

Decision No. 13301

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of )  
 HODGE TRANSPORTATION SYSTEM, a cor- )  
 poration, for authority to issue )  
 preferred stock )

Application Number 8406

BY THE COMMISSION :

ORIGINAL

FIRST SUPPLEMENTAL ORDER

The Railroad Commission by Decision Number 11507, dated January 16, 1923, authorized Hodge Transportation System to issue \$250,000.00 of its 7 per cent preferred stock of which \$100,000.00 might be sold at not less than 85 per cent of par value for the purpose of paying outstanding indebtedness, and \$150,000.00 might be sold only at such price and for such purposes as the Commission might indicate in supplemental orders.

Applicant now asks permission to issue and sell at par \$50,000.00 of the \$250,000.00 of stock for the purpose of financing the cost of additional equipment. It reports that it has entered into an agreement with J. D. Spennetta, who operates a local trucking business in the Town of Orange, to acquire his business and property consisting of 12 Mack trucks and 10 trailers for \$25,000.00 of which \$20,000.00 will be paid through the issue of \$20,000.00 of preferred stock. It further reports that it has arranged to purchase 36 semi-trailers for \$2,000.00 each or a total cost of \$72,000.00. Of this amount it is planned to pay \$18,000.00 in stock and the balance in twelve equal monthly payments. The company further reports that the use of semi-trailers will necessitate changing the present trucks by materially shortening the wheel base and putting in a lower gear ratio, which will make necessary an expenditure of approximately \$6,000.00.



It appears that the company will need \$44,000.00 to acquire the properties and to do the work referred to herein. The order herewith <sup>will</sup> authorize the company to issue and sell at this time \$44,000.00 of preferred stock, therefore

IT IS HEREBY ORDERED that the order in Decision Number 11507, dated January 16, 1923 be, and it is hereby, modified so as to permit Hodge Transportation System to issue and sell at not less than par \$44,000.00 of the \$150,000.00 of preferred stock authorized by that decision and to use the proceeds for the purposes indicated in this order.

IT IS HEREBY FURTHER ORDERED that the Order in Decision Number 11507, dated January 16, 1923, shall remain in full force and effect except as modified by this First Supplemental Order.

DATED at San Francisco, California, this 22<sup>nd</sup> day of March, 1924.

C. Searcy

James Martin

J. H. Whitting  
Commissioners. ✓