

ORIGINAL

Decision No. 10451

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CAL-CENTRAL TRUCKING CO.)
INC., a California corporation, for :
authority to issue and sell the balance)
of its authorized unissued capital :
stock.)
----- :

Application
No. 33978

O P I N I O N

Cal-Central Trucking Co., Inc. has filed this application for authorization to issue 1,396.5020 shares of its common stock at their par value of \$100 a share.

Applicant is a California corporation organized on December 31, 1951, with an authorized capital stock of 5,000 shares of the par value of \$100 each and of the aggregate par value of \$500,000. Pursuant to authorization granted by the Commission by Decision No. 47129, dated May 13, 1952, it issued 3,603.4980 shares of its capital stock of the aggregate par value of \$360,349.80 and \$49,751.50 of notes in payment for the properties of Donald A. Mitchell, et al., a partnership doing business as Riske Trucking Co., and engaged in operating a highway common carrier service for the transportation of property generally between Sacramento and Stockton, on the one hand, and San Francisco on the other.

The present application shows that, subject to receiving authorization from the Commission, applicant proposes to issue and sell all its presently authorized but unissued shares of stock, consisting of 1,396.5020 shares of the par value of \$139,650.20. It proposes to offer said shares to the holders of the outstanding notes of \$49,751.50, to which reference has been made, and to sell to the public, for cash at par, the unissued shares not taken by said note holders. It reports that it has need for additional funds to improve

its financial position and to provide working capital.

For the first ten months of 1952 applicant has reported the operating revenues of the business at \$1,534,851.02 and the net profit at \$39,224.30, after making provision of \$114,912.83 for depreciation. It has reported its assets, liabilities and net worth as of October 31, 1952, as follows:

Assets

Current assets -		
Cash and accounts receivable.	\$212,500.63	
Inventories	98,120.91	
Prepaid expenses	<u>15,144.63</u>	
Total current assets		\$ 325,766.17
Tangible assets--less reserve		1,499,572.51
Intangible assets		<u>3,055.00</u>
	Total	<u>\$1,828,393.68</u>

Liabilities and Net Worth

Current liabilities -		
Notes and accounts payable	\$166,731.68	
Taxes payable	36,320.14	
Accrued liabilities	<u>7,445.07</u>	
Total current liabilities		\$ 210,496.89
Other liabilities -		
Notes payable--stockholders	49,751.50	
Notes payable--equipment	999,517.93	
Notes payable--secured by real estate	<u>165,711.04</u>	
Total other liabilities		1,214,980.47
Total liabilities		1,425,477.36
Capital		<u>402,916.32</u>
	Total	<u>\$1,828,393.68</u>

Upon a review of this proceeding we are of the opinion that the money, property or labor to be procured or paid for through the issue of said shares of stock is reasonably required by applicant for the purpose of liquidating outstanding indebtedness and of providing funds for working capital to maintain and improve its service, and that the expenditures for such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. Accordingly, an order will be entered granting applicant's request.

O R D E R

The Commission having considered the above entitled matter, and being of the opinion that a public hearing is not necessary and

that the application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. Cal-Central Trucking Co., Inc., on and after the effective date hereof and on or before December 31, 1953, may issue at par 1,396.5020 shares of its common stock, and may deliver so many of said shares as may be required in exchange for outstanding indebtedness and may sell the remainder of said shares, for cash at par, for the purpose of providing funds for working capital to maintain and improve 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 twenty (20) days after the date hereof.

Dated at San Francisco, California, this 13th day of January, 1953.

[Signature]
President

[Signature]

[Signature]
[Signature]

Commissioners