

ORIGINAL

Decision No. 49502

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
REPUBLIC VAN AND STORAGE CO., INC.)
for a Permit to Sell and Issue Four)
Thousand (4,000) Shares of its Common)
Stock.)
-----)

Application
No. 34968

O P I N I O N

Republic Van and Storage Co., Inc., applicant herein, is a California corporation which since 1948 has been engaged in interstate and intrastate commerce as a household goods carrier, a city carrier and a radial highway common carrier, and since 1951 as a public utility warehouseman in the City of Los Angeles. In this application it reports that it has need for additional working capital in its operations and it seeks authorization to issue and sell 4,000 shares of stock at their par value of \$10 each to provide funds for this purpose.

Applicant asserts that its operations have increased to such an extent that the additional working funds are necessary to enable it to carry on its business. Its operating statements on file with the Commission show that in 1952 its revenues amounted to \$2,228,771 and its net income to \$23,119 and that for the ten months ended October 31, 1953, its revenues were \$2,151,932 and its net income \$50,009.

In Exhibit A applicant has submitted a statement of its assets, liabilities and capital as of October 31, 1953. A summary of the statement is as follows:

Assets

Current assets -		
Cash and deposits	\$ 55,950.97	
Notes and accounts receivable	192,935.80	
Materials and supplies	5,222.42	
Prepayments	<u>27,798.46</u>	
Total current assets		\$281,907.65
Tangible property less depreciation reserve		269,050.32
Investments, securities and advances		101,514.25
Deferred debits		<u>45,568.54</u>
	Total	<u>\$698,040.76</u>

Liabilities and Capital

Current liabilities		\$198,979.91
Equipment and other obligations		<u>141,580.87</u>
Total liabilities		340,560.78
Reserves		42,271.52
Preferred stock		71,000.00
Common stock equity -		
Common stock	\$160,000.00	
Surplus	<u>84,208.46</u>	
Total common stock equity		244,208.46
	Total	<u>\$698,040.76</u>

It appears that applicant has a substantial investment in current assets, that it has need for additional capital and that the obtaining of permanent funds from the sale of shares of stock, as now proposed, should strengthen its financial position. Accordingly, we will enter an order granting the application.

ORDER

The Commission having considered the above entitled matter and being of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for by the issue of the shares of stock 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. Republic Van and Storage Co., Inc. may issue and sell, at par, on or before September 30, 1954, not to exceed 4,000 shares of its common stock, of the aggregate value of \$40,000, for the purpose of obtaining funds for working capital for the improvement and maintenance of its service.

2. Republic Van and Storage Co., Inc. shall file with the Commission a report, or 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 20 days after the date hereof.

Dated at San Francisco, California, this 5th day of

January, 1954.

A. J. [Signature]
President

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