

Decision No. 37473

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application

of

COAST LINE TRUCK SERVICE, INC.,
a corporation, for an order authorizing it to issue shares of its capital stock.

Application
No. 26349

BY THE COMMISSION:

O P I N I O N

In this application, as amended, Coast Line Truck Service, Inc. asks permission to issue at par \$30,000 of capital stock and use the proceeds for working capital.

Applicant has an authorized stock issue of \$100,000 divided into 1,000 shares of a par value of \$100 each. It has outstanding \$18,000 of stock. It is owned by the following:

Edward Lester	\$ 9,000.00
Willard Stoneson and Henry Stoneson	<u>9,000.00</u>
Total	\$18,000.00

Applicant operates as a highway common carrier. For 1943 it reports operating revenues of \$580,450.12 and a net profit of \$6,510.74.

As of April 1, 1944, applicant's assets and liabilities are reported as follows:

<u>Assets</u>	
Current Assets	\$ 31,955.05
Advances to Stockholders	1,889.25
Prepaid Expenses	25,909.57
Property and Equipment	110,634.63
Cost of Property and Equipment	\$212,966.93
Less: Reserve for Depreciation	<u>102,332.30</u>
Leasehold Improvements	755.01
Goodwill and Franchises	<u>3,381.34</u>
Total Assets	<u>\$174,524.85</u>

<u>Liabilities</u>	
Current Liabilities	\$152,598.42
Bank Overdraft	\$ 4,494.56
Notes Payable	60,750.96
Due Sub-haulers, etc.	40,783.78
Due Produce Express (affiliated)	29,499.98
Accrued Liabilities	<u>17,069.12</u>
Long-term Debt	3,153.85
Indebtedness due to Stockholders	3,060.00
Capital Stock	18,000.00
Earned Surplus - loss	<u>2,287.42</u>
Total Liabilities	<u>\$174,524.85</u>

It is evident from an analysis of applicant's balance sheet that it has need for additional capital. The \$30,000 of stock which it desires permission to issue will be purchased by its stockholders.

O R D E R

Coast Line Truck Service, Inc. having asked permission to issue \$30,000 of capital stock, the Commission having considered applicant's request and it being 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 the issue of the stock herein authorized is reasonably necessary by applicant for the purpose of improving and maintaining its service, or discharging its obligations; that the expenditures for said purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that this application as amended should be granted, therefore,

IT IS HEREBY ORDERED that Coast Line Truck Service, Inc. be, and it is hereby, authorized to issue and sell, at not less than par, after the date hereof and on or before March 1, 1945, \$30,000 of capital stock and use the proceeds to improve or maintain its service or discharge its obligations.

IT IS HEREBY FURTHER ORDERED that Coast Line Truck Service, Inc. shall file with the Railroad Commission such report or reports as are required by the Commission's General Order

No. 24-A, which Order, insofar as applicable, is hereby made a part of this Order.

Dated at San Francisco, California, this 9th day of November, 1944.

Richard H. ...

Justin D. Cooney

Francis R. Havenner

Grant ...

Commissioners