

ORIGINAL

Decision No. 92523 APR 21 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of MOBILE COMMUNICATIONS)
CORPORATION OF AMERICA, a Delaware)
corporation, to Acquire Control of)
Intrastate Radio Telephone, Inc.,)
of Los Angeles, a California corpo-)
ration, Pursuant to Public Utilities)
Code Section 854.)

Application No. 60217
(Filed January 26, 1981)

O P I N I O N

Pursuant to the provisions of Section 854 of the Public Utilities Code, Mobile Communications Corporation of America (Mobile), a Delaware corporation, requests authority to acquire stock control of Intrastate Radio Telephone, Inc., of Los Angeles (Intrastate), a California corporation, presently providing 2-way mobile radio and 1-way paging service to approximately 6,000 subscribers located in Los Angeles, Orange, Riverside, and Ventura counties pursuant to Decision No. 72543, dated June 6, 1967, in Application No. 49269.

Mobile has its principal place of business in Jackson, Mississippi and is engaged in the communications business as a radio common carrier licensed by the Federal Communications Commission. Mobile's radio common carrier operations consist of: (a) tone-only and tone-plus-voice radio paging; (b) automobile or mobile telephone (2-way radio) service; and (c) portable 2-way radio service. In addition, Mobile provides telephone answering service, community repeater service, operates an air-to-ground radio communications service in the vicinity of Jackson, Mississippi, and four radio communications service and repair centers. As of December 31, 1979 Mobile indicated a net worth in the amount of \$4,100,877, and as of August 31, 1980, Intrastate indicated a net worth of \$389,663 as well as a net profit of \$271,700 for the period ending as of that date.

According to the terms of the stock purchase agreement dated December 11, 1980 and attached to the application as Exhibit D, Mobile agrees to give to the present five shareholders of Intrastate in accordance with their respective interests the following:

- (a) The sum of \$750,000 to be paid by certified check at the time of closing.
- (b) A total of 50,000 shares of the authorized and unissued common stock of Mobile at an agreed value of \$5 per share, to be issued at the time of closing.
- (c) Promissory notes of Mobile in the amount of \$3,000,000, at the rate of 10 percent per annum.

In further consideration of the sale Mobile also agrees to arrange for the extension of a \$200,000 two-year line of credit for the benefit of the present stockholders in accordance with their pro rata stock interest. The agreement is subject to prior approval of this Commission and the Federal Communications Commission. ✓

Findings of Fact

1. The proposed stock acquisition and control of Intrastate by Mobile would not be adverse to the public interest.
2. Notice of the filing of the application was published in the Commission's Daily Calendar on January 27, 1980. No protest has been received. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted.
2. Because the authority granted by the Federal Communications Commission will expire April 30, 1981 and because the parties desire to consummate this transfer before that date, the following order will be made effective on the date of signature.

O R D E R

IT IS ORDERED that:

1. After the effective date hereof, Mobile Communications Corporation of America may acquire control of Intrastate Radio Telephone, Inc., of Los Angeles in accordance with the terms of the stock purchase agreement as set forth in Exhibit D attached to the application.

2. Within ten days after the acquisition herein authorized has been completed applicants shall so inform the Commission in writing.

The effective date of this order is the date hereof. ✓
Dated APR 21 1981, at San Francisco, California.

John E. Guyon
President
Richard H. Loyell
Samuel J. ...
Arthur ...
James ...
Commissioners