

There are now issued and outstanding 1,750 shares of common capital stock of Willig. THI and Willig shareholders owning 1,585 of such shares have entered into an option and stock purchase agreement dated March 5, 1981, a copy of which is attached to the application. Arrangements for the purchase of the remaining 165 shares are not yet final. The written agreement provides that THI will pay a base purchase price of \$14,545,000 for all of the issued and outstanding shares of Willig.^{1/} The purchase price increases at the rate of 10% per annum from January 20, 1981 to closing. At closing the purchase price will either be paid in cash or in installments pursuant to promissory notes issued by THI and guaranteed by Transport Development Group, Limited (TDG), a United Kingdom corporation and THI's ultimate parent corporation.^{2/}

THI's financial ability to consummate the purchase and finance the operations of Willig after the transfer is demonstrated by TDG's 1979 annual report. The report shows that TDG is the parent of some 150 subsidiary companies located in the United Kingdom, in Eire, on the mainland of Europe, and in Australia. They engage in road transport, warehousing, distribution, cold storage, export packing, industrial removals, plant hire, exhibitions, and the manufacture of steel reinforcement. In 1979 TDG's consolidated gross revenues were 248,246,000 British pounds and after tax profits were 14,750,000 British pounds. Reports for the first half of 1980 show similar profitability.

^{1/} We infer that the holders of the remaining 165 shares have not agreed to the price. THI intends to purchase all of the issued and outstanding stock and to make Willig a wholly owned subsidiary. However, whether it agrees with the holder of the 165 shares or not is immaterial to the disposition of this application, for THI will "control" Willig in either case. (\$ 854.)

^{2/} THI is a wholly owned subsidiary of T.D. Finance B.V., a Netherlands corporation, which in turn is a wholly owned subsidiary of TDG.

Willig had a net worth as of December 31, 1980 of \$17,591,176.18 and gross and net operating revenues of \$25,575,587.01 and \$877,014.41 (after tax) respectively.

THI intends to continue operations and retain existing management of Willig after consummation of the proposed transfer.

THI alleges that no one other than the parties to the agreement and the remaining shareholders will have an interest in the application since the transfer of control will in no way affect the competitive position or operations of Willig. ✓

Notice of the filing of the application appeared in the Daily Calendar and a copy of the application was sent by mail to California Trucking Association. No protests have been received.

THI requests that the application be disposed of on an ex parte basis and that the order be made effective the date of signing.

Jurisdiction

Although some transfers of control involving ICC certificated carriers are within the exclusive jurisdiction of the ICC (49 USC § 11341), where, as here, the acquiring corporation is not a carrier and does not control other carriers, then preemption by the Federal Government is not an issue. (49 USC § 11343(a).)^{3/}

3/ P.L. 95-473; 92 Stat. 1434-1435.

Findings of Fact

1. The transfer of control is in the public interest.
2. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.
3. No protests have been filed. A public hearing is not necessary.
4. Due to the price escalation provision of the stock purchase agreement, the following order should be effective immediately.

Conclusion of Law

The application should be granted.

O R D E R

IT IS ORDERED that the application of Transport Holdings, Inc. to control Willig Freight Lines through stock purchases is granted.

This order is effective today.

Dated JUN 2 1981, at San Francisco, California.

John E. Bry

 President
Richard D. Krasby

Terrence H. Jones

Walter C. ...

Commissioners

Commissioner Priscilla C. Crow, being necessarily absent, did not participate in the disposition of this proceeding.