

Decision No. 37026

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

APPLICATION OF  
ECKHART SEED COMPANY FOR  
ORDER AUTHORIZING ENCUMBRANCE

Application No. 25953

BY THE COMMISSION:

OPINION AND ORDER

C. H. Eckhart, Sr., Howard C. Eckhart, and C. H. Eckhart, Jr., copartners doing business under the firm name of Eckhart Seed Company, are engaged in the seed and warehouse business. Their warehouse business is incidental to their seed business.

Applicants are indebted to the Monterey County Trust & Savings Bank in the sum of \$27,560, represented by a note dated April 11, 1944. This indebtedness is the balance due on a loan used for the construction of warehouse buildings and the acquisition of equipment. The note bears interest at the rate of 6% per annum, payable quarterly. The principal is payable in annual installments of \$3,000. The payment of the note is secured by a deed of trust and by a mortgage of chattels. A copy of the deed of trust, a copy of the mortgage of chattels and a copy of the note were filed in this application on April

19, 1944.

Applicant reports assets and liabilities as of  
December 31, 1943 as follows:

<u>Assets</u>		
Current Assets		\$249,445.24
Cash	\$ 11,508.66	
Accounts Receivable	29,790.69	
Accrued Storage	4,216.10	
Inventory	203,429.79	
U. S. Government Bond	<u>500.00</u>	
Fixed Assets		64,235.71
Cost of Land, Buildings, and Equipment	88,146.45	
Less Accrued Depreciation	<u>23,910.74</u>	
Total Assets		<u>\$313,680.95</u>
<u>Liabilities and Net Worth</u>		
Current Liabilities		\$208,824.43
Accounts Payable - Growers	\$164,363.23	
Seed Advanced	8,154.63	
Contracts Payable	797.44	
Federal Transportation Tax	34.26	
Withholding Taxes Payable	1,149.97	
Pay roll Taxes Payable	1,949.90	
Monterey County Trust & Savings Bank	<u>32,375.00</u>	
Long-term Note		32,560.00
Capital (Partners)		72,296.52
Total Liabilities and Net Worth		<u>\$313,680.95</u>

The Commission has considered applicants' request and is of the opinion that this is not a matter on which a hearing is necessary; that the money, property or labor to be procured or paid for by C. H. Eckhart, Sr., Howard C. Eckhart, and C. H. Eckhart, Jr., copartners doing business under the firm name of Eckhart Seed Company, through the

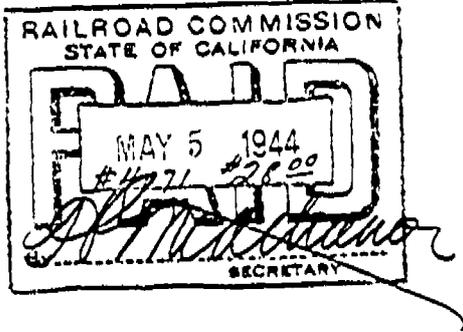
issue of the note herein authorized is reasonably required by said applicants for the purpose of refunding indebtedness, and that this application should be granted subject to the provisions of this Opinion and Order, therefore,

IT IS HEREBY ORDERED that C. H. Eckhart, Sr., Howard C. Eckhart, and C. H. Eckhart, Jr., copartners doing business under the firm name of Eckhart Seed Company, be, and they are hereby, authorized to issue, after the effective date hereof and on or before June 30, 1944, at not less than the face value thereof, their promissory note in the sum of \$27,560 for the purpose of refunding indebtedness and to execute for the purpose of securing the payment of said note, a deed of trust and a mortgage of chattels in substantially the same form as the deed of trust and the mortgage of chattels filed in this application on April 19, 1944.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when C. H. Eckhart, Sr., Howard C. Eckhart, and C. H. Eckhart, Jr., copartners doing business under the firm name of Eckhart Seed Company, have paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-eight (\$28.00) Dollars.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the execution of the deed of trust and the mortgage of chattels authorized herein, C. H. Eckhart, Sr., Howard C. Eckhart, and C. H. Eckhart, Jr., copartners doing business under the firm name of Eckhart Seed Company, shall file with the Railroad Commission a true and complete copy of said deed of trust and of said mortgage of chattels.

Dated at San Francisco, California, this 2<sup>nd</sup> day  
of May, 1944.



Richard L. Lachar  
Justus J. Casner  
Francis J. Havens  
Francis J. Linn  
Ernest J. Powell  
 Commissioners.