

ORIGINAL

Decision No. 43891

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
DYER TRUCKS, a California corporation,  
for an order, authorizing issuance of  
a promissory note, and chattel mortgage  
as security.

Application  
No. 31047

O P I N I O N

This is an application by Dyer Trucks, a corporation, and by Harold Dyer and Hannah J. Dyer, his wife, and E. O. Dyer and Mary V. Dyer, his wife, its stockholders, hereinafter referred to as the Dyers, for an order of the Commission authorizing the execution of a deed of trust and of a mortgage of chattels and the issue of a note for \$60,000.

The application shows that Dyer Trucks is engaged in the warehouse business in Corcoran, in the buying and selling of hay, grain and other farm products and in the operation of motor vehicles as a city carrier, a contract carrier and a radial highway common carrier. In Exhibit A attached to the application it reports revenues and expenses for the eight months period from April 1, 1949, to November 30, 1949 as follows:

	<u>Income</u>	<u>Expense</u>	<u>Profit</u>
Warehousing	\$ 2,064.50	\$ 715.95	\$ 1,348.55
Merchandising	427,495.97	395,597.30	31,898.67
Trucking	<u>234,336.96</u>	<u>243,575.05</u>	<u>(9,238.09)</u>
Totals	\$663,897.43	\$639,888.30	\$24,009.13
Administrative expenses			<u>23,228.53</u>
Operating profit.			<u>\$ 780.60</u>

The corporation occupies, under lease arrangements with the Dyers, certain real property located in Corcoran upon which there have been constructed a garage, an office and a warehouse building having an area of 18,768 square feet, used for the

warehousing of baled hay and grain, together with loading equipment, and scales. A schedule attached to the application shows that the corporation has acquired and operates approximately eighty units of motor equipment and shop, office and miscellaneous equipment.

It is reported that the corporation in the acquisition of equipment and in the conduct of its business has found it necessary to borrow certain sums of money payable as follows:

To Anglo California National Bank	\$16,000.00
To Finance and Thrift Company	12,460.74
To Forrest Riley	32,174.15
To J. G. Boswell Company	<u>25,000.00</u>
Total	<u>\$85,634.89</u>

The real property owned by the Dyers is encumbered by a deed of trust securing an indebtedness in the amount of \$10,000 in favor of the First National Bank in Corcoran.

The corporation now proposes to borrow from J. G. Boswell Company of Corcoran the sum of \$60,000 to be represented by a note payable in the amount of \$20,000 on January 1, 1951, and \$40,000 on January 1, 1952, with interest at the rate of 5% per annum on the unpaid principal. The note will be signed by the Dyers as co-makers and will be secured by a deed of trust to be executed by the Dyers covering the real property and improvements and by a mortgage of chattels to be executed by the corporation covering the shop, office, motor vehicle and miscellaneous equipment.

The proceeds from the issue of the note will be used to discharge the presently outstanding deed of trust, to pay the \$25,000 advanced by J. G. Boswell Company, to pay in part the other indebtedness to which reference has been made and to provide working capital.

O R D E R

The Commission having considered the above entitled matter and being of the opinion that a public hearing thereon is not necessary, that the application should be granted, as herein provided and that the money, property or labor to be procured or paid for through the issue of a note for \$60,000 is reasonably required by applicants,

IT IS HEREBY ORDERED as follows:

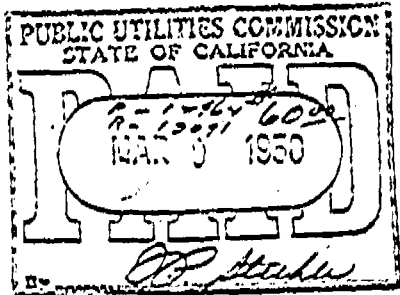
1. Harold Dyer and Hannah J. Dyer, his wife, and E. O. Dyer and Mary V. Dyer, his wife, after the effective date hereof and on or before June 30, 1950, may execute a deed of trust in substantially the same form as that filed in this proceeding.
2. Dyer Trucks, a corporation, after the effective date hereof and on or before June 30, 1950, may execute a mortgage of chattels in substantially the same form as that filed in this proceeding.
3. Dyer Trucks and said Harold Dyer, Hannah J. Dyer, E. O. Dyer and Mary V. Dyer, after the effective date hereof and on or before June 30, 1950, may issue a note in the principal amount of \$60,000 in substantially the same form as that filed in this proceeding and shall use the proceeds to pay indebtedness and to provide working capital as set forth in this application.
4. Within sixty days after the issue of said note, Dyer Trucks shall file with the Commission a copy thereof as actually executed and a statement showing the purposes for which the proceeds were used.

5. The authority herein granted will become effective when Dyer Trucks has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is \$60.00.

Dated at San Francisco, California, this 7<sup>th</sup> day of March 1950.

R. F. [Signature]  
Justice J. [Signature]  
[Signature]

[Signature]



Commissioners

Commissioner Harold P. Euls, being necessarily absent, did not participate in the disposition of this proceeding.