public convenience and necessity transferred to the corporation by Decision 77963, dated November 24, 1970, as amended by Decision 79053, dated August 24, 1971, both in Application 52177. The certificate authorizes highway common carrier operations for the transportation of general commodities in a defined area located in the general Los Angeles area.

2. Radial highway common carrier and highway contract carrier permits.

Prior to December 30, 1977, the issued and outstanding capital stock of the carrier was owned 83-3/4 shares by Joseph G. Fitzhenry and Madelyn Fitzhenry, husband and wife, and by William L. Hamic, 16-1/4 shares.

On December 30, 1977, the Fitzhenrys sold and transferred all of their issued and outstanding capital stock, 83-3/4 shares, to employees of the corporation as the consequence of which, through reorganization, William L. Hamic acquired 51 shares and Carl R. Euting, Bethel S. Shelton, Carl Zelambo and Allen Caro, collectively, acquired

49 shares. Thus, the 51 shares acquired by William L. Hamic and the 49 shares acquired by the last four identified individuals account for all of the issued and outstanding shares of capital stock of the carrier as of the conclusion of the stock sale transaction on December 30, 1977.

William L. Hamic submits that he failed to recognize that by acquiring 51 shares of capital stock on December 30, 1977, he acquired control of the corporation, which control contemplates first receiving approval of the Commission under Sections 854 and 3551 of the Public Utilities Code.

Pursuant to the Agreement of Sale of December 30, 1977 which governs the transaction entered into by the parties, the aforesaid five individuals (Hamic, Euting, Shelton, Zelambo and Caro) agreed to pay the seller of the stock the principal sum of One Hundred Eighty-Five Thousand Dollars (\$185,000), as follows:

- A. Fifty Thousand Dollars (\$50,000), which was paid to the sellers on December 30, 1977;
- B. Seventy-Five Thousand Dollars (\$75,000), after January 1, 1978, but on or before July 1, 1978; and
- C. Sixty Thousand Dollars (\$60,000) in sixty (60) equal monthly payments, commencing February 10, 1979, and concluding with a final installment payment being due and payable on or before January 10, 1984. The transaction is evidenced by a promissory note and installment note issued by the purchasers in favor of the sellers.

A copy of the application was mailed to the California Trucking Association on April 4, 1978 and notice of the filing of the application was made in the Commission's Daily Calendar of March 22, 1978. No protests to the application have been received.

After consideration, the Commission finds that control of Pearson Trucking & Rigging, Inc., by William L. Hamic would not be adverse to the public interest.

The Commission concludes that the acquisition of control of Pearson Trucking & Rigging, 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 Pearson Trucking & Rigging, Inc.

O R D E R

IT IS ORDERED that:

1. William L. Hamic may control Pearson Trucking & Rigging, Inc., a California corporation.
2. Within ninety days after the date hereof, William L. Hamic and Pearson Trucking & Rigging, Inc. shall file reports informing the Commission whether or not the change in control authorized herein has been completed.
3. The applicants are granted a deviation from the Commission's Rules of Practice and Procedure which require wide dissemination of the application.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 2nd  
day of MAY, 1978.

Robert Bateman

President

William Symon, Jr.

Vernon L. Sturgeon

Clayton W. Swable

Clara J. Delrich

Commissioners