

LBM
Decision No. 28410

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
JOHN M. ATTHOWE,
doing business under the name and
style of BERKELEY TRANSPORTATION
COMPANY, to sell and transfer, and
BERKELEY TRANSPORTATION CO., a cor-
poration, to buy, certain physical
property and rights to operate ves-
sels, as a common carrier, on the
inland waters of the State, and of
BERKELEY TRANSPORTATION CO., a cor-
poration, to issue stock.

ORIGINAL

Application No. 20913

Gwyn H. Baker, for applicants.

BY THE COMMISSION:

O P I N I O N

John M. Atthowe, doing business under the name and style of Berkeley Transportation Company, asks permission to transfer to Berkeley Transportation Co., a corporation, all of his operative rights to operate vessels as a common carrier of property for hire on the inland waters of the State of California and all of the physical property referred to in Exhibit B filed in this proceeding, together with certain other properties. In payment for the properties Berkeley Transportation Co. asks permission to issue \$49,998. par value of common stock. It also seeks authority to issue and sell for cash two shares of stock at their par value of \$10. each.

Berkeley Transportation Co., a corporation, has been organized under the laws of California. It has an authorized stock issue of 7500 shares with a par value of \$10. per share, and a total par value of \$75,000. As stated, the corporation asks permission at this time to issue \$50,000. par value of its stock.

We will not by this decision undertake to define the extent of the operating rights possessed by J. M. Atthowe. The order herein will authorize the transfer of such rights as he now possesses. What these rights are, is the subject matter of Case No. 3824.

The property to be conveyed consists of three tugs and six barges valued by applicants at \$38,735. and shore equipment such as conveyors, hand trucks and power units valued at \$10,350. The other assets to be transferred, and the liabilities to be assumed as of November 30, 1936 appear in the following balance sheet:-

<u>ASSETS</u>		
<u>CURRENT:</u>		
Cash on hand and in bank		\$2,555.03
Accounts receivable	\$3,025.64	
Less: Allowance for bad debts	524.53	2,501.11
Total current assets		<u>\$5,056.14</u>
<u>CAPITAL:</u>		
Floating equipment(Appraised value-Exhibit B)		38,735.00
Dock equipment(Appraised value-Exhibit B)		10,350.00
Furniture and fixtures	\$2,303.70	
Less: Allowance for depreciation	1,740.47	563.23
Automobiles	\$1,555.00	
Less: Allowance for depreciation	970.00	585.00
Total capital assets		<u>50,233.23</u>
<u>DEFERRED:</u>		
Unexpired insurance	2,004.16	
Goodwill	6,500.00	
Total deferred assets		<u>8,504.16</u>
Total assets		<u>\$ 63,793.53</u>
<u>LIABILITIES AND NET WORTH:</u>		
<u>LIABILITIES:</u>		
Accounts payable	\$4,398.10	
Notes payable-Bank	5,000.00	
Berkeley Port Terminals, Inc.	3,522.49	
Accrued taxes-Payable	443.40	
Total liabilities		<u>\$13,353.99</u>
<u>NET WORTH:</u>		
J. M. Atthowe-Net Worth		<u>50,439.54</u>
Total liabilities and net worth		<u>\$63,793.53</u>

John M. Atthowe intends to transfer his transportation properties as of December 31, 1936. The above figures may therefore be modified because of the operations during December.

It is of record that John M. Atthowe desires to segregate his transportation properties and business mentioned herein from his other personal business. The transfer of the properties does not involve

any change in the tariffs filed by John M. Atthowe or in the control and management of the properties and business.

O R D E R

The Commission having been asked to enter its order, as indicated in the foregoing opinion, a public hearing having been held before Examiner Fankhauser and the Commission having considered applicants' requests, and being of the opinion that such requests should be granted subject to the provisions of this order, that Berkeley Transportation Co. should be permitted to issue 5000 shares (\$50,000. par value) of common capital stock for the purposes herein stated, and that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:-

1. John M. Atthowe, doing business under the name and style of Berkeley Transportation Company may, on or before February 15, 1937, sell and transfer to Berkeley Transportation Co., a corporation, such rights as he possesses, to operate vessels as a common carrier of property for hire on the inland waters of California, together with the vessels, equipment and properties described in Exhibit B and Exhibit No. 2 filed in this proceeding or as the same may be modified because of operations during December, 1936.

2. Berkeley Transportation Co., a corporation, may, on or before February 15, 1937 issue not exceeding 5,000 shares (\$50,000. par value) of its common capital stock; 4,998 of said shares may be delivered to John M. Atthowe in payment for the aforementioned properties and two shares shall be sold for cash at not less than their par value and the cash used to pay organization expenses.

3. John M. Atthowe, doing business under the name and style of Berkeley Transportation Company and Berkeley Transportation Co., a corporation, shall join in a common supplement to the tariffs on file with the Commission in the name of the Berkeley Transportation

Company, said Berkeley Transportation Company on the one hand withdrawing and said Berkeley Transportation Co., a corporation, on the other hand adopting and establishing such tariffs and all effective supplements thereto as its tariffs.

4. Neither the consideration paid for the properties herein authorized to be transferred, nor the valuation of said properties submitted by applicants in this proceeding shall be urged before this commission or any other rate fixing body as a measure of the value of said properties for rate fixing or for any purpose other than the transfer herein authorized.

5. Within thirty(30) days after it acquires the aforesaid properties Berkeley Transportation Co., a corporation, shall file with the Commission a copy of the instrument of conveyance under which it acquires and holds title to said properties and a report such as is required by the Commission's General Order No. 24-A, which order insofar as applicable is made a part of this order.

6. The authority herein granted shall become effective as of the date hereof.

DATED at San Francisco, California, this 28th day of December, 1936.

M. B. Lewis

Leon C. Whittell

W. H. Thompson

Frank H. Blum

Commissioners.