

ORIGINAL

Decision No. 43156

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
TAYLOR TRUCK-A-WAY, LTD., a)	
corporation, to borrow money and)	Application
give a note to evidence the same;)	No. 30498
and to sell and issue 350 shares)	
of its common capital stock.)	
-----)	

O P I N I O N

This is an application by Taylor Truck-A-Way, Ltd. for an order of the Public Utilities Commission authorizing it to issue 350 shares of its common stock, of the aggregate par value of \$35,000, and a promissory note for \$45,000 for the purpose of refunding outstanding indebtedness.

Applicant is a California corporation engaged in business as a highway common carrier, primarily for the transportation of new automobiles, between Wilmington, Los Angeles and other points in southern California. It has reported its revenues and expenses for the past five years as follows:

<u>Year</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Gross Income</u>	<u>Income Deductions</u>	<u>Net Income</u>
1944	\$ 36,297	\$ 61,273	\$ (24,976)	\$ 171	\$ (25,147)
1945	72,814	91,981	(19,167)	307	(19,474)
1946	113,347	119,258	(5,911)	2,647	(8,558)
1947	224,833	206,427	18,406	3,571	14,835
1948	303,658	286,187	17,471	5,114	12,357

(Loss)

Applicant's assets and liabilities, as of April 30, 1949, are shown below:

Assets

Current assets		
Cash and deposits	\$12,805	
Accounts receivable	18,996	
Materials and supplies	<u>12,334</u>	
Total current assets		\$ 44,135
Tangible property-less reserve for depreciation of \$74,491		107,248
Intangible property		2,141
Deferred debits		<u>26,269</u>
	Total	<u>\$179,793</u>

Liabilities

Current liabilities		
Notes payable	\$89,957	
Accounts payable	26,412	
Accrued liabilities	<u>6,633</u>	
Total current liabilities		\$123,002
Equipment obligations		9,094
Capital stock		44,900
Surplus		<u>2,797</u>
	Total	<u>\$179,793</u>

The outstanding stock is reported held by Fred R. Taylor and Gaynell R. Taylor. The outstanding notes include four notes, in the aggregate principal amount of \$45,000, in favor of Gay Land Company, Ltd., a corporation whose stock also is held by Fred R. Taylor and Gaynell R. Taylor, and five notes in favor of the same individuals in the aggregate amount of \$35,000. Said notes were issued, according to the application, to increase applicant's working capital which had been depleted by operating losses incurred during the war, and to finance the cost of new equipment required in its service upon the resumption of the construction of new automobiles following the close of the war. The notes were issued for terms of one year.

Applicant has made arrangements to issue a new note for \$45,000 to Gay Land Company, Ltd. to refund the notes of like

amount presently outstanding in its favor, said new note to be payable in annual installments of \$5,000 with interest at the rate of 5% per annum, and to issue its stock, in the aggregate par value of \$35,000, in exchange, at dollar for dollar, for the five notes in favor of Fred R. Taylor and Gaynell R. Taylor.

It clearly appears that the issue of the note and stock, as proposed by applicant, will improve its financial position. An order accordingly will be entered.

O R D E R

Taylor Truck-A-Way, Ltd. having applied to the Public Utilities Commission for authority to issue a note for \$45,000 and 350 shares of common stock, and the Commission having considered the matter and being of the opinion that a public hearing thereon is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for through such issues is reasonably required for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Taylor Truck-A-Way, Ltd., after the effective date hereof and on or before October 31, 1949, may issue a note in the principal amount of \$45,000, in substantially the same form as the note filed in this proceeding as Exhibit "A", and 350 shares of its common capital stock for the purpose of paying or

refunding the outstanding indebtedness to which reference is made in the opinion preceding this order.

2. Taylor Truck-A-Way, Ltd. shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. The authority herein granted will become effective when Taylor Truck-A-Way, Ltd. has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is forty-five (\$45.00) dollars.

Dated at Los Angeles, California, this 2nd day of August, 1949.

R. E. Anderson
Justus J. Casman
Dr. J. L. ...
Harold ...
Permetta Pottel
Commissioners

