

Decision No. 79496

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of:)

ROZAY'S TRANSFER, a corporation,)
to issue shares of its common)
capital stock as a share)
dividend, pursuant to Section)
816-830 of the California Public)
Utilities Code.)

Application No, 53026
Filed November 26, 1971

O P I N I O N

Rozay's Transfer seeks an order of the Commission authorizing it to issue 8,800 shares of its \$10 par value common capital stock as a stock dividend.

Applicant is a California corporation operating under the jurisdiction of this Commission as a highway common carrier of general commodities in the Los Angeles Basin Territory. Operations are also conducted under permits issued by this Commission and under Interstate Commerce Commission authority. For the year 1970 the company reports operating revenues and net income of \$1,555,385 and \$22,705, respectively. Its reported assets and liabilities at June 30, 1971 are summarized from Exhibit B, attached to the application, as follows:

Assets

Current assets	\$233,489
Net tangible property	71,407
Other assets	<u>56,499</u>
Total	<u>\$361,395</u>

Liabilities

Current liabilities	\$199,451
Long-term liabilities	20,296
Capital stock	12,000
Retained earnings	<u>129,648</u>
Total	<u>\$361,395</u>

The carrier's outstanding capital stock consists of 1,200 shares having a par value of \$10 each. Applicant proposes to increase its outstanding capital stock to \$100,000 par value by issuing 8,800 shares as a stock dividend and transferring \$88,000 from its retained earnings.

After consideration the Commission finds that:

1. The proposed stock issue is for a proper purpose.
2. Applicant's retained earnings from operations exceed the proposed stock dividend to the extent that it may properly issue the stock dividend against such earnings.
3. The money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary.

ORDER

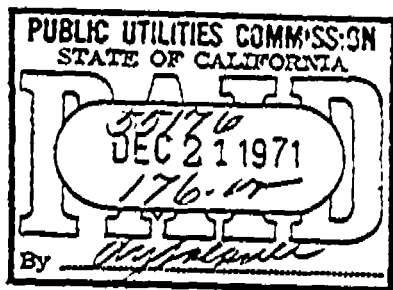
IT IS ORDERED that:

1. Rozay's Transfer, on or after the effective date hereof and on or before March 31, 1972, may issue and distribute not exceeding 8,800 shares of its \$10 par value common capital stock, at par, in the manner and for the purpose set forth in the application.

2. Rozay's Transfer shall file with the Commission the report required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. This order shall become effective when Rozay's Transfer has paid the fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$176.

Dated at San Francisco, California, this 21st day of DECEMBER, 1971.



[Signature] Chairman
William [Signature]
[Signature]
Vernon L. Stinger
[Signature] Commissioners