

ORIGINAL

Decision No. 17313

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 DAVIES WAREHOUSE COMPANY)
 for an order authorizing the)
 issuance of seven percent cumula-)
 tive preferred stock to the face)
 value of \$10,000.00.) Application No. 13074.

In the Matter of the Application of)
 C. C. CARTWRIGHT,)
 doing business under the firm name)
 and style of C. C. Transfer)
 Company, for an order authorizing)
 the sale and transfer to Davies)
 Warehouse Company of franchise No.)
 C.R.C. 10020 together with all)
 equipment, good will of the busi-)
 ness and all tools and appliances.) Application No. 13103.

R. M. Ferrar, for applicants.

BY THE COMMISSION:

O P I N I O N

In Application No. 13103, C. C. Cartwright, doing business under the firm name and style of C. C. Transfer Company, asks permission to transfer certain properties used in the operation of an automobile truck line for the transportation of property between Los Angeles Harbor and the City of Los Angeles, to Davies Warehouse Company, a corporation. In Application No. 13074, Davies Warehouse Company asks permission to issue 100 shares of its preferred capital stock, of the aggregate par value of \$10,000., in part payment for such properties.

A public hearing in these matters was held by Examiner

Fankhauser at which time they were consolidated for the purpose of receiving evidence and for decision.

The applications show that the properties to be transferred to Davies Warehouse Company by C. C. Cartwright include a certificate of public convenience and necessity and certain physical properties described in some detail in Exhibit "B" attached to Application No. 13074. The certificate of public convenience and necessity was granted to C. C. Cartwright by the Commission by Decision No. 14404, dated December 27, 1924, in Application No. 10020, and permits the operation of an automobile truck service for the transportation of property for compensation between the City of Los Angeles proper and steamship wharves and docks located at Los Angeles Harbor, namely, Wilmington and San Pedro. The physical properties, according to Exhibit "B", consist of the following:-

<u>Name</u>	<u>Cost</u>	<u>Estimated Depreciation</u>
Four ton Stewart truck, rebuilt, 1924,	\$3,000.	\$ -
Four ton Stewart truck, 1923,	4,880.	1,952.
Two ton Chevrolet truck, 1922,	1,495.	897.
One ton Ford truck, 1922,	690.	690.
One ton Republic truck, 1920,	600.	600.
Six ton trailer, 1924,	650.	260.
Eight ton trailer, 1924,	920.	328.
Eight ton trailer, 1922,	950.	552.
Shop tools and equipment,	435.	190.
Extra body for Stewart truck (new)	300.	-
Materials and supplies	389.	-
Totals	<u>\$14,309.</u>	<u>\$5,469.</u>

The agreement (Exhibit "A") between Davies Warehouse Company and C. C. Cartwright recites that in consideration of the payment of Ten Thousand (\$10,000.00) Dollars and other good and valuable consideration, the party of the second part (C. C. Cartwright) agrees to sell to the party of the first part , (Davies Warehouse Company) all his truck and transfer business,

including five trucks, three trailers, shop equipment, extra truck body, all material and supplies, tools and appliances, good will and franchise issued by the Railroad Commission of the State of California No. C.R.C. 10020 and the party of the first part agrees to purchase the same, subject to the indebtedness now due on the same amounting to \$1,160.00.

Davies Warehouse Company is engaged in the general warehouse business in the City of Los Angeles and in the course of its operations receives considerable tonnage from the harbor. It reports, however, that due to the fact that it has no operative right to enter the trucking business, it is suffering a loss in revenue by reason of trucking companies diverting business to warehouses with which they are affiliated. C. C. Cartwright, on the other hand, reports that he has agreements for the transportation of large quantities of merchandise to the harbor but that owing to the fact that he has no trucking from the harbor he suffers a loss of revenue in having to return empty. As Davies Warehouse Company thus receives tonnage from the harbor and C. C. Cartwright has agreements for trucking merchandise to the harbor, it is thought that the consolidation of operations under one ownership and management will be advantageous to both interests.

ORDER

Applications having been made to the Railroad Commission for orders authorizing C. C. Cartwright to transfer operative rights to Davies Warehouse Company, and authorizing Davies Warehouse Company to issue \$10,000. of preferred stock, a public hearing having been held and the Commission being of the opinion that the

applications should be granted, as herein provided, and that the issue of stock is reasonably required by Davies Warehouse Company for the purposes specified herein,

IT IS HEREBY ORDERED that C. C. Cartwright, doing business under the firm name and style of C. C. Transfer Company, be, and he is hereby, authorized to transfer to Davies Warehouse Company the properties described in Exhibit "B" attached to Application No. 13074, and the operative rights heretofore granted him by the Commission by Decision No. 14404, dated December 27, 1924, in Application No. 10020, permitting the operation of an automobile truck service for the transportation of property for compensation between the City of Los Angeles and steamship wharves and docks located at Los Angeles Harbor, namely, Wilmington and San Pedro.

IT IS HEREBY FURTHER ORDERED that Davies Warehouse Company be, and it is hereby, authorized to acquire such rights and properties subject to outstanding indebtedness of \$1,160.00, and to issue in part payment therefor not exceeding \$10,000. of its seven percent cumulative preferred stock.

The authority herein granted is subject to the following conditions:-

1. C. C. Cartwright, doing business under the firm name and style of C. C. Transfer Company, shall cancel immediately all tariffs heretofore filed by him with the Railroad Commission, such cancellation to be in accordance with the provisions of General Order No. 51 and other regulations of the Railroad Commission, and Davies Warehouse Company shall file immediately new

tariffs in duplicate in its own name, such tariffs to be identical with those heretofore filed by C. C. Cartwright.

2. The rights and privileges herein authorized to be transferred may not be discontinued, sold, leased, transferred or assigned unless the written consent of the Railroad Commission has first been secured.
3. No vehicle may be operated by Davies Warehouse Company unless such vehicle is owned by it or is leased under a contract or agreement on a basis satisfactory to the Commission.
4. Applicant, Davies Warehouse Company, shall keep such record of the issue of the stock herein authorized and of the disposition of the proceeds as will enable it to file, within thirty days thereafter a verified report as required by the Railroad Commission's General Order No. 24, which order insofar as applicable is made a part of this order.
5. The authority herein granted shall become effective upon the date hereof.

DATED at San Francisco, California, this 8th day of September, 1926.

H. B. Rounding
C. S. Jones
Frank West
Leon A. White
Thos. S. Smith

Commissioners.