

ORIGINAL

Decision No. 47266

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
THE GRAY LINE, INC.	:	
asking for the approval of the Com-)	Application
mission to issue a promissory note	:	No. 33432
and to encumber property.)	
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OPINION AND ORDER

The Gray Line, Inc., applicant herein, is a corporation engaged in operating sight-seeing tours principally within San Francisco, the east bay cities and adjacent territory.⁽¹⁾ In this application it seeks authority to execute a chattel mortgage and to issue a note in the principal amount of \$42,264.

Applicant reports that in order to increase and to improve its service, it purchased from The Flxible Company three new 1952 Flxible coaches at a total cost of \$52,836.15. Applicant further reports that it used working cash to pay for the equipment and that in order to replace its cash, in part, it desires to borrow \$42,264 from Bank of America National Trust and Savings Association, said sum to be represented by a note repayable in 72 equal, consecutive monthly installments, plus interest at the rate of 4½% per annum. The payment of the note will be secured by a chattel mortgage covering the three coaches.

The Commission has considered this matter and is of the opinion that a public hearing thereon is not necessary; that the request of applicant should be granted, as herein provided; that the money, property or labor to be procured or paid for by the issue of

⁽¹⁾ Applicant reports for 1951 operating revenues of \$1,136,830 and net income of \$44,118 and for the first four months of 1952 operating revenues of \$436,409 and net income of \$17,001. At April 30, 1952, it reported current assets of \$283,946 and current liabilities of \$213,338, including equipment obligations due within one year.

said note is reasonably required 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. The Gray Line, Inc., after the effective date hereof and on or before December 31, 1952, may issue its promissory note in the principal amount of \$42,264 and may execute a chattel mortgage to secure the payment of said note, for the purpose of reimbursing its treasury and improving and maintaining its service, such note and chattel mortgage to be in, or substantially in, the same form as the note and the chattel mortgage filed in this proceeding as Exhibit A and Exhibit B, respectively.

2. The Gray Line, Inc. 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 when applicant has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is forty-three (\$43.00) dollars.

Dated at San Francisco, California, this 17th day of June, 1952.

[Signature]
President
[Signature]
[Signature]
[Signature]
[Signature]
Commissioners

