

Decision No. ~~29899~~  
~~90000~~

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
GOODMAN DELIVERY SERVICE )  
for authority for Louis M. Goodman )  
to transfer utility properties to )  
the above named corporation, also )  
authority for Goodman Delivery Ser- )  
vice, Inc. to issue its stock for )  
said utility properties. )

Application No. 21259

BY THE COMMISSION:

O P I N I O N

This is an application for an order authorizing Louis M. Goodman to transfer properties and assets to Goodman Delivery Service, Inc. and authorizing Goodman Delivery Service, Inc. to issue stock in part payment for the properties and assets.

It appears that Louis M. Goodman for some years has been engaged in the delivery of parcels in and about the City of Los Angeles. In addition he has on file with the Commission his local express tariff, C.R.C. No. 2, naming rates applying on merchandise from Los Angeles to various points in California. In 1936 the revenue received under the tariff rates was reported at \$10,248.87 and the amount paid other carriers for transportation at \$9,621.63, leaving net revenues from the express operations of \$627.24. The total net revenues, including those from the local operations, was reported at \$2,900.01.

Louis M. Goodman, doing business as Goodman Delivery Service, reports assets and liabilities as of December 31, 1936 as follows:-

<u>A S S E T S</u>		
Petty cash fund . . . . .		\$ 50.00
Accounts receivable . . . . .		5,740.37
Due from employee . . . . .		21.17
Delivery equipment . . . . .	\$11,153.43	
Furniture and fixtures . . . . .	2,056.35	
Miscellaneous warehouse equipment . . . . .	1,750.11	
	<u>\$14,959.89</u>	
Less depreciation . . . . .	9,895.98	5,063.91
Prepaid expenses . . . . .	469.28	
Stationery and auto parts inventories . . . . .	206.00	
Organization expenses . . . . .	50.00	725.28
Investments . . . . .		580.00
		<u>580.00</u>
	Total assets . . . . .	<u>\$12,180.73</u>

<u>L I A B I L I T I E S</u>		
Bank overdraft . . . . .		\$ 548.10
C.O.D. collections payable . . . . .		863.39
Accounts payable . . . . .		1,173.33
Notes payable . . . . .		2,950.00
Auto contracts payable . . . . .		1,051.75
Other equipment contract payable . . . . .		160.00
Accrued expenses and taxes . . . . .		813.04
	Total liabilities . . . . .	<u>\$ 7,559.61</u>
Net worth . . . . .		4,621.12
	Total liabilities and capital . . . . .	<u>\$12,180.73</u>

The Goodman Delivery Service, Inc., a California corporation, has an authorized stock issue of \$25,000. divided into 250 shares of \$100. each. It appears that the Commissioner of Corporations by his order of January 14, 1937, authorized the Goodman Delivery Service, Inc. to issue stock in payment for the properties and assets of Louis M. Goodman. It seems to us that the corporation should not at this time issue more than \$5,000. of stock in payment for said properties and assets. Upon the filing of an appropriate application, we will consider the issue of additional stock for the purpose of paying indebtedness or for the purpose of reimbursing the corporation's treasury because of income used to pay indebtedness assumed by the corporation.

While the order herein will authorize Louis M. Goodman to transfer his express operative rights to a new corporation, we are not thereby making any finding as to the extent of his right to do

an express business. We are authorizing him to transfer such operative rights as he may possess. The order does not enlarge or limit such rights.

O R D E R

The Commission has considered this application and is of the opinion that a public hearing is not necessary thereon, 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 the 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 Louis M. Goodman be, and he hereby is, authorized to transfer his properties and assets referred to herein to Goodman Delivery Service, Inc. and Goodman Delivery Service, Inc. be, and it hereby is, authorized to issue \$5,000. par value of its capital stock in payment therefor.

IT IS HEREBY FURTHER ORDERED that applicants shall join in common supplement to the tariffs on file with the Commission by Louis M. Goodman, said Goodman on the one hand withdrawing and said Goodman Delivery Service, Inc. on the other hand accepting and establishing as its own such tariffs and all effective supplements thereto.

IT IS HEREBY FURTHER ORDERED that Goodman Delivery Service, Inc. shall file with the Commission a report of the issue of the stock 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.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective upon the date hereof.

DATED at San Francisco, California, this 28<sup>th</sup> day of June, 1937.

W. H. ...  
Leon ...  
James ...  
Robert ...  
Ray & Wiley  
Commissioners.