

ORIGINAL

Decision No. 43617

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
 of CALIFORNIA MOTOR EXPRESS, LTD., :
 for authority to issue stock.)
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Application
 No. 30818

ORDER

California Motor Express, Ltd. reports that during 1949 it acquired land and buildings situated at 17th & 18th & Wood Streets in Oakland, California, and constructed on such land a new terminal and office building. The net cost of acquiring the land and buildings and constructing the new building is reported at \$186,620.44. The amount is segregated in Exhibit B on file in this application as follows:

Cash expended for the purchase of Land and Buildings situate and commonly known as 17th & 18th, & Wood Streets, Oakland, Alameda County, California, purchased from Jackson Furniture Company	\$ 95,000.00
Cash expended for the building of a new Terminal and Office facilities on the above premises by Greuner Construction Company, Oakland, California	92,975.00
Filing Fees, recording deed and other expenses incident to the transaction	<u>145.44</u>
Gross Cash outlay	188,120.44
Less: Cash recovered from salvage of obsolete structures on property	<u>1,500.00</u>
Net expenditure for Oakland Terminal	<u>\$186,620.44</u>

Applicant's petition shows that the \$186,620.44 was paid in cash from moneys in its treasury which had accumulated solely from income.

On October 31, 1949, applicant's earned surplus is reported at \$353,660.39. It asks permission to issue 1,000 shares of its no par value capital stock at a stated value of \$174 per share, to reimburse its treasury because of having expended a like amount from income for the acquisition and construction of said terminal. The granting of applicant's request will have the effect of transferring \$174,000 from its earned surplus account to its stated capital.

The Commission has considered this application and is of the opinion that a hearing thereon is not necessary, that the money, property or labor to be procured or paid for by the issue of said 1,000 shares of capital stock by California Motor Express, Ltd. is reasonably required by it for the purpose herein stated, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, and that this application should be granted; therefore,

IT IS HEREBY ORDERED as follows:

1. After the effective date hereof and on or before January 31, 1950, California Motor Express, Ltd. may issue 1,000 shares of its no par value capital stock with a stated value of \$174 per share to reimburse its treasury because of income expended for the acquisition of the real estate and buildings and the construction of the terminal building and office facilities referred to in Exhibit B on file in this application.

2. Within thirty (30) days after the issue of said shares of stock, or any part thereof, California Motor Express, Ltd. shall file with the Commission a report showing the number of shares of

stock issued under the authority herein granted, the names of the person or persons to whom said shares of stock were issued, and the number of shares issued to each.

3. The authority herein granted will become effective fifteen (15) days after the date hereof.

Dated at San Francisco, California, this 13th day of December, 1949.

R. Z. Indiguna
Justin J. Palmer
James H. Ramee
Harold P. Hiler
Samuel L. Lott
Commissioners