

ORIGINAL

Decision No. 50929

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of HENRY SAUSE, Jr.,  
and CURTIS SAUSE, partners doing  
business as CRESCENT CITY MARINE WAYS  
AND DRYDOCK COMPANY, a partnership, for  
permission to sell and transfer its  
business to CRESCENT CITY MARINE WAYS &  
DRYDOCK CO., INC., a corporation.

Application of CRESCENT CITY MARINE WAYS &  
DRYDOCK CO., INC., a corporation, for per-  
mission to purchase going business of CRESCENT  
CITY MARINE WAYS AND DRYDOCK COMPANY, a  
partnership.

Application  
No. 36553

Application of CRESCENT CITY MARINE WAYS &  
DRYDOCK CO., INC., a corporation, for permit  
to issue and sell shares of corporate  
stock.

O P I N I O N

Henry Sause, Jr. and Curtis Sause, partners doing business as Crescent City Marine Ways and Drydock Company, applicants herein, are engaged in the operation of docks and in providing wharfage and freight forwarding services in Crescent City. In this application they report that they desire to carry on their activities under a corporate form of ownership and that they have made arrangements, and here seek authorization, to transfer their business and properties, except certain land not used in their operations, to Crescent City Marine Ways & Drydock Co., Inc., a corporation which they have caused to be organized for the express purpose of receiving such business and properties and thereafter of continuing the operations. The new corporation seeks authorization to issue \$10,000 par value of its common stock.

Financial reports filed with the Commission show the partners' gross revenues and net income before allowance for income taxes for the calendar years 1952 and 1953 and the first nine months of 1954 as follows:

	<u>1952</u>	<u>1953</u>	<u>1954</u> <u>9 Mos.</u>
Revenues -			
Wharfage	\$18,008	\$29,351	\$26,393
Nonoperating	<u>5,831</u>	<u>10,257</u>	<u>10,206</u>
Totals	23,839	39,608	37,599
Net income	\$16,872	\$21,931	\$19,325

A statement showing the assets to be transferred to the new corporation; together with the liabilities to be assumed and the reported net worth of the present owners, is as follows:

Assets

Current assets -		
Cash in bank	\$ 1,527.40	
Accounts and notes receivable	<u>33,589.60</u>	
Total current assets		\$35,117.00
Depreciable assets -		
Piers and docks, less depreciation	1,646.94	
Machinery and equipment, less depreciation	<u>776.45</u>	
Total depreciable assets		<u>2,423.39</u>
Total		<u>\$37,540.39</u>

Liabilities and Net Worth

Current liabilities -		
Accounts payable	\$ 4,284.38	
Accrued insurance	9,756.88	
Accrued taxes	<u>8,165.89</u>	
Total current liabilities		\$22,207.15
Net worth -		
Curtis Sause, capital	7,666.62	
Henry Sause, capital	<u>7,666.62</u>	
Total net worth		<u>15,333.24</u>
Total		<u>\$37,540.39</u>

It appears that there will be no change in the operations as a result of the transfer. The present application is being made in order to assure a continuity of the business in the event of the death of either or both of the partners. Upon the basis of the information contained in the verified application it is our opinion, and we so find, that the proposed transfer will not be adverse to the public interest and 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 corporation for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

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. Henry Sause, Jr. and Curtis Sause, doing business as Crescent City Marine Ways and Drydock Company, may transfer their business and properties, as outlined in this application, to Crescent City Marine Ways & Drydock Co., Inc., a corporation.

2. Crescent City Marine Ways & Drydock Co., Inc., a corporation, in payment for such business and properties, may assume the payment of outstanding liabilities and may issue not exceeding \$10,000 par value of its common capital stock.

3. On not less than one day's notice to the Commission and to the public, applicants shall join in common supplement to the tariff on file with the Commission in the name of Henry Sause, Jr. and Curtis Sause, doing business as Crescent City Marine Ways and Drydock Company, to show that said partnership has withdrawn or canceled and that Crescent City Marine Ways & Drydock Co., Inc., a corporation, concurrently has adopted or established as its own said rates, rules and regulations. The tariff filings made pursuant to this order in all respects shall comply with the Commission's Tariff Circular No. 2.

4. Crescent City Marine Ways & Drydock Co., Inc., a corporation, 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.

5. The authority herein granted will become effective 20 days after the date hereof. Unless exercised, such authority will expire on July 31, 1955.

Dated at San Francisco, California, this 4<sup>th</sup> day of JANUARY, 1955.

John E. Mitchell  
President  
Justin J. Caswell  
Ray L. Lintner

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Commissioners