

ORIGINAL

Decision No. 51008

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
UNION TRUCK CO., INC. to issue addi- :
tional stock.)
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Application
No. 36598

O P I N I O N

Union Truck Co., Inc. has filed this application for authorization to issue 1,200 shares of its no par value common stock to its shareholders for the purpose of liquidating outstanding 6% demand notes in the aggregate amount of \$30,000 representing advances used by it for working capital.

Applicant was organized under the laws of California on January 4, 1946, with an authorized capital stock of 7,500 common shares without nominal or par value. At the outset, it engaged in the transportation of petroleum and petroleum products under a contract carrier permit but in 1954 it acquired a certificate of public convenience and necessity authorizing service for the transportation of petroleum and petroleum products in tank trucks and tank trailers as a certificated carrier. It has reported its carrier revenues in the amount of \$235,118 for the nine months ended October 31, 1954, with net profit of \$13,748, after payment of interest and provision for taxes on income. It has financed itself primarily with advances from shareholders and with common stock and retained earnings and its financial position as of October 31, 1954, is reflected in the following condensed balance sheet.

Assets

Current assets -		
Cash	\$101,884.71	
Accounts receivable	25,255.60	
Other current assets	<u>5,836.70</u>	
Total current assets		\$132,977.01
Property and equipment, less reserve		99,982.10
Other assets		<u>11,940.04</u>
	Total	<u>\$244,899.15</u>

Liabilities and Capital

Current liabilities		\$ 49,038.41
Equipment obligations		30,336.04
Notes payable		47,116.98
Common stock and surplus		<u>118,407.72</u>
	Total	<u>\$244,899.15</u>

Upon reviewing the verified application we are of the opinion that a public hearing is not necessary 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 for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. 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 the application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. Union Truck Co., Inc. may issue not exceeding 1,200 shares of its common stock on or before April 30, 1955, for the purpose of discharging promissory notes of the aggregate principal

amount of \$30,000, as set forth in this application.

2. Union Truck 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 Los Angeles, California, this 25th day of January, 1955.

John E. Mitchell
President
Justin J. Grauer
Paul C. Lutz
William D. Doherty
Commissioners