

Decision No. 22394 .

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
PICKWICK GREYHOUND OF CALIFORNIA, LTD.,	)	
for an order authorizing the issue	)	Application No. 16902
of fourteen hundred and thirty-nine	)	
(1439) shares of its capital stock.	)	

Libby and Sherwin, for applicant.

BY THE COMMISSION:

**ORIGINAL**

O P I N I O N

Pickwick Greyhound of California, Ltd., in this proceeding asks permission to issue 1439 shares of its capital stock in payment for properties which it intends to acquire from the Pioneer Southwestern Stages, Inc. and from the Pickwick Stage Lines, Inc., to which properties reference will hereafter be made.

Applicant is a corporation organized under and by virtue of the laws of the State of California. It has an authorized stock issue of 2,000 shares, all of no par value and of equal rights. Under the authority granted by the Commission in Decision No. 22053, dated January 29, 1930, it issued five shares of its capital stock, which is the only stock applicant has outstanding. It is a subsidiary of Pickwick Greyhound, Inc. a Delaware corporation.

By the aforementioned decision, the Commission authorized the Pickwick Stages System to transfer to Pickwick Greyhound of California, Ltd. the operative right which it acquired under the authority granted by Decision No. 20676, dated January 17, 1929, in Application No. 14682.

It appears from the record that heretofore Pioneer Southwestern Stages, Inc., and the Pickwick Stage Lines, Inc. have been engaged in interstate stage operations. It is now the plan of these two companies to sell their properties described in the application to applicant Pickwick Greyhound of California, Ltd. Upon the consummation of this transaction, Pioneer Southwestern Stages, Inc. and Pickwick Stage Lines, Inc. will cease their operations in California. All of the operations now conducted by them, as well as those conducted by applicant, will be continued by applicant.

The properties and the cost of such properties which the Pioneer Southwestern Stages, Inc. intends to sell to applicant are described as follows:-

<u>FIXED ASSETS:</u>		Cost	: Reserve for	Book
Description			depreciation:	value
Shop & Garage Mchy & Tools, Los A.	\$10,633.73	:\$ 693.48	:\$	9,940.25
" " " "Needles	474.30	:	39.40	434.90
Office furn.& fixtures, Los A.	871.23	:	71.98	799.25
Shop " " " "	1,275.79	:	70.54	1,205.25
Station " " " "	279.25	:	3.58	275.67
" " " Needles	243.74	:	2.25	241.49
Traffic cars and equipment	1,720.50	:	159.28	1,561.22
	<u>\$15,498.54</u>	:\$	<u>1,040.51</u>	:\$ <u>14,458.03</u>
<u>INVENTORIES:</u>				
Service parts-Los Angeles	\$42,367.73	:		
" " -Needles	2,309.05	:	44,676.78	
Gasoline -Los Angeles			74.84	
Grease -Needles			43.08	
Work in Progress Los Angeles		:	2,683.38	
Small tools " " Dec 31)	3,992.71	:		
" " Needles 1929 )	245.18	:	4,237.89	51,715.97
<u>PREPAID EXPENSES:</u>				
4-1/4% Calif.Gross Receipts Tax				2,739.19
<u>DEFERRED CHARGES:</u>				
Improvements to leasehold property:				
Station- Needles . . . . .		:	137.32	
Garage - " . . . . .		:	132.12	
" - Los Angeles . . . . .		:	1,714.69	1,984.13
				<u>\$70,897.32</u>

The properties which Pickwick Stage Lines, Inc. intends to sell to applicant consists of interest in an automobile, which interest is said to represent an investment of \$1,069.07, which, added to \$70,897.32, makes a total of \$71,966.39.

Applicant asks permission that it be permitted to issue its no par value stock on a basis of \$50.00 per share. On this basis it would issue One Thousand Four Hundred and Thirty-nine (1,439) shares of stock in payment of the aforementioned properties.

In this application, as originally filed, applicant asked permission to issue One Thousand Nine Hundred and Four (1,904) shares of its capital stock. At the hearing, evidence was submitted showing that certain properties which it was intended would be acquired by applicant, will not be transferred to applicant; therefore, the amount of stock which applicant asks permission to issue was reduced to One Thousand Four Hundred and Thirty-nine (1,439) shares.

#### ORDER

Pickwick Greyhound of California, Ltd., having asked permission to issue One Thousand Four Hundred and Thirty-nine (1,439) shares of its capital stock, a public hearing having been held before Examiner Fankhauser, the Commission having considered the evidence submitted at such hearing, and being of the opinion that the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required by applicant, for the purposes herein stated, and that such purposes are not in whole or in part reasonably chargeable to operating expenses or to income, and that this application should be granted,

as herein provided, therefore,

IT IS HEREBY ORDERED that Pickwick Greyhound of California, Ltd. be, and it is hereby, authorized to issue and sell on or before December 31, 1930, at not less than \$50.00 per share, One Thousand Four Hundred and Thirty-nine(1,439) shares of its no par value capital stock, and use the proceeds obtained from the sale of such stock, to pay for the properties referred to in the foregoing opinion, or deliver said stock in payment for said properties.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective upon the date hereof, and that Pickwick Greyhound of California, Ltd. shall file with the Railroad Commission a report such as is required by the Commission's General Order No. 24, which order, insofar as applicable, is made a part of this order.

DATED at San Francisco, California, this 24<sup>th</sup> day of October, 1930.

C. L. Seaver

Leon A. Whittell

Wm. D. Lunt

Commissioners.