

Decision No. 28243

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
P. L. TRANSPORTATION COMPANY, )  
a California corporation, for an ) Application No. 20400  
order authorizing the issue of stock.)

Pillsbury, Madison & Sutro, for applicant.

BY THE COMMISSION:

OPINION

**ORIGINAL**

P. L. Transportation Company, a corporation, has applied to the Railroad Commission for permission to issue 1000 shares of its common capital stock of the aggregate par value of \$100,000., to pay indebtedness due The Pacific Lumber Company, which was incurred in the purchase of the SS Scotia, and other property necessary in its operations.

It appears that P. L. Transportation Company is engaged in the transportation of property by vessels between various ports within the State of California. The records of the Commission show that pursuant to authority granted by Decision No. 28243, dated September 23, 1935, in Application No. 20102, it acquired from Los Angeles-Long Beach Despatch Line its operative right to operate vessels in common carrier service between Eureka on the one hand, and the ports of San Francisco, Oakland, Alameda and Long Beach on the other hand.

The present application shows that the company in order to obtain equipment to conduct its operations, borrowed certain sums from The Pacific Lumber Company. In Exhibit "A" attached to the application it reports its investment in the SS Scotia at \$77,682.42, in terminal property at \$407. and in organization and other intan-

gibles at \$1,227.88. It sets forth its total assets and liabilities, as of January 31, 1936, as follows:-

A S S E T S

Investments: .....		\$79,317.30
Intangibles .....	\$ 1,227.88	
Floating equipment .....	77,682.42	
Terminal property .....	<u>407.00</u>	
Working assets: .....		31,317.91
Cash .....	4,353.82	
Accounts receivable .....	181.62	
Net balances due from agents .....	311.93	
Insurance claims against underwriters .....	19,913.08	
Working funds .....	74.79	
Material and supplies .....	<u>6,482.67</u>	
Deferred debit items: .....		8,936.90
Prepaid insurance premiums .....	<u>8,936.90</u>	
Total assets .....		<u>\$ 119,572.11</u>

L I A B I L I T I E S

Working liabilities: .....		\$ 115,482.00
Debt due proprietary company .....	\$114,694.83	
Audited vouchers and wages payable .....	770.96	
Miscellaneous accounts payable .....	<u>16.21</u>	
Reserves: .....		1,292.59
Reserve for accrued depreciation .....	<u>\$ 1,292.59</u>	
Deferred credit items: .....		1.90
Unadjusted credits-Suspense .....	<u>1.90</u>	
Surplus: .....		2,795.62
Earned surplus .....	<u>2,795.62</u>	
Total liabilities .....		<u>\$ 119,572.11</u>

Applicant proposes at this time to issue \$100,000. par value of stock to reduce the indebtedness due The Pacific Lumber Company which is carried on the foregoing balance sheet at \$114,694.83. Applicant's petition indicates that the amount thus advanced has been used by applicant in the purchase of equipment and other property necessary in its operations.

O R D E R

P. L. Transportation Company having applied to the Railroad Commission for permission to issue \$100,000. of common stock and the Commission having considered applicant's request and it being of the opinion that this is not a matter in which a public hearing is necessary, that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the issue of such stock is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED that P. L. Transportation Company be, and it hereby is, authorized to issue at not less than par, on or before June 30, 1936, not exceeding 1000 shares of its common capital stock of the aggregate par value of \$100,000., for the purpose of paying indebtedness of like amount due The Pacific Lumber Company, provided:-

1. That applicant shall keep such record of the issue of said stock and of the disposition of the proceeds as will enable it to file, within thirty(30) days thereafter, 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; and
2. That the authority herein granted will become effective upon the date hereof.

DATED at San Francisco, California, this 16th day of March, 1936.

M. B. Harris  
M. A. ...  
Leon ...  
M. ...

Commissioners.