

Decision No. 44283

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
J. A. CLARK DRAYING COMPANY, LTD.,
a corporation, for an order author-
izing execution of evidences of
indebtedness.

Application
No. 31439

O P I N I O N

This is an application by J. A. Clark Draying Company, Ltd., to execute evidences of indebtedness as hereinafter set forth.

J. A. Clark Draying Company, Ltd. is a California corporation engaged in the warehouse and draying business in San Francisco and Los Angeles. The application shows that applicant, in order to modernize and improve its fleet of motor vehicle equipment, proposes to purchase immediately three converter dollies and two trucks at an aggregate cost of \$19,357.82 and that it proposes to purchase in the near future, an additional converter dolly at a cost of approximately \$1,484.61. To finance the purchase of this additional equipment, applicant requests authority to execute four conditional sales contracts.

The three converter dollies to be acquired immediately are to be purchased from Fruehauf Trailer Corporation at a total cost of \$4,453.82, payable in twenty-four monthly installments with interest payable monthly on the deferred balances at the rate of 4% per annum. The two motor trucks are to be purchased from White Motor Company at a cost of \$7,452 each. A down payment of \$745.20 is to be made on each truck and the balance of \$6,706.80 together with \$519.78 of interest computed at the rate of 6% per annum is to be paid in thirty monthly installments. The additional

converter dolly to be acquired in the near future will be purchased from Fruehauf Trailer Corporation at a cost of approximately \$1,485. The \$1,485 to be paid in twenty-four monthly installments with interest at the rate of 4% per annum on the deferred balances.

For the year 1949 applicant reports gross revenues of \$951,734 and net loss to surplus of \$42,913.25. Its assets and liabilities as of March 31, 1950 are as follows:

<u>Assets</u>		
Cash		\$ 45,849.76
Receivables		93,110.66
Prepayments and deferred charges		24,907.54
Tangible property	\$977,158.64	
Less: Reserve for depreciation	<u>528,114.27</u>	449,044.37
Goodwill		<u>10,000.00</u>
Total Assets		<u>\$622,912.33</u>
<u>Liabilities</u>		
Current and accrued liabilities		\$148,850.37
Mortgage payable		50,090.67
Notes payable to stockholders (Due 1951-2-3)		82,500.00
Capital stock		100,000.00
Earned surplus		<u>241,471.29</u>
Total Liabilities		<u>\$622,912.33</u>

A review of the application indicates that applicant has need for the money represented by said contracts to finance, in part, the cost of the facilities. The order herein will authorize applicant to execute the conditional sales contracts.

O R D E R

The Public Utilities Commission having considered the above entitled application and being of the opinion that a public hearing is not necessary, that the money, property or labor to be procured or paid for through the execution of the evidences of indebtedness as herein authorized is reasonably required by applicant for the purposes specified herein and that such purposes

are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. J. A. Clark Draying Company, Ltd., after the effective date hereof and on or before September 30, 1950, may execute conditional sales contracts in, or substantially in, the same form as those attached to the application as Exhibit B and Exhibit C respectively, providing for deferred payments in the aggregate amount of \$20,392.

2. Applicant shall file with the Commission a copy of each conditional sales contract executed under the authority herein granted within thirty days after the date thereof.

3. The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is \$25.00.

Dated at San Francisco, California, this 7th day of June 1950.

R. Z. [Signature]
Justin J. [Signature]
Grant S. [Signature]
Harold P. [Signature]
[Signature]

Commissioners

