

Decision No. 24325

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Harry Hunter, Keith Enloe and)
M. J. Wyndelts, copartners, for) Application No. 17800.
authority to transfer warehouse)
business at Merced to M. J. Wyndelts.)

BY THE COMMISSION:

OPINION AND ORDER**ORIGINAL**

This is an application for an order authorizing Harry Hunter, Keith Enloe and M. J. Wyndelts, co-partners doing business under the firm name and style of Farmers Warehouse Company, to sell and transfer their warehouse business and equipment to M.J. Wyndelts.

It appears that applicant co-partners are engaged in the public utility warehouse business, chiefly for the storage of rice, grain and fruit, at Merced. Information on file with the Commission indicates that applicants own a frame warehouse building, with concrete floor, of 20,000 square feet floor space and 5,000 tons capacity, together with miscellaneous equipment consisting of platform scales, hand trucks, piling machine, grain cleaner, feed grinder and other personal property. As of October 5, 1931, the assets and liabilities are reported as follows:

ASSETS

Real estate.....	6,000.00
Railroad siding.....	2,263.00
Building.....	49,429.71
Boiler room equipment.....	1,904.69
Office fixtures.....	279.26
Warehouse equipment.....	6,611.68
Unearned insurance.....	250.00
Accrued storage.....	3,041.81
Accounts receivable.....	2,175.12
Merchandise inventory.....	3,080.00
Cash in bank.....	<u>606.43</u>

Total Assets.....\$75,641.70

LIABILITIES

Mortgage.....	\$ 25,670.83
Depreciation reserve.....	16,079.22
Bills payable.....	3,250.00
Accrued interest.....	3,743.67
Accounts payable.....	<u>603.42</u>
Total Liabilities.....	\$49,347.14
Net Worth.....	<u>26,294.56</u>
Total.....	<u>\$75,641.70</u>

It is alleged in the application that ever since the commencement of the business in 1927, the management and operating responsibility has rested with M. J. Wyndelts and that Harry Hunter and Keith Enloe have given little if any attention to the conduct of the business and have advanced no monies in financing it. It is reported that a verbal understanding made shortly after the creation of the partnership provided for the transfer of the business to M. J. Wyndelts when he was willing to continue it solely for his own account, and therefore it now is desired to dissolve the partnership and transfer the business and assets, save and excepting the real estate, siding, buildings and boiler room equipment, to said M. J. Wyndelts, in accordance with the terms of an agreement dated September 28, 1931 and filed in this proceeding as Exhibit "A".

It seems that under the agreement dissolution will be reached by the payment by M. J. Wyndelts to Harry Hunter and Keith Enloe of the sum of \$10.00 each in consideration of which they will assign to him all of their right, title and interest in and to the business and good will of the partnership and the personal property, subject to indebtedness of \$8,267.92. The assets to be transferred include office fixtures, warehouse equipment and cash on hand, accounts receivable and other current items appearing in the foregoing balance sheet at a total figure of \$16,044.30, while the liabilities to be assumed include \$670.83 on the mortgage indebtedness, all the bills payable of \$3,250.00, accounts payable of \$603.42 and interest accrued of \$3,743.67.

At the conclusion of the transaction, the real property and improvements will continue to be owned by the co-partnership, subject to a mortgage of \$25,000.00 in favor of W. H. Hunter. Mr. Wyndelts has advised the Commission that as rent for the use of said property, he will pay the taxes, insurance, upkeep and interest. It is his intention ultimately to pay off the mortgage and assume ownership of the property at its original cost.

Applicants state the warehouse will continue to be operated as a public utility by M. J. Wyndelts under the rates, rules and regulations governing the storage and handling of commodities as shown in Warehouse Tariff No. 1, C.R.C. No. 1 effective November 9, 1929 supplements thereto or reissue thereof. The proposed transfer will not result in curtailment of service but in a continuation of efficient and economical operation.

We are of the opinion that this is a matter not requiring a formal hearing and that the application should be granted, therefore,

IT IS HEREBY ORDERED that the above entitled application be and the same is hereby granted, subject to the following conditions:

1. Harry Hunter, Keith Enloe and M. J. Wyndelts a copartnership shall immediately unite with M. J. Wyndelts in supplement to tariff on file with the Commission, the copartnership on the one hand withdrawing and M. J. Wyndelts on the other hand accepting and establishing such tariff and all effective supplements thereto.

2. The consideration which may be paid by M. J. Wyndelts for the aforesaid properties, shall not be urged before this Commission as determining the volume of said properties for any purpose

other than the transfer herein authorized.

3. The authority herein granted will become effective upon the date hereof.

Dated at San Francisco, California, this 21st day of December, 1931.

CC Seaman
Leon O'Connell
W. A. C.
W. B. Harris
Fred G. Stewart
COMMISSIONERS.