

ORIGINAL

Decision No. 43915

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Evelyn Otilia Glaeser, doing business as WEST BERKELEY EXPRESS AND DRAYING COMPANY, for authority to execute conditional sale contract to acquire additional automotive equipment.)	
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)	Application No. 31091

O P I N I O N

This is an application for an order authorizing Evelyn Otilia Glaeser to execute a conditional sale contract providing for deferred payments in the amount of \$30,261.65 for the purchase of additional equipment.

Applicant, doing business under the firm name and style of West Berkeley Express and Draying Company, is a highway common carrier of property between Berkeley, Oakland, Richmond and San Francisco. The revenues from the operation of her business were reported at \$255,725.62 for 1948 with net income of \$19,872.05, and at \$213,156.48 for 1949 with a net loss of \$2,169.53. The assets and liabilities, as of December 31, 1949, are reported as follows:

<u>Assets</u>		
Current assets -		
Cash	\$ 748.28	
Accounts receivable	9,530.55	
Materials and supplies	2,000.00	
Other current assets	<u>923.89</u>	
Total current assets		\$13,202.72
Prepayments		4,848.06
Tangible assets -		
Total	93,481.26	
Reserve for depreciation	<u>45,384.65</u>	
Net tangible assets		<u>48,096.61</u>
Total		<u>\$66,147.39</u>

Liabilities

Current liabilities -		
Notes and accounts payable	\$9,293.83	
Taxes accrued	2,221.34	
Other current liabilities	<u>4,497.70</u>	
Total current liabilities		\$16,012.87
Long-term obligations		8,666.86
Net worth		<u>41,467.66</u>
	Total	<u>\$66,147.39</u>

Applicant now desires to purchase eight new units of equipment, consisting of five GMC trucks with Fruehauf van bodies and three GMC cabs and chassis to replace 11 units of equipment which have been in use for a number of years and now require excessive maintenance charges. Applicant reports that such 11 units are carried on her books at a total net amount of \$4,422.28, that during 1949 the sum of \$5,913.51 was required for labor and materials to maintain the equipment in satisfactory operating condition, that economies in operations can be effected by replacing the equipment as now proposed, and that in her opinion had she replaced the equipment in the early part of 1949 the operating results of her business would have reflected a net profit for the year instead of a loss.

The cost of the new equipment, including license fees, is reported at \$26,959.15, after deducting trade-in allowances of \$2,100. Financing charges of \$3,302.50, being computed for 48 months at 6% simple interest, bring the total of the purchase contract up to \$30,261.65. Subject to receiving permission from the Commission, applicant intends to enter into a conditional sale contract with Yellow Manufacturing Acceptance Corporation providing for the payment of this amount in 48 monthly installments.

A copy of the proposed form of conditional sale contract has been filed in this proceeding as Exhibit C. It clearly appears that applicant has need for the equipment to be obtained through the execution of it.

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 execution of a conditional sale contract as herein requested is reasonably required by applicant for the purpose specified herein; therefore,

IT IS HEREBY ORDERED as follows:

1. Evelyn Otilia Glaeser, doing business under the firm name and style of West Berkeley Express and Draying Company, after the effective date hereof and on or before June 30, 1950, may execute a conditional sale contract, in substantially the same form as that filed in this proceeding as Exhibit C, providing for deferred payments in the total amount of not exceeding \$30,261.65, for the purpose of financing in part the cost of the eight units of equipment referred to in this application.

2. Within thirty (30) days after the execution of the conditional sale contract under the authority herein granted, applicant shall file with the Commission a copy thereof as actually executed.

3. The authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is thirty-one (\$31.00) dollars.

Dated at San Francisco, California, this 14th day of March, 1950.

R. E. Donohue
Justice P. Calmes
James F. Sullivan
Harold H. Kile
Penelope Lott
Commissioners

