

Decision No. 24037

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of  
LANDIER TRANSIT COMPANY, INC., a  
corporation,  
  
For an Order Approving the Execu-  
tion of Conditional Sales Contracts  
For the Purchase of Equipment.

Application No. 24037

BY THE COMMISSION:

OPINION AND ORDER

Landier Transit Company, Inc., a corporation engaged in operating common carrier bus lines and school buses in the County of Los Angeles, has applied to the Commission for an order approving the execution of two conditional sales contracts for the purchase of equipment.

The company reports that on or about October 1, 1940, it entered into a contract with Chenoweth Motor Company for the purchase of a Cadillac sedan for the use of its president in the operation of its business. The aggregate cost of the car is reported at \$2,038.38. Of this sum, applicant paid \$546, leaving an unpaid balance of \$1,492.38 which applicant agreed to pay in eighteen equal monthly installments of \$82.91, commencing on November 1, 1940.

The company further reports that during 1940 it was required to purchase a 55-passenger school bus for standby

purposes under its contract with the Board of Education for the transportation of school children; that a 1937 International bus was available if paid for immediately in cash; that it did not have the required funds on hand and that its President, F. P. Landier, purchased the same for \$1,442, including state sales tax, and immediately entered into a contract to resell it to applicant at cost to him plus carrying charges of \$129.78, making a total of \$1,571.78 which applicant agreed to pay in seventeen monthly installments of \$88, and one of \$75.78, commencing on November 29, 1940.

A copy of the contract, dated October 1, 1940, with Chenoweth Motor Company has been filed in this proceeding as Exhibit "C," and a copy of the contract, dated October 29, 1940, with F. P. Landier, as Exhibit "D."

The Commission did not authorize Landier Transit Company, Inc. to execute and enter into these contracts of conditional sale calling for payments over periods of more than twelve months after date. However, it is alleged that applicant's failure to ask the authorization of the Commission was through inadvertence and with no intention of evading any provision of the Public Utilities Act. It appears that the money, property or labor procured or paid for through the execution of such contracts was reasonably required for the purposes indicated herein and that the expenditures for said purposes were not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED that Landier Transit Company, Inc. be, and it hereby is, authorized to execute conditional

sales contracts in the form of those filed in this proceeding as Exhibits "C" and "D" providing for deferred payments of not exceeding \$1,492.38 and \$1,571.78 over periods of eighteen months.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when Landier Transit Company, Inc. has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty five (\$25.00) Dollars.

Dated at San Francisco, California, this 18<sup>th</sup> day of March, 1941.

*H. Baker*  
*Ray R. Rice*

*Justus J. Galloway*  
*Francis A. Havenner*  
Commissioners.

