

**ORIGINAL**

Decision No. 37538

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
COAST VAN LINES, INC.

for an Order Authorizing Applicant  
to issue its promissory note; to  
place a lien of chattel mortgage on  
certain of Applicant's properties  
to secure payment of said note, and  
to use the proceeds of said note  
for the purposes specified herein.

Application No. 26442

BY THE COMMISSION:

O P I N I O N

Coast Van Lines, Inc. asks permission to issue to Bank of America National Trust and Savings Association its note for \$15,304.20 and to execute an automobile chattel mortgage to secure the payment of the note. A copy of the note and a copy of the chattel mortgage is on file in this application as Exhibit "B." The note will be discounted at the rate of 4 $\frac{1}{2}$ % per annum and applicant will receive \$13,850. It is payable in twenty equal successive monthly installments of \$765.21 each,

beginning April 10, 1945.

Coast Van Lines, Inc. operates as a common carrier<sup>(1)</sup> of certain designated commodities under a certificate of public convenience and necessity granted by the Commission and also operates as a city carrier and a radial highway common carrier.

For the eight months ending August 31, 1944, applicant reports revenues of \$237,555.14 and expenses of \$237,636.82. Its loss before other income and other deductions amounted to \$83.68. Its other income is reported at \$883.06 and its interest and other deductions at \$3,492.16, resulting for the period in a loss of \$2,692.78. Its balance sheet as of August 31, 1944 shows the cost of its equipment at \$38,610.78 and its reserve for depreciation at \$16,796.11, leaving a net cost for equipment of \$21,814.67. Its current assets are reported at \$50,738.72 and its current liabilities at \$52,242.09. Its current assets include only \$1,758.61 of cash. Among the current liabilities are accounts payable, trade, amounting to \$10,041.56; Federal income and excess profits taxes of \$14,286.28, and withholding, social security and unemployment taxes of \$3,752.84. The proceeds of the loan, to-wit: \$13,850, will be distributed among the foregoing items of indebtedness and will convert the same into a long-term obligation which will permit applicant to con-

(1) By Decision No. 36887, dated February 15, 1944, the Commission authorized Ellis Brown and P. W. Follensbee, partners doing business as Triangle Transfer and Storage Company, to transfer their properties, including their certificate of public convenience and necessity, to Coast Van Lines, Inc.

duct more properly its affairs. It will be noted that no payment need be made upon the loan until April 10, 1945.

Attached to the chattel mortgage is a list of the automobile equipment upon which it will be a lien.

O R D E R

The Commission has considered applicant's 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 the issue of the note herein authorized is reasonably required by Coast Van Lines, Inc. for the purpose of paying indebtedness, and that this application should be granted as herein provided, therefore,

IT IS HEREBY ORDERED as follows:

1. Coast Van Lines, Inc. may, after the effective date hereof and on or before February 1, 1945, issue to Bank of America National Trust and Savings Association its promissory note in the face amount of \$15,304.20 and execute an automobile chattel mortgage to secure the payment of the note, said note and said chattel mortgage to be in substantially the same form as the note and chattel mortgage filed in this application as Exhibit "B."

2. Coast Van Lines, Inc. shall use the proceeds realized through the issue of the note to pay, in part, the indebtedness mentioned in the foregoing Opinion.

3. The authority herein granted will become effective when Coast Van Lines, Inc. has paid the minimum fee prescribed by Section 57 of the Public Utilities Act which minimum fee is Twenty-five (\$25.00) Dollars.

4. Within thirty (30) days after the issue of the note herein authorized, Coast Van Lines, Inc. shall file with the Railroad Commission a statement showing the proceeds realized through the issue of said note and the purposes for which it expended said proceeds.

Dated at San Francisco, California, this 12<sup>th</sup> day of December, 1944.

Richard L. Baker  
Justus F. Casner  
Francis D. Havens  
Francis W. Jones  
Joseph H. Kuehl  
 Commissioners

