

LSM

Decision No. 20149.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the)
MARR FREIGHT TRANSIT, INC.,)
for an order authorizing the issue of)
stock.)

ORIGINAL

Application No. 14844

T. E. Marr, for applicant.

BY THE COMMISSION:

O P I N I O N

In this application, as amended at the hearing had on August 17th, the Marr Freight Transit, Inc. asks permission to issue \$19,200.00 par value of its common capital stock.

Applicant is engaged in the business of freight transportation by motor truck between the Los Angeles Harbor District and the City of Los Angeles and within the City of Los Angeles. The Commission by Decision No. 17871 dated January 12, 1927, authorized one F. F. Balzer to transfer his operative right and auto truck equipment to the Marr Freight Transit, Inc. It appears that subsequent to the date of that decision and after the properties had actually been transferred, applicant obtained a permit from the Commissioner of Corporations to issue \$14,200.00 of its common capital stock. This stock was actually issued at a time when, according to the record, applicant was engaged in the transportation of property, coming under the jurisdiction of the Railroad Commission. Applicant's officers, upon having their attention called to the provisions of the Auto Stage and Truck Transportation Act, amended the application

so as to ask permission to issue \$14,200.00 of stock heretofore issued without the consent of this Commission. It appears that the \$14,200.00 of stock was issued to acquire the properties formerly owned and operated by T. E. Marr and his associates. The assets acquired included ✓ \$6,179.54 of cash, accounts receivable, trucks, the equity represented by payments on truck equipment, office furniture and fixtures. As of June 1, 1928 applicant reports assets and liabilities as follows;-

ASSETS:

Trucks	\$23,806.05	
Office equipment	700.16	
Lease improvements	169.13	
	<u>24,675.34</u>	
Less reserve for depreciation	4,692.98	
Net		\$19,982.36
Franchise		1.00
Cash		5,824.67
Freight receivables		1,388.47
Advances receivable		4,255.41
Deferred charges		2,343.04
		<hr/>
Total		<u>\$33,794.95</u>

LIABILITIES:

Capital stock	\$14,200.00
Notes payable	5,787.00
Accounts payable	1,000.00
Accrued liabilities not due	2,334.52
Surplus	10,473.43
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Total	<u>\$33,794.95</u>

The company also asked permission to issue \$5,000.00 of its stock and use the proceeds to pay indebtedness, to make payments on the purchase of additional truck equipment and increase its working capital. All of the \$5,000.00 of additional stock will be acquired by applicant's stockholders. The testimony clearly shows that the issue of the \$5,000.00 is necessary to enable applicant to conduct its transportation business.

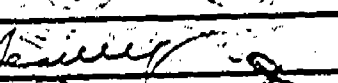
O R D E R

Marr Freight Transit, Inc. having asked permission to issue \$19,200.00 par value of its common capital stock, a public hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required by applicant and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows;-

1. Marr Freight Transit, Inc. may issue \$14,200.00 par value of common capital stock in payment for the properties acquired from T. E. Marr and his associates and referred to in this proceeding.
2. Marr Freight Transit, Inc. may issue and sell for cash at not less than par on or before December 31, 1928, \$5,000.00 par value of its common capital stock and use the proceeds to pay indebtedness, to pay a part of the cost of additional truck equipment and provide itself with working capital.
3. Marr Freight Transit, Inc. 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 insofar as applicable, is made a part of this order.
4. The authority herein granted will become effective upon the date hereof.

DATED at San Francisco, California, this 24th day of August, 1928.



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Commissioners