

ORIGINAL

Decision No. 54965

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of PENINSULA MOTOR EXPRESS, a
corporation, for authority to
issue stock.

Application No. 39005

OPINION AND ORDER

This is an application for an order of the Commission authorizing Peninsula Motor Express to issue 1,600 shares of its common stock without par value in cancellation of indebtedness and in payment for equipment.

Applicant is a highway common carrier transporting general commodities, with certain exceptions, between San Francisco and Richmond on the north and San Jose and Santa Clara on the south. It appears that applicant has financed itself, in part, through the issue of 186 shares of common stock at a stated value of \$4,656 and with equipment obligations and advances amounting to \$142,727.97 on February 28, 1957.

The application shows that John A. Pifer owns 167.4, or 90%, of the outstanding shares, that he has advanced applicant, in addition, the sum of \$52,797.62, and that he is willing to cancel \$20,000 of such advances in consideration for the issue to him of 800 shares of common stock at a stated value of \$25 each. The application further shows that John A. Pifer is the owner of the majority of the outstanding shares of stock of Arrow Delivery Co.,

a corporation which leases to Peninsula Motor Express 11 units of equipment, and that Arrow Delivery Co. is willing to transfer such units of equipment, along with certain office equipment, at their net book value of \$19,901.28, plus \$98.72 in cash, in exchange for 800 shares of applicant's stock at \$25 a share. At the conclusion of these transactions the stated value of applicant's outstanding shares will be increased to \$44,656.

The Commission has considered this application and is of the opinion that it should be approved by an ex parte order in this proceeding, that the money, property or labor to be procured or paid for by the issue of such stock is reasonably required by applicant corporation for the purposes specified herein, and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Peninsula Motor Express may issue not exceeding 1,600 shares of its common stock without par value on or before December 31, 1957, for the purposes set forth in this application.

2. Peninsula Motor Express 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 on the date hereof.

Dated at San Francisco, California, this 14th day of May, 1957.

John E. ...
President
Paul ...
...
...
...
Commissioners