

Decision No. 2244A.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
TAYLOR TRUCK-A-WAY, LTD.,)	
for an order authorizing the issue)	Application No. 16991
of stock.)	

Rex W. Boston, for applicant.

BY THE COMMISSION:

O P I N I O N

In this proceeding Taylor Truck-A-Way, Ltd. asks permission to issue \$9,100.00 par value of its common capital stock for the purpose of paying indebtedness payable to Fred R. Taylor and Gaynell Reid Taylor.

Applicant is engaged in the transportation of automobiles by means of special automotive equipment as a common carrier between Long Beach and Los Angeles on the one hand and various points throughout Southern California on the other hand, under a certificate of public convenience and necessity granted by the Railroad Commission by Decision No. 22927, dated October 2, 1930, in Application No. 16709.

Applicant has an authorized stock issue of \$150,000. divided into 1500 shares of the par value of \$100.00 each. It appears of record that prior to Decision No. 22927 applicant issued 549 shares of its capital stock (\$54,900.00 par value) under permission obtained from the Commissioner of Corporations. It seems that at the time this permission was secured, and at the

time the \$54,900.00 of stock was issued, applicant was not engaged in a transportation business under the jurisdiction of the Railroad Commission.

It appears further from the record that prior to the aforesaid Decision No. 22927 Fred R. Taylor and Gaynell Reid Taylor advanced to applicant \$9,100.00 to enable it to acquire additional equipment. It is for the purpose of paying these advances that applicant asks authority to issue the \$9,100.00 of stock.

Nearly all of applicant's equipment is new. The cost of its equipment less accrued depreciation is reported at \$61,644.97. In addition, it reports current assets of \$14,515.74, deferred assets of \$5,227.79 and intangible property of \$1,866.70, making a total of \$83,315.20. Its liabilities, including the \$9,100.00 heretofore mentioned, are reported at \$55,988.64. During the current year it has been necessary for applicant to dispose of all of the equipment against which its stock was originally issued and acquire new equipment. This transaction, together with the losses incurred in operation resulted in a deficit of \$27,573.44 as of October 31, 1930. Of this deficit \$23,347.66 represents losses resulting from the sale of old equipment. Deducting the accumulated deficit from the outstanding stock of \$54,900.00 leaves a net worth in applicant's stock of \$27,327.56, which, added to its current liabilities, makes a total of \$83,315.20. It was stated by applicant's representatives that they were considering taking the necessary steps to reduce its outstanding stock because of the losses which it sustained through the disposition of its obsolete equipment. This is a matter over which the Commission has no jurisdiction. In this connection it might be stated that all of

applicant's outstanding stock except one share is owned by Fred R. Taylor and Gaynell Reid Taylor.

ORDER

Taylor Truck-A-Way, Ltd. having asked permission to issue \$9,100.00 of stock, a public hearing having been held before Examiner Fankhauser, and the 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 for the purpose herein stated, and that such purpose is 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 the Taylor Truck-A-Way, Ltd., may, on or before December 31, 1930, issue at not less than par, \$ 4,600.00 par value of stock to Fred R. Taylor and \$4,500.00 of stock to Gaynell Reid Taylor, to pay indebtedness which it owes to said Fred R. Taylor and Gaynell Reid Taylor.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective upon the date hereof and that 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 insofar as applicable, is made a part of this order.

DATED at San Francisco, California, this 8th day of December 1930.

Cl. Sweeney
Leon Whiteley
Wm. S. Smith
Wm. J. Lane
Commissioners