

Decision No. 51333

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CALMAY	)	
VAN LINES, INC., for authority	:	Application
to issue common capital stock.	)	No. 36821
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OPINION AND ORDER

Calmay Van Lines, Inc. has filed this application for authorization to issue 780 shares of its \$60 par value common stock and to sell said shares, for cash, at a price of \$75 each.

Applicant is engaged in business as a highway common carrier of property over routes extending from San Diego to San Francisco, Sacramento and other points, and as a warehouseman. According to Exhibit B filed in this proceeding it has invested \$175,225 in operative property and in current assets up to December 31, 1954, and has financed itself in part with borrowed funds in the amount of \$65,054 and in part with equity capital of \$110,171. The outstanding stock consists of 1,470 shares, all common, with a par value of \$60 each and with a book value of approximately \$75 each.

It appears that applicant now has need for \$58,500 for corporate purposes, that it does not have sufficient cash on hand to meet its needs in this respect, and that it has concluded to obtain the required sum through the issue and sale of 780 shares of common stock at \$75 each.<sup>1/</sup> It proposes to offer the shares for sale to its

<sup>1/</sup> The \$58,500 of stock proceeds will be used for the following purposes:

1. Payment of outstanding bank note	\$ 4,000.00
2. Purchase two local service tractor and trailer combinations	9,600.00
3. Purchase 3 long-line tractor and trailer combinations	28,800.00
4. Provide working capital and meet accounts payable	<u>16,100.00</u>
Total	<u>\$58,500.00</u>

shareholders pursuant to their preemptive rights. If all of such shares are not subscribed by shareholders, the remainder will be offered for sale to others at the same price.

From a review of the application it appears to us that applicant will have need for the additional funds for the purposes set forth in the application, that the money, property or labor to be procured or paid for by the issue and sale of the shares of stock herein authorized is reasonably required by applicant for the purposes specified herein, and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that a public hearing is not necessary in this matter, therefore,

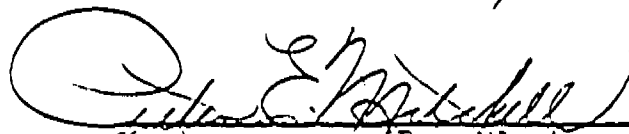
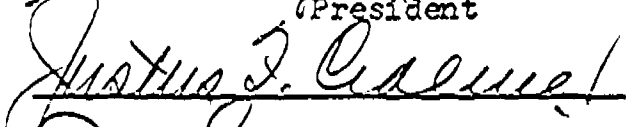
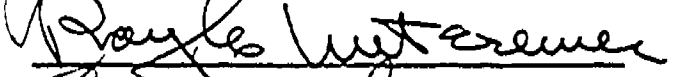
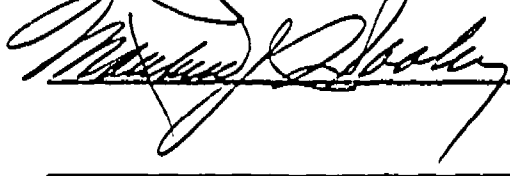
IT IS HEREBY ORDERED as follows:

1. Calmay Van Lines, Inc. may issue and sell not exceeding 780 shares of its common stock, for cash at \$75 a share, on or before March 15, 1956, for the purposes set forth in this proceeding.

2. Calmay Van Lines, 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 20 days after the date hereof.

Dated at San Francisco, California, this 14th day of April, 1955.

  
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President  
  
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Commissioners