

Decision No. 46180

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
GIACOMAZZI BROS. TRANSPORTATION	:	Application
CO., for authority to execute a mortgage	)	No. 32697
of chattels and promissory note.	:	
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OPINION AND ORDER

This is an application for an order authorizing Giacomazzi Bros. Transportation Co. to execute a mortgage of chattels and note for \$131,000.

Applicant is a California corporation engaged in business as a petroleum irregular route carrier under a certificate of public convenience and necessity granted by the Commission by Decision No. 44587, dated July 25, 1950, and Decision No. 45818, dated June 12, 1951. Applicant also operates as a permitted carrier in the transportation of property in and in the vicinity of San Jose, California. (1)

In this application applicant reports that it has need for additional equipment and that it proposes to purchase 10 trucks and 20 trailers at a cost of \$131,000. Applicant will pay cash for the equipment and has arranged to borrow the money necessary to finance the purchase price from the American Trust Company of San Jose, California, under a promissory note payable in 36 equal successive monthly installments of \$3,638.89 each, with interest at the rate of 5% per annum on the unpaid balance. The note is to be secured by a

(1) For the year 1950 applicant reports operating revenues of \$290,722, and net loss of \$13,114 after deducting \$34,589 for depreciation. For the six months ended June 30, 1951, applicant reports operating revenues of \$26,990.81 and net loss of \$46,268.63 after deducting \$18,006.87 for depreciation.

mortgage of chattels on the equipment to be purchased. A copy of the promissory note and mortgage of chattels is attached to the application as Exhibit A.

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 execution 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,

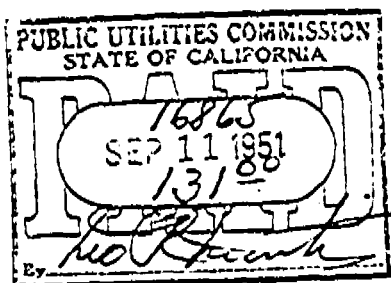
IT IS HEREBY ORDERED as follows:

1. Giacomazzi Bros. Transportation Co., after the effective date hereof and on or before December 31, 1951, may execute a mortgage of chattels and issue a promissory note in the principal amount of not exceeding \$131,000 in, or substantially in, the same form as the instrument attached to the application as Exhibit A, for the purpose of financing the cost of equipment referred to herein.

2. Within thirty (30) days after the execution of the mortgage of chattels and promissory note, applicant shall file a copy 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 one hundred thirty-one (\$131.00) dollars.

Dated at San Francisco, California, this 11<sup>th</sup> day of September, 1951.



[Signature]  
President  
Justice F. Caseman  
[Signature]  
[Signature]  
Commissioners