

ORIGINAL

Decision No. 46682

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
	:	
AUTO PARTS DELIVERY, INC.,)	
a California corporation,	:	Application
)	No. 33021
for authority to sell and issue its	:	
capital stock.)	
-----	:	

O P I N I O N

This is an application by Auto Parts Delivery, Inc. for authority to issue and sell 500 shares of its capital stock of no par value for a total cash consideration of \$10,000 for the purpose of providing additional working capital.

Applicant is a California corporation engaged as a highway common carrier and as a contract carrier in the transportation of automobile accessories, parts, materials, supplies, tools, gas and diesel engines and parts between points in Southern California. In financial statements filed with the Commission it has reported its revenues and expenses for the year 1950 and for the 11 months ended November 30, 1951, as follows:

	<u>1950</u>	<u>11 months 1951</u>
Operating revenues	\$109,777.73	\$119,094.03
Other income	400.00	1,025.93
Total revenues	<u>110,177.73</u>	<u>120,119.96</u>
Expenses -		
Operation and maintenance	95,344.96	97,898.95
Depreciation	4,267.86	8,022.10
Taxes and licenses	8,098.19	8,767.22
Miscellaneous	657.51	432.39
Total expenses	<u>108,368.52</u>	<u>115,120.66</u>
Net income	<u>\$ 1,809.21</u>	<u>\$ 4,999.30</u>

In Exhibit A filed in this proceeding, applicant has reported its assets, liabilities and capital as of November 30, 1951, as follows:

<u>Assets</u>		
Current assets -		
Cash and deposits	\$ 2,124.90	
Accounts receivable	<u>5,816.72</u>	
Total current assets		\$ 7,941.62
Property and investments -		
Carrier operating property	41,004.29	
Less-depreciation	<u>11,453.47</u>	
Balance	29,550.82	
Organization, franchises, permits	1,657.07	
Good will	<u>606.70</u>	
Total property and investments		31,814.59
Deferred debits		<u>2,641.76</u>
Total		<u>\$42,397.97</u>

<u>Liabilities and Capital</u>		
Current liabilities -		
Notes and accounts payable	\$13,056.55	
C. O. D.'s	2,011.29	
Other current liabilities	<u>3,082.02</u>	
Total current liabilities		\$18,149.86
Equipment obligations		<u>9,398.85</u>
Total liabilities		27,548.71
Capital stock and surplus		<u>14,849.26</u>
Total		<u>\$42,397.97</u>

A review of applicant's balance sheet indicates that it has financed the cost of its property and assets, in part, with moneys represented by current liabilities, and that in order to improve its financial position it should obtain additional funds from the issue of stock for investment in its business. In our opinion, the proposal of applicant to issue and sell shares of stock at this time for this purpose should be authorized.

Applicant reports that the shares of stock will be purchased by Mr. Max W. Menkus, who has been associated with its operations for four years and is familiar with its financial condition and its operations.

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 issue of the shares of stock 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. Auto Parts Delivery, Inc., after the effective date hereof and on or before June 30, 1952, may issue and sell 500 shares of its no par capital stock for a total cash consideration of \$10,000, and use the proceeds to pay indebtedness and to provide working capital to improve and maintain its service.
2. Applicant shall file with the Commission monthly reports as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.
3. The authority herein granted will become effective upon the date hereof.

Dated at Los Angeles, California, this 29th day of January, 1952.

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