

Decision No. 56301

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of JACK L. ANDERSON and HAZEL ANDERSON, a co-partnership, doing business as ANDERSON CARTAGE AND WAREHOUSE COMPANY, to issue evidences of indebtedness and encumber property.

Application No. 39797

O P I N I O N

In this application Jack L. Anderson and Hazel Anderson, copartners doing business as Anderson Cartage and Warehouse Company, seek authorization to execute a deed of trust and to issue a note in the principal amount of \$20,000.

Applicants are engaged in the public warehouse business in Stockton and in the transportation of general commodities, as local draymen, within the City of Stockton and vicinity under permits issued by the Commission and in the transportation of general commodities, as a highway common carrier, between Stockton and Modesto. In financial statements filed with the Commission they have reported gross revenues of \$121,513 in 1955, \$153,601 in 1956 and \$117,116 for eight months of 1957, with net income of \$4,519 in 1955, \$7,072 in 1956 and \$1,951 in the 1957 period, after making deductions for depreciation. In Exhibit C filed in this proceeding, they have reported their financial condition as reflected by their balance sheet of November 30, 1957. A summarized statement of the balance sheet is as follows:

Assets

Current assets -		
Cash	\$ 4,691	
Accounts receivable	8,667	
Prepaid expenses	<u>2,347</u>	
Total current assets		\$ 15,705
Tangible assets, less reserves		70,949
Other assets		<u>14,498</u>
Total		<u>\$101,152</u>

Liabilities and Capital

Current liabilities		\$ 10,114
Loan on real estate		13,121
Equipment contract		<u>28,039</u>
Total liabilities		51,274
Proprietary capital		<u>49,878</u>
Total		<u>\$101,152</u>

Applicants now report that they have depleted their working cash in following a program of modernizing their equipment and by the payment of their 1958 license fees, that they now desire to improve their cash position and also to liquidate certain outstanding liabilities, and that they have made arrangements to borrow \$20,000 from the American Trust Company, the sum to be utilized to cancel existing indebtedness in favor of the bank, now in the amount of \$12,651.90, and to augment their working capital by \$7,348.10. The amount to be thus borrowed will be represented by a note bearing interest at the rate of 6% per annum, principal and interest to be payable in equal monthly installments of \$300, commencing April 1, 1958. The payment of the note will be secured by a deed of trust.

Upon reviewing the verified application, we are of the opinion that applicants' requests should be granted. An order will be entered.

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, 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 note herein authorized is reasonably required 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. Jack L. Anderson and Hazel Anderson, copartners doing business as Anderson Cartage and Warehouse Company, may execute a deed of trust and issue a note in the principal amount of \$20,000 for the purposes set forth in this application, said deed of trust and note to be in, or substantially in, the same form as those filed in this proceeding.

2. Jack L. Anderson and Hazel Anderson, copartners doing business as Anderson Cartage and Warehouse Company, 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 when Jack L. Anderson and Hazel Anderson, copartners doing business as Anderson Cartage and Warehouse Company, have paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at Los Angeles, California, this 3rd day of MARCH, 1958.

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

