

IBM

Decision No. 21712.

CONFIDENTIAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LOS ANGELES COMPRESS & WAREHOUSE CO.)
for order authorizing the issue of)
stock and certificate of public con-)
venience and necessity.)

Third Supplemental
Application No. 13917

Newlin & Ashburn, by Tom C. McNamee,
for applicant.

BY THE COMMISSION:

O P I N I O N

Los Angeles Compress & Warehouse Co., a corporation, asks permission to issue and sell 250 shares (\$25,000.) of stock in addition to the 750 shares (\$75,000.) authorized by Decision No. 20148, dated August 24, 1928, and also asks that the Commission make its order declaring that public convenience and necessity require applicant to extend its storage and warehouse floor space and facilities to the extent indicated in the supplemental petition filed in this proceeding on October 7, 1929.

Los Angeles Compress & Warehouse Co. is engaged in the operation of a cotton compress and warehouse in the City of Los Angeles. The testimony of A. H. Lamberth, applicant's president, shows that its storage facilities are inadequate to meet existing storage demands. No one appeared at the hearing to protest the enlargement and extension of applicant's warehouse and compress facilities.

Applicant proposes to construct a concrete building and platform to be known as Warehouse No. 2, together with a concrete press room and compartments, to be known as Compartments 15 and 16. The new warehouse and compartments will be of sufficient size and capacity to store approximately 30,000 bales of cotton and will increase applicant's floor space to about 136,500 square feet. The cost of the improvements is estimated at about \$325,000. Applicant proposes to pay for such improvements through the issue and sale of \$100,000. of stock at par, through the investment of \$66,700. of surplus earnings and to borrow the balance of approximately \$150,000. from banks on short term notes.

The \$100,000. of stock which applicant proposes to issue consists of \$75,000., the issue of which the Commission authorized by Decision No. 20148 and \$25,000. of additional stock, the issue of which has not heretofore been authorized by the Commission.

The record shows that applicant has started the construction of what will be known as its Warehouse No. 2 and that the same will be completed so that it can be used for this season's storage. Plans and specifications of Warehouse No. 2 have been filed as Exhibit "A" and Exhibit "B" attached to the supplemental petition filed on October 7th in this proceeding.

THIRD SUPPLEMENTAL ORDER

Los Angeles Compress & Warehouse Co. having applied to the Railroad Commission for permission to extend and increase its storage and warehouse space and facilities, to issue at par \$25,000. par value of its common capital stock and use the proceeds obtained from the sale of such stock, together with the proceeds which it will obtain from the issue of \$75,000. of stock, the issue of which is authorized by Decision No. 20148, as amended, to pay in part the cost

of extending and increasing its storage and warehouse space and facilities, a public 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 by such issue is reasonably required by applicant, that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expense or to income, 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 in this matter on October 7, 1929, and that such supplemental petition should be granted as herein provided, therefore,

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require and will require the Los Angeles Compress & Warehouse Co. to extend and increase its storage and warehouse floor space and facilities to the extent indicated in the supplemental petition filed in this proceeding on October 7, 1929.

IT IS HEREBY ORDERED that the Los Angeles Compress & Warehouse Co. be, and it is hereby, authorized to issue and sell on or before December 31, 1929 at not less than par, \$100,000. par value of its common capital stock, said \$100,000. to consist of \$75,000. of stock, the issue of which is authorized by Decision No. 20148, and \$25,000. of stock, the issue of which has not heretofore been authorized by the Commission.

IT IS HEREBY FURTHER ORDERED that the Los Angeles Compress & Warehouse Co. shall use the proceeds obtained from the issue and sale of the said \$100,000. of stock for the purpose of paying in part the cost of increasing and extending its storage and warehouse floor space and facilities, to which reference is made in the supplemental petition filed in this proceeding on October 7, 1929.

IT IS HEREBY FURTHER ORDERED that the Los Angeles Compress & Warehouse Co. 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.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective upon the date hereof.

DATED at San Francisco, California, this 28th day of October, 1929.

David Paulin
Clarence
Edward
Leon
M. J. Lee
Commissioners.