

**ORIGINAL**

64095

Decision No. \_\_\_\_\_

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:

SAN DIEGO FORWARDING COMPANY, a corporation, to issue shares of its preferred capital stock pursuant to Sections 816-830 of the Public Utilities Code.

Application No. 44630  
Filed July 12, 1962

O P I N I O N

This is an application for an order of the Commission authorizing San Diego Forwarding Company to issue and sell 150 shares (\$15,000 par value) of its 5% cumulative preferred stock, at par for cash, for the purpose of providing working capital.

The application shows that the carrier is the holder of city, radial and contract carrier permits and of a certificate of public convenience and necessity for the transportation of general commodities, with some exceptions, within and between Los Angeles Territory and San Diego Territory. From a review of filed financial reports it appears that the company's business has been increasing, that its operating revenues increased from \$659,154 in 1957 to \$862,197 in 1961, and its retained earnings from \$21,430 at the beginning of 1957 to \$46,577 at the close of 1961, and that as of March 31, 1962, its financial position, as indicated by its balance sheet, was as follows:

Assets

Current assets -		
Cash and deposits	\$19,721	
Accounts receivable	25,943	
Prepayments	<u>7,521</u>	
Total current assets		\$ 53,185
Tangible assets, less depreciation		112,455
Other investments		6,125
Franchises (legal and filing fees)		3,473
Deferred debits		<u>17,846</u>
 Total		 <u>\$193,084</u>

Liabilities and Net Worth

Current liabilities		\$ 48,859
Long-term obligations (due \$3,309 monthly)		49,660
Preferred stock		10,000
Common stock and surplus		<u>84,565</u>
 Total		 <u>\$193,084</u>

The company now reports that it finds it necessary to increase its working capital so as to enable it to meet its expenses expeditiously and to maintain and expand its facilities. It, therefore, has made arrangements to obtain additional cash through the sale of its 150 preferred shares to Virgil B. Windle, its president and principal shareholder.

We find and conclude that the proposed issue is for a proper purpose and that the money, property or labor to be procured or paid for by the issue of such shares is reasonably required for the purpose specified herein and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. We will enter our order granting the application.

O R D E R

The Commission has considered the above-entitled matter and has determined that a public hearing is not necessary, therefore,

IT IS ORDERED that -

1. San Diego Forwarding Company may issue and sell not to exceed 150 shares of its preferred stock on or before June 30, 1963, for cash, at not less than par, and use the proceeds for working capital to maintain and improve its service and facilities.

2. San Diego Forwarding 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 shall become effective twenty days after the date hereof.

Dated at San Francisco, California,  
this 14th day of August, 1962.

George T. Trover  
President  
Everett C. McKeage  
Fredrick B. Holoboff

Commissioners

C. Lyn Fox  
Commissioner Everett C. McKeage, being necessarily absent, did not participate in the disposition of this proceeding.