

ORIGINAL

Decision No. 85059

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of ATLAS MARINE
FREIGHT LINES, a California
corporation, for a permit to
issue capital stock.

Application No. 55926
(Filed September 10, 1975)

O P I N I O N

Atlas Marine Freight Lines seeks authority to issue not exceeding 900 shares of its no par value capital stock at a stated value of \$100 per share.

Applicant is a California corporation operating as a highway common carrier pursuant to the certificate of public convenience and necessity granted by Decision No. 84148, dated March 4, 1975, in Application No. 54320. In addition, it operates under the jurisdiction of this Commission as a highway contract carrier and a radial highway common carrier, and also operates under the jurisdiction of the Interstate Commerce Commission. For the year 1974, the carrier's reported total operating revenues amounted to \$1,180,067.

The application shows that Atlas Freight Lines, Inc. and applicant are two corporations having the same sole shareholders, namely, Donald F. Trexler and Sally Trexler, husband and wife. According to the application, the business of Atlas Freight Lines, Inc. consists of leasing certain equipment to applicant, and the former proposes to merge with and into the latter. In connection with the merger the carrier intends to assume the name of the merged corporation, namely, Atlas Freight Lines, Inc.

Applicant proposes to issue not exceeding 900 shares of its capital stock at a stated value of \$100 per share in cancellation of indebtedness incurred for equipment, and in exchange for outstanding capital stock and a nominal amount of cash.

The proposed transactions are summarized from June 30, 1975 financial statements attached to the application, as follows:

<u>Assets</u>	<u>Atlas Marine Freight Lines</u>	<u>Atlas Freight Lines Inc.</u>	<u>Adjustments</u>	<u>Pro Forma</u>
Cash	\$ 12,784		\$ 188	\$ 12,972
Receivables from affiliate		\$26,842	(26,842)	-0-
Other current assets	138,108			138,108
Carrier operating property - less accumulated deprec.	209,486	31,851		241,337
Other assets	<u>63,340</u>	<u>1,761</u>		<u>65,101</u>
Total	<u>\$423,718</u>	<u>\$60,454</u>	<u>\$ (26,654)</u>	<u>\$457,518</u>
<u>Liabilities</u>				
Current liabilities	\$164,763	\$ 5,191		\$169,954
Equipment obligations- less current portion	201,308	856		202,164
Payables to affiliate	26,842		\$ (26,842)	-0-
Loans from officers and stockholders	25,415	3,868	(29,283)	-0-
Stockholders' equity	<u>5,390</u>	<u>50,539</u>	<u>29,471</u>	<u>85,400</u>
Total	<u>\$423,718</u>	<u>\$60,454</u>	<u>\$ (26,654)</u>	<u>\$457,518</u>

The carrier anticipates that at the time it actually issues the stock for which it is seeking authority the stockholders' equity would have increased through normal activities to not exceeding \$90,000.

After consideration the Commission finds that: (1) the proposed stock issue would be for proper purposes; (2) the money, property or labor to be procured or paid for by the stock herein authorized is reasonably required for the purposes specified herein; and (3) such purposes are 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. The action taken herein shall not be construed as a finding of value of the capital stock of Atlas Marine Freight Lines.

O R D E R

IT IS ORDERED that:

1. Atlas Marine Freight Lines, on or after the effective date hereof and on or before December 31, 1975, in the manner and for the purposes and consideration specified in this proceeding, may issue not exceeding 900 shares of its no par value capital stock at a stated value of \$100 per share.

2. Atlas Marine Freight Lines shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.


3. Promptly after it files with the Secretary of State the document causing its name to be changed to Atlas Freight Lines, Inc., applicant shall file with this Commission a certified copy thereof.

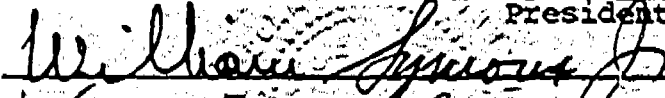
4. Upon filing the document required by paragraph 3, the certificate of public convenience and necessity granted by Decision No. 84148 is hereby amended by substituting the name Atlas Freight Lines, Inc. in the place of Atlas Marine Freight Lines.


5. On not less than five days' notice to the Commission and to the public, applicant shall amend its tariffs on file with this Commission as required by Rule No. 6.4 of General Order No. 80-A to reflect the change of name.

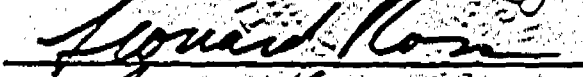
6. This order shall become effective when applicant has paid the fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$180.


Dated at San Francisco, California, this 28th day
of OCTOBER, 1975.



President








Commissioners

