

IRA

Decision No. 20148

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LOS ANGELES COMPRESS & WAREHOUSE)
COMPANY)
for an order authorizing the issue)
of stock.)

ORIGINAL

Application No. 13917.

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

BY THE COMMISSION:

SECOND SUPPLEMENTAL OPINION

In a supplemental petition filed on July 31, 1927, in the above entitled matter, Los Angeles Compress & Warehouse Company asks permission to issue and sell at par \$300,000.00 of its common capital stock and use the proceeds for the purpose of constructing additional warehouses at the Los Angeles Harbor (San Pedro).

The company also asks permission to extend and increase its storage and warehouse floor space and facilities.

Applicant is engaged in the operation of a cotton compress and warehouse at the Los Angeles Harbor. The Commission has heretofore authorized the company to issue \$195,000.00 of stock. (Decision No. 18616 dated July 13, 1927 and Decision No. 19123 dated December 15, 1927). It is of record that all of such stock has been issued and sold and the proceeds used for the purposes

indicated in the Commission's decision. The testimony shows that the storage facilities now operated by applicant are inadequate to meet its existing storage needs, and that it is the only warehouse company engaged in the business of compressing and storing cotton at the Los Angeles Harbor.

Applicant's stockholders have signified their intention to acquire the \$300,000.00 of stock which it now asks permission to issue and to pay cash for such stock. The company asks authority to use the proceeds obtained from the sale of the stock for the following purposes:-

TO build retaining wall	\$48,493.93
TO ballast railroad tracks.	385.71
TO construct Warehouse No. 2, three units	75,000.00
TO construct Warehouse No. 3, five units.	150,000.00
For switchboard	1,867.00
For automatic sprinklers.	22,207.00
For 100,000 gallon steel tank and piling.	7,839.00
For asphalt flooring.	27,000.00
Building permit	199.25
Estimated miscellaneous expenses.	7,008.11
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Total	\$300,000.00
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It is of record that Warehouse No. 3 is now in process of construction. It is a one story reinforced structure, 750 feet long and 150 feet wide with a 40 foot platform on each side. The foundation and first story are being built sufficiently strong so that another story may be added later, if deemed advisable. The building now being constructed is reported to have a floor space of 110,000 square feet, while the platform has an additional floor space of 52,000 square feet. Its storage capacity is reported at 25,000 bales of compressed cotton. It will be equipped with an automatic sprinkler system.

Construction of warehouse No. 2 has not yet begun. This building as now designed will have a floor space of 75,000 square feet and a storage capacity of from 8,000 to 9,000 bales of compressed cotton.

The testimony shows that last year the company did not own sufficient warehouse space to store the cotton which was offered to it for storage purposes. It was necessary for it to lease certain sheds and warehouse facilities from the City of Los Angeles. In order to be better equipped to handle the storage of cotton, applicant has concluded to construct additional warehouses.

SECOND SUPPLEMENTAL ORDER

Los Angeles Compress & Warehouse Company, having applied to the Railroad Commission for permission to extend and increase its storage and warehouse floor space and facilities and to issue at par \$300,000.00 of its common capital stock and use the proceeds for the purposes indicated in the foregoing supplemental opinion, a public hearing having been held before Examiner Frankhauser and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required by applicant and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expenses or to income, and that public convenience and necessity require applicant to extend and increase its storage and warehouse floor space and facilities, as set forth in the supplemental petition filed on July 31, 1928, therefore

