

ORIGINAL

Decision No. 61368

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
CLYDE R. HOAGLAND, doing business
as REDWAY TRANSFER CO., for an
order authorizing the issuance
of a promissory note and mortgage.

Application No. 43018
Filed December 29, 1960

O P I N I O N

Clyde R. Hoagland, doing business as Redway Transfer Co., applicant herein, is engaged in business as a highway common carrier of certain specified commodities between points and places in the Los Angeles Territory and as a public warehouseman in Vernon. He has filed this application for authorization to execute a mortgage and to issue a note in the principal amount of \$40,000.

The proposed note will be issued to Small Business Administration. It will be secured by a mortgage of chattels, will bear interest at the rate of 5-1/2% per annum, and will be payable, principal and interest, in monthly installments of \$776 until five years after its date when the unpaid balance of principal and interest will become due and payable. Applicant proposes to use the proceeds from the issue of the note to refinance existing indebtedness to Small Business Administration which amounted to \$18,970.07 on September 30, 1960, to pay for a Chevrolet van truck and a fork lift, estimated to cost \$14,594, and to provide additional working capital.

Applicant's financial statements, filed as Exhibits C, D and E, show, among other things, that during the first nine months of 1960 his operating revenues amounted to \$171,698 and his net profit to \$23,549, after provision of \$8,405 for depreciation. The statements further show that, as of September 30, 1960, applicant had financed himself primarily with long-term debt of \$29,351 and proprietary capital of \$66,708.

From a review of the verified application and exhibits, we are of the opinion that applicant's operations should be sufficient to service and support the proposed borrowing without interfering with his public utility duties. We find and conclude, therefore, that the application should be granted, that the money, property or labor to be procured or paid for by the proposed note issue 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.

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,

IT IS HEREBY ORDERED -

1. That Clyde R. Hoagland, doing business as Redway Transfer Co., on or after the effective date hereof and on or before April 30, 1961, may execute a mortgage, or mortgages, of chattels and issue a note in the principal amount of not to exceed \$40,000 in the form and for the purposes set forth in this application.

2. That applicant 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. That this order will become effective when applicant has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$40.

Dated at San Francisco, California,
this 24th day of January, 1961.

[Signature]
President
[Signature]
[Signature]
Commissioners

