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Decision No. 7502.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

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In the Matter of the Application of)
D.L. LARKIN, THOMAS POYZER and DONALD)
ROBERTSON, co-partners, doing business)
under the firm name of LARKIN TRANSPOR-)
TATION COMPANY, for permission to sell)
their business and assets to LARKIN)
TRANSPORTATION COMPANY, a corporation,)
and in the Matter of the Application of)
LARKIN TRANSPORTATION COMPANY, a corpo-)
ration, to purchase said business and)
assets and issue and sell capital stock.)

Application Number 5480.

Chauffee E. Hall, for applicants.

DEVLIN, Commissioner.

O P I N I O N.

In this application, D.L. LARKIN, THOMAS POYZER and DONALD ROBERTSON, co-partners, doing business under the firm name of LARKIN TRANSPORTATION COMPANY, ask permission to transfer the steamers "Neponset" and "Surf" and other properties owned by the co-partners and their business to LARKIN TRANSPORTATION COMPANY, a corporation. LARKIN TRANSPORTATION COMPANY, a corporation, joins in the application and asks permission to issue \$60,000.00 (600 shares) of its common capital stock for the purposes mentioned herein.

The testimony shows that D.L. Larkin, Thomas Poyzer and Donald Robertson are and have been since July 1, 1919, co-partners engaged in the business of owning, controlling, operating and managing vessels regularly engaged in the transportation of property for compensation upon the Sacramento River. To carry on this business, they acquired two steamers, -the "Neponset" and the "Surf". The former is

at present being used to haul produce from Sacramento River points to railroad terminals, while the latter boat is used for river and bay business. The net value of the assets of the co-partnership, exclusive of goodwill and going-concern value as of January 1, 1920, is reported at \$35,972.53. All of the properties of the co-partnership will be transferred to the Larkin Transportation Company, a corporation, in consideration of the assumption by the Larkin Transportation Company of all liabilities of the co-partnership, and the further consideration of the issuance and delivery to the co-partners of \$39,000. of common capital stock of Larkin Transportation Company.

Larkin Transportation Company also asks permission to issue and sell, for cash, at par \$21,000. of its common stock and use the proceeds for such purposes as the Railroad Commission may from time to time authorize by a supplemental order or orders in this proceeding. The record shows that the transfer of these properties to and their acquisition by a corporation will not result in any change in the management of the business and that the stock will be distributed amongst the co-partners in proportion to their interests in the co-partnership. The co-partners believe that the acquisition of the properties by the corporation will facilitate the securing of additional funds necessary to properly handle the business.

I herewith submit the following form of Order:

O R D E R.

Application having been made to the Railroad Commission by D.L. Larkin, Thomas Poyzer and Donald Robertson, doing business under the firm name of Larkin Transportation Company, for permission to transfer properties to Larkin Transportation Company, a corporation, and Larkin Transportation Company, a corporation, having joined in the application and having asked permission to issue \$60,000.00 of its common capital stock, a public hearing having been held 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 for the purpose or purposes specified in this order, and that the expenditures for such purpose or purposes are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED that D.L. LARKIN, THOMAS POYZER and DONALD ROBERTSON, co-partners, doing business under the firm name of LARKIN TRANSPORTATION COMPANY, be, and they are hereby authorized to sell for the consideration hereinafter mentioned to LARKIN TRANSPORTATION COMPANY, a corporation, the steamers "Neponset" and "Surf" and other properties and business referred to in the petition herein.

IT IS HEREBY FURTHER ORDERED, that LARKIN TRANSPORTATION COMPANY, a corporation, be, and it is hereby authorized to issue \$60,000.00 of its common capital stock.

The authority herein granted is subject to the following conditions:

- 1.--Of the stock herein authorized, \$39,000.00 shall be delivered to D.L. Larkin, Thomas Poyzer and Donald Robertson, co-partners, doing business under the firm name of Larkin Transportation Company, in part payment for the properties of said Larkin Transportation Company, it being understood that Larkin Transportation Company, a corporation, in acquiring the properties will assume the payment of all the liabilities of the co-partners referred to in the petition herein.
- 2.--Stock in the amount of \$21,000.00 may be sold by Larkin Transportation Company, for cash, at not less than par, provided the proceeds will not be expended except for such purposes as the Railroad Commission may authorize in a supplemental order or orders.

- 3.--The price which Larkin Transportation Company, a corporation, is herein authorized to pay for the properties of D.L. Larkin, Thomas Poyzer and Donald Robertson, co-partners, doing business under the firm name of Larkin Transportation Company, shall never be urged before this Commission, or other public body, as a measure of value of said properties for the purpose of fixing rates, or for any purpose other than the transfer herein permitted.
- 4.--Larkin Transportation Company, a corporation, shall keep such record of the issue and sale 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.
- 5.--The authority herein granted shall apply only to such stock as may be issued and sold on or before December 15, 1920.

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 30th day of April, 1920.

Edwin O. Edgerton
H. L. ...
Frank ...
H. R. ...
Dwight Martin
Commissioners.