

LEM

Decision No. 19123

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LOS ANGELES COMPRESS & WAREHOUSE CO.) Application No. 13917
for an order authorizing issue of stock.)

Newlin & Ashburn, by Arthur T. George,
for applicant.

BY THE COMMISSION:

FIRST SUPPLEMENTAL OPINION

In the supplemental petition filed on October 24th in the above entitled matter Los Angeles Compress & Warehouse Co. asks permission to issue and sell at par \$65,000.00 of common stock and use the proceeds to pay \$40,000.00 of outstanding notes, and to pay the cost of constructing a press room floor, retaining walls, install storm drains and other incidental construction work.

It is of record that the \$40,000.00 obtained through the issue of the notes was used for the following purposes;-

Boiler house construction,-purchase and installation therein of pumps and equipment	\$17,500.00
Purchase of automobile equipment	8,000.00
Purchase of sheds from City of Los Angeles	7,600.00
Construction of tower over press and miscellaneous construction work	6,900.00

Total \$40,000.00

By Decision No. 18616 dated July 13, 1927, the Commission authorized applicant to issue and sell at par \$130,000.00 of its common capital stock. The testimony shows that all of this stock has been issued and acquired by the parties mentioned in the Commission's decision and the proceeds used for the purposes indicated in such decision.

In Exhibit No. 8 applicant reports the cost of its properties on November 30, 1927 at \$235,100.00. Such cost was financed by the issue of \$130,000.00 of stock, by obtaining through the issue of short term notes \$75,000.00 from the Citizens National Bank, and \$30,100.00 which applicant's stockholders have advanced. The \$75,000.00 payable to the Citizens National Bank includes the \$40,000.00 of notes which applicant desires to pay through the issue of common stock. The \$30,100.00 advanced by applicant's stockholders was used in part to pay for the improvements referred to in the supplemental petition. The \$65,000.00 of stock which applicant asks permission to issue will be purchased by its present stockholders.

FIRST SUPPLEMENTAL ORDER

Los Angeles Compress & Warehouse Co., having applied to the Railroad Commission for permission to issue \$65,000.00 of common stock, a hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for through such issue is reasonably required by applicant for the purposes specified in this order, and that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED that the Los Angeles Compress & Warehouse Co. be, and it is hereby, authorized to issue and sell at par on or before March 1, 1928, \$65,000.00 of its common capital stock, and use \$40,000.00 of the proceeds to pay the notes referred to in the supplemental petition and use \$25,000.00 to pay the cost of the improvements referred to in said supplemental petition or deliver

\$25,000.00 of said stock to applicant's stockholders in payment for advances made by them to provide applicant with funds to pay for such improvements.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective upon the date hereof, and that applicant shall keep such record of the issue, sale and delivery of the stock herein authorized and of the disposition of the proceeds as will enable it to file, on or before the 25th day of each month, 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.

DATED at San Francisco, California, this 10th day of December, 1927.

Ernest A. C. [Signature]
C. Seamy [Signature]
Leon Whitell [Signature]
[Signature]

Commissioners.