

Decision No. 45281

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SAVAGE TRANSPORTATION CO., INC. for
Authority to Execute an Installment
Note and Chattel Mortgage.

Application
No. 32024

OPINION AND ORDER

Savage Transportation Co., Inc., applicant herein, is a California corporation engaged in business as a highway common carrier of property, and operates, with certain exceptions, between the San Francisco territory and the Los Angeles territory.⁽¹⁾ In this application, applicant reports that it has need for additional equipment in order to afford a better service to the shipping public and to effect certain economies in its operation. It proposes to purchase 15 Trailmobile semi-trailers at a cost of approximately \$110,000. The 15 Trailmobile semi-trailers will be paid for in cash to the manufacturer. Applicant proposes to borrow the money necessary to finance the purchase from Bank of America National Trust and Savings Association. It requests authority to issue to said bank a promissory note secured by a chattel mortgage on the said 15 Trailmobile semi-trailers in the total amount of \$110,000.

A copy of the promissory note and the chattel mortgage which applicant proposes to execute has been filed in this proceeding as Exhibit A. The note is to be payable in 48 equal

(1)

For the 9 months ended September 30, 1950, applicant reports operating revenues of \$811,447.79, with a net loss of \$28,105.22 after deducting \$42,402.71 for depreciation.

monthly installments of approximately \$2,291.00, or more, per month plus interest on the unpaid balance at the rate of 5% per annum.

The Commission has considered this matter and is 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 the issue of the promissory note herein authorized is reasonably required by applicant 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. Savage Transportation Co., Inc., after the effective date hereof and on or before June 30, 1951, may execute a chattel mortgage and issue a note in the principal amount of not exceeding \$110,000 in, or substantially in, the same form as that attached to the application as Exhibit A, for the purpose of financing the cost of the equipment referred to herein.

2. Within thirty (30) days after the execution of such chattel mortgage and promissory note, applicant shall file a copy thereof with the Commission.

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 \$110.00.

Dated at San Francisco, California, this 23rd
day of January 1951.

D. J. Dunning
Justice J. Cravens
Harold Hula
Frederick Potter

Commissioners

