

HS

Decision No. 12183.

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)
PICKWICK STAGES, NORTHERN DIVISION,)
a corporation, for an order authori-)
zing the issue of capital stock in)
the sum of \$80,000.00 par value.)

Application No. 9023.

Warren E. Libby, for Applicant.

BRUNDIGE, Commissioner.

O P I N I O N.

In this application, PICKWICK STAGES, NORTHERN DIVISION, a corporation, asks permission to issue and sell at par, for cash, \$80,000.00 of its common capital stock for the purpose of financing, in part, the cost of additional equipment.

Pickwick Stages, Northern Division, was organized during August, 1917, with an authorized capital stock of \$200,000.00 divided into \$50,000.00 of preferred and \$150,000.00 of common. As of December 31, 1922, it reports outstanding \$70,000.00 of common stock, \$20,000.00 of eight per cent. serial equipment trust certificates due on or before June 1, 1925, \$25,000.00 of seven per cent. short term notes and \$50,137.88 of accounts payable. It reports its revenues and expenses for the years ending December 31st as follows:

<u>Revenues</u>	<u>1921</u>	<u>1922</u>
Passenger	\$332,557.33	\$574,444.56
Express	499.92	3,840.58
Mail	425.36	663.04
Other	5,365.38	6,114.54
Total	<u>\$338,847.99</u>	<u>\$585,062.72</u>
<u>Expenses</u>	<u>326,555.31</u>	<u>518,075.71</u>
Net Revenue	12,292.68	66,987.01
 <u>Deductions:</u>		
Interest	4,848.51	6,002.99
Federal Taxes	202.59	1,831.26
Miscellaneous	81.17	959.70
Total	<u>5,132.27</u>	<u>8,793.95</u>
Net Profit	<u>7,160.41</u>	<u>58,193.06</u>
Surplus beginning of Year	8,317.88	15,478.29
Surplus at End of Year	<u><u>\$15,478.29</u></u>	<u><u>\$73,671.35</u></u>

It appears that applicant at the close of 1922 operated thirteen 18-passenger cars, nine 11-passenger cars, ten 14-passenger cars and twelve 8-passenger cars. It now reports that its business has increased so rapidly that it must expend, within the next year, approximately \$200,000.00 for additional automobiles to meet the demand for service. The testimony shows that the company plans to place about fifteen new cars in operation over its route from San Francisco to Los Angeles and about ten new cars upon its other routes. The new equipment to be purchased, in part with proceeds from the sale of stock now applied for, will be of the standard type now used and will consist, so testimony herein shows, of eighteen-passenger touring cars and thirty-passenger cars for local business.

I herewith submit the following form of Order.

O R D E R.

PICKWICK STAGES, NORTHERN DIVISION, a corporation, having applied to the Railroad Commission for permission to issue and sell stock, a public hearing having been held, and the Railroad

Commission being of the opinion that the application should be granted as provided herein;

IT IS HEREBY ORDERED, that PICKWICK STAGES, NORTHERN DIVISION, a corporation, be, and it is hereby, authorized to issue and sell, for cash, at not less than par, \$80,000.00 of its common capital stock and to use the proceeds to pay such part of the cost of additional automobiles and equipment as is properly chargeable to plant and equipment accounts under the Uniform Classification of Accounts prescribed by the Railroad Commission for Automotive Transportation Companies.

The authority herein granted is subject to further conditions as follows:

- (1) - Applicant shall keep such record of the issue, sale and delivery of the stock herein authorized and of the disposition of the proceeds as will enable it to file, on or before the 25th day of each month, a verified report as required by the Railroad Commission's General Order No.24, which order, in so far as applicable, is made a part of this order.
- (2) - The authority herein granted will become effective upon the date hereof and will expire on December 15, 1923.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 14 day of

June
May, 1923.

C. S. Seaver
H. K. Brundage
Dwight Master

Commissioners.