

ORIGINAL

Decision No. 45345

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of SIGNAL TRUCKING SERVICE, LTD., :
for authority to execute conditional)
sales contracts. :
-----)

Application
No. 32078

O P I N I O N

This is an application for an order of the Commission authorizing Signal Trucking Service, Ltd. to execute four revision contracts to existing conditional sales contracts providing for deferred payments in the aggregate amount of \$31,555, and to execute another conditional sales contract providing for deferred payments of \$21,038.

Applicant is a corporation organized under the laws of the State of California on or about November 29, 1929. Information on file with the Commission shows that for many years it has been engaged in business as a highway common carrier of property between Los Angeles and Los Angeles Harbor. It has reported its transportation revenues at \$2,591,286 for the year 1949 and at \$2,554,574 for the first eleven months of 1950, with net profits of \$95,244 in 1949 and of \$62,996 in the 1950 period. In exhibit F it reports its assets and liabilities as of November 30, 1950, as follows:

Assets

Current assets -		
Cash	\$ 10,279.37	
Notes and accounts receivable	350,929.03	
Materials and supplies	79,948.22	
Other current assets	<u>29.77</u>	
Total current assets		\$ 441,186.39
Tangible property (less depreciation reserve)		648,782.14
Intangible property		100.00
Other investments		23,495.72
Deferred charges		<u>73,316.65</u>
	Total	<u>\$1,186,880.90</u>

Liabilities

Current liabilities -		
Notes and accounts payable	\$322,334.27	
Accrued taxes	71,633.10	
Other current liabilities	<u>1,245.40</u>	
Total current liabilities		\$ 395,212.77
Equipment obligations		214,112.50
Deferred credits		12,929.12
Common stock		130,192.00
Surplus		<u>434,434.51</u>
	Total	<u>\$1,186,880.90</u>

The application shows that during 1950, in order to provide for the acquisition of additional equipment, applicant executed three conditional sales contracts with Bank of America National Trust and Savings Association and one with Flora Liang, providing for deferred payments in the aggregate amount of \$37,454.90 over periods of less than twelve months with interest at the rate of 5% per annum, as follows:

<u>Date of Contract</u>	<u>Original Amount</u>	<u>Expiration Date</u>	<u>Unpaid Balance</u>
Feb. 2, 1950	\$19,800.00	Feb. 22, 1951	\$15,675.00
Aug. 4, 1950	3,328.46	Jan. 12, 1951	2,964.56
Aug. 4, 1950	8,126.44	Jan. 12, 1951	7,115.44
Aug. 11, 1950	<u>6,200.00</u>	Jan. 12, 1951	<u>5,800.00</u>
Totals	<u>\$37,454.90</u>		<u>\$31,555.00</u>

Applicant reports that it does not have sufficient funds to make final payments on its contracts and that accordingly it proposes to enter into revision contracts extending the time for payment of the balance under the first contract referred to in the tabulation over a period of 38 months, the time for payment under the second and third contracts over periods of 41 months each, and the time for payment under the fourth contract over a period of 56 months. The total monthly payments under the four revision contracts at the outset will aggregate \$742.50.

In addition to the four contracts to which reference has been made, it appears that on or about December 27, 1950, applicant entered into a conditional sales contract for the purchase of ten van trailers providing for deferred payments of \$21,038 over a period of 48 months with interest at the rate of 5% per annum on deferred payments. Through inadvertence it did not obtain authority from the Commission to execute said contract and accordingly it now proposes, upon obtaining authorization, to re-execute the same.

Applicant has filed a copy of each of the proposed revision contracts and a copy of the new contract it proposes to re-execute. Under the circumstances set forth, an order approving the same is warranted.

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; that the money, property or labor to be procured or paid

for through the execution of the contracts 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,

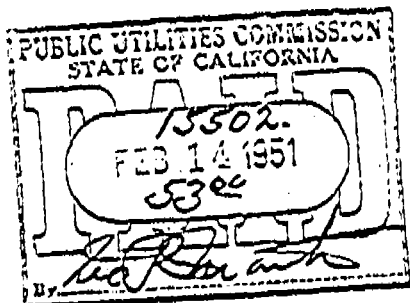
IT IS HEREBY ORDERED as follows:

1. Signal Trucking Service, Ltd., after the effective date hereof and on or before June 30, 1951, may execute four revision contracts to outstanding conditional sales contracts providing for the payment of deferred balances aggregating \$31,555 and may execute a new conditional sales contract providing for deferred payments of \$21,038, plus interest, for the purposes indicated herein, which contracts shall be in, or substantially in, the same form as those filed in this proceeding.

2. Applicant shall file with the Commission a copy of each contract executed under the authority herein granted within thirty (30) days after such execution.

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 fifty-three (\$53.00) dollars.

Dated at San Francisco, California, this 13th day of February, 1951.



Handwritten signatures of three commissioners: J. Z. Jones, Justice J. Green, and Harold P. Hale. Below them are the signatures of Francis J. Lott and Peter C. Mitchell, both labeled as 'Commissioners'. A faint circular seal is visible in the background.