

LBM

Decision No. 21125.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
GROWERS REFRIGERATION COMPANY,)
a corporation, for an order authoriz-) Application No. 15612
ing the sale and issuance of stock.)

Clarence E. Todd, for applicant.

BY THE COMMISSION:

ORIGINAL

OPINION

In the above entitled matter the Railroad Commission has been asked to make an order authorizing Growers Refrigeration Company to issue \$5,200.00 of its common capital stock and \$2,680.00 of its seven percent cumulative preferred stock, for the purpose of paying organization expenses and of financing the cost of equipment, as more fully hereinafter set forth.

Growers Refrigeration Company is a corporation organized on or about December 20, 1928, under the laws of the State of California, for the purpose primarily of conducting a cold storage warehouse business in San Francisco and more particularly at #240 Oregon Street. Heretofore by Decision No. 21008, dated April 24, 1929, in Application No. 15528, it was granted a certificate of public convenience and necessity permitting it to operate such cold storage warehouse business, subject, of course, to the provisions of the order, and was also authorized, among other things, to issue \$48,000. of its stock at not less than par for the purpose of paying for certain

real property and improvements and of financing the cost, estimated at \$33,375.00, of improvements, all as shown in some detail in Application No. 15528.

The company now reports that in addition to the improvements of \$33,375.00 set forth in the previous application, the organizers of the company have incurred certain necessary expenses in connection with such organization including legal expenses for the incorporation of the company, services before the Railroad Commission and elsewhere and other necessary expenses in connection with the acquisition of the real property of the corporation, as follows:-

Organization costs and expenses, including legal expenses to date	\$1,446.60
Necessary traveling expenses to Los Angeles (4 days), Watsonville (1 day) and Eureka (1 day) for the purpose of inspecting cold storage plants, and including the expenses of an engineer in that behalf	200.00
Fee of consulting engineer at plant at San Francisco (1 day)	15.00
Expense in connection with acquiring real estate where cold storage plant is to be operated, to-wit, title insurance fees, abstract of title, appraiser's fees and notary fees . .	189.10
Photostat of original plans	11.00
Expense of cleaning out building, (two men and auto-truck, 2 days)	70.00
Second installment of taxes on building	243.94
Fire insurance on building	532.00
Stationery and stamps	25.00
Stenographic services for one week	40.00
Salary of engineer for two months during construction of refrigerating plant in building, that is to say, May and June, 1929	500.00
Salary of S. V. Baumsteiger and W.R.Lord, as President and Secretary of the corporation, from January 1st to July 1st, 1929, at \$150. a month each	1,800.00
Office overhead, January 1st to July 1st, 1929 at the rate of \$20. per month	120.00
Total	<u><u>\$5,192.64</u></u>

In addition, the company reports that it is necessary and proper for the operation of its cold storage business to purchase

four hand lift warehouse trucks with twenty-five platforms at a cost of \$1,125.00 and one electric warehouse truck at a cost of \$1,550.00, making a total cost for equipment at \$2,675.00.

The company proposes to issue \$5,200.00 of its common stock to its organizers in payment for the expenses referred to herein and to issue and sell at par \$2,680.00 of its preferred stock for the purpose of financing the cost of the equipment.

The amounts set forth in this petition do not appear to us to be unreasonable and an order authorizing the issue of the stock in the amounts prayed for accordingly will be entered.

O R D E R

Growers Refrigeration Company having applied to the Railroad Commission for permission to issue stock, and the Commission being of the opinion that this is not a matter in which a public hearing is necessary, and that the money, property or labor to be procured or paid for through the issue of such stock is reasonably required for the purposes specified herein, which purposes are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that Growers Refrigeration Company be, and it hereby is, authorized to issue to S.V.Baumsteiger and W.E.Lord, \$5,200.00 of its common stock as fully paid to reimburse them for the payment of the expenses set forth in the foregoing opinion and to issue and sell at not less than par, \$2,680.00 of its preferred stock and to use the proceeds received through the issue and sale of such preferred stock to finance the cost of the equipment also referred to in the foregoing opinion.

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

1. 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 Commission's General Order No. 24, which order, insofar as applicable, is made a part of this order.

2. The authority herein granted will become effective ten days after the date hereof.

3. Under the authority herein granted no stock may be issued after December 1, 1929.

DATED at San Francisco, California, this 20th day of May, 1929.

Frank B. Rowell

Chas. J. ...

Ernest ...

Leon ...

M. J. ...

Commissioners.