

ES

Decision No. 8469.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LOS ANGELES-SAN PEDRO TRANSPORTATION)
COMPANY, INC., for order authorizing)
issue of stock.)

Application No. 6166.

Clarence W. Byrer for applicant.

BY THE COMMISSION:

O P I N I O N.

LOS ANGELES-SAN PEDRO TRANSPORTATION COMPANY, INC., asks permission to issue and sell at par \$27,560.00 of its common capital stock.

The company is engaged in a general truck, transfer, shipping, receiving and forwarding business. Its main business is the hauling of freight between the business center of Los Angeles and the harbor district of said city at Wilmington and San Pedro.

The company has an authorized stock issue of \$50,000.00, divided into 5000 shares of \$10.00 each. Applicant reports stock in the amount of \$22,400.00 outstanding. This stock is owned by the following:

<u>Name of Stockholders</u>	<u>: Amount of Stock Owned</u>
F.A. Russell	: \$9,050.00
F.L. Smith	: 5,110.00
R.W. Koenig	: 3,000.00
F. Schwarzendahl	: 2,000.00
R.A. Russell	: 2,000.00
H.F. Jackson	: 320.00
R. Evans	: 160.00
F.E. Marr	: 800.00
	: <u>\$22,440.00</u>

Applicant's present stockholders intend to acquire at least a part of the stock herein authorized to be issued.

As of August 30, 1920, applicant reports assets and liabilities as follows:

ASSETS:

Cash on hand,	\$1,113.58
Bank Deposits,	1,916.58
Accounts Receivable,	7,524.70
Truck Equipment,	46,821.29
Office Equipment and Supplies,	1,335.95
Tools,	376.93
Miscellaneous Equipment,	1,594.64
Deposit Ford Roadster,	25.00
	<u>\$60,708.67</u>

LIABILITIES:

Capital Stock Issued,	22,440.00
Undivided Profits,	4,584.36
Notes Payable,	13,100.00
Accounts Payable,	1,636.17
Depreciation Account,	13,855.00
Profit and Loss,	5,093.14
	<u>\$60,708.67</u>

During the eight months ending August 30, 1920, applicant reports that it carried about 22,500 tons of freight. Its revenues for the eight months ending August 30, 1920, are reported at \$73,475.83; its operating expenses, including \$6,335.78 for depreciation, amounts to \$68,318.95, leaving net operating revenues of \$5,156.88. The company has now in service 12 trucks and 6 trailers. It reports that it is necessary for it, in order to give adequate service, to acquire one more 5 or 6-ton truck and two trailers of from 2 to 5-ton capacity. This additional equipment applicant estimates will cost approximately \$12,500.00.

The proceeds from the sale of the stock, approximately, \$15,060.00, not necessary to pay for additional equipment, applicant asks permission to use as working capital. In our opinion applicant has not made a satisfactory showing that it is in need of so large an allowance for working capital. It occurs

to us that \$10,000.00 is an ample allowance for working capital and the amount of stock herein authorized to be issued will therefore be limited to \$22,500.00.

O R D E R.

LOS ANGELES-SAN PEDRO TRANSPORTATION COMPANY, INC., having applied to the Railroad Commission for permission to issue stock and the Commission being of the opinion that the money, property or labor to be procured or paid for by the issue of stock herein authorized is reasonably required by applicant for the purpose or purposes specified in this order, and that a public hearing is not necessary

IT IS HEREBY ORDERED, that LOS ANGELES-SAN PEDRO TRANSPORTATION COMPANY, INC., be, and it is hereby, authorized to issue and sell for cash at not less than par, on or before May 1, 1921, not exceeding \$22,500.00 par value of its common capital stock.

IT IS HEREBY FURTHER ORDERED, that this application, in so far as it relates to the issue of \$5,060.00 of stock, be dismissed without prejudice.

The authority herein granted is subject to further conditions as follows:

- 1.--Of the proceeds obtained from the sale of the stock herein authorized to be issued and sold approximately \$12,500.00 shall be used by applicant to acquire the automobile equipment described in this application. The remainder of the proceeds may be used by applicant for working capital.
- 2.--Los Angeles-San Pedro Transportation Company shall keep such record of the issue and sale of 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.

Dated at San Francisco, California, this 20th ~~31st~~ day of December, 1920.

Edwin O. Edwards
H. H. Loveland
H. H. Bonding
Dwight Martin
Commissioners.