

LEM

Decision No. 94525

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of
 BUTTONWILLOW WAREHOUSE COMPANY,
 a corporation, and C. E. HOUCHIN and JAS.
 E. FICKETT, copartners doing business
 under the firm name and style of BUTTON-
 WILLOW WAREHOUSE COMPANY, for an order
 authorizing the issuance of all the capital
 stock of said BUTTONWILLOW WAREHOUSE COM-
 PANY, a corporation, to C. E. HOUCHIN and
 JAS. E. FICKETT, in exchange for the
 transfer and sale to said Corporation of
 the public warehouse and public warehouse
 business now operated at Buttonwillow,
 California, by said copartnership.

ORIGINAL

Application No. 17933

BY THE COMMISSION:

O P I N I O N

In this proceeding the Railroad Commission is asked to enter its order authorizing C. E. Houchin and Jas. E. Fickett, copartners, doing business under the firm name and style of Buttonwillow Warehouse Company, to transfer the warehouse properties, to which reference will be made hereafter to the Buttonwillow Warehouse Company, a corporation, and authorizing the Buttonwillow Warehouse Company, a corporation, to issue \$15,000.00 par value of its common capital stock for the purposes hereinafter indicated.

It is of record that the copartnership consisting of C.E. Houchin and Jas. E. Fickett has, since December 1, 1930, been operating a public warehouse in the Town of Buttonwillow, County of Kern, State of California. It is recited that this copartnership is the successor in interest of C.C. Collins and W. C. Collins,

copartners, doing business under the firm name and style of Collins Commercial Company. By Decision No. 23131 dated December 1, 1930 in Application No. 16999, the Commission authorized the C. C. Collins Company to transfer to C. E. Houchin the warehouse business and properties at Buttonwillow, California, which warehouse and properties were operated under the name and style of Collins Commercial Company. It will be observed that such transfer was authorized to be made to C. E. Houchin as an individual and not to the copartnership to which reference is made in the instant application.

The real properties which are to be transferred are described in Exhibit "B" filed in this proceeding, as consisting of all of those certain lots or parcels of land situate in the County of Kern, State of California, and bounded and described as follows, to-wit:

" In the Town of Buttonwillow, according to that certain map designated as 'Map of Buttonwillow Townsite, being a subdivision of portions of Sections 13 & 14, T. 29 S., R. 23 E., M.D.B. & M.,' filed in the office of the County Recorder of Kern County, State of California, on January 16th, 1927, in Book 4 of Maps, pages 5, 6 and 7, Kern County Records:

Lots 7, 8, 9, 10, 11 and 12 of Block 17.

Lots 1, 2, 3, 4, 5 and 6 of Block 18.

All of Lot A, bounded on north by south line of Front Street and on south by north line of Southern Pacific Railroad Company's property; on west by Block 17; and on east by Block 18.

Together with building known as the Buttonwillow Warehouse located on above described premises.

TOGETHER with the tenements, hereditaments, and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof."

In addition to the transfer of the aforementioned property, there is to be transferred to the Buttonwillow Warehouse Company that certain public warehouse and public warehouse business now owned and operated by C. E. Houchin and Jas. E. Fickett, copartners, doing business under the firm name and style of Buttonwillow Warehouse at Buttonwillow, and all its assets including goodwill and

all property, whether real, personal or mixed, used in the conduct of such business and including accounts receivable, subject to existing liabilities.

The balance sheet of the copartners as of December 31, 1931, shows the following assets and liabilities:

<u>A S S E T S</u>			
<u>CURRENT ASSETS:</u>			
Bank of America	\$27.99		
Petty cash	50.00		
Accounts receivable	2,505.35		
Inventory	<u>2,544.21</u>		\$ 5,127.55
<u>FIXED ASSETS:</u>			
Real estate	\$2,600.00		
Buildings	6,400.00		
Equipment	<u>1,932.67</u>		10,932.67
<u>DEFERRED CHARGES:</u>			
Prepaid insurance			<u>324.30</u>
			<u>TOTAL ASSETS..... \$16,384.52</u>
<u>L I A B I L I T I E S</u>			
<u>CURRENT LIABILITIES:</u>			
Accounts payable			\$ 86.17
<u>DEFERRED CHARGES:</u>			
Unearned storage			970.96
<u>CAPITAL AND NET WORTH:</u>			
C. E. Houchin, Capital	7,500.00		
J. E. Fickett, "	7,500.00		
Surplus	<u>327.39</u>		<u>15,327.39</u>
			<u>TOTAL LIABILITIES..... \$16,384.52</u>

The copartners are of the opinion that they can conduct the warehouse business at Buttonwillow more advantageously under the form of a corporation than as a copartnership. It is because of this situation that they request permission to transfer the properties to the corporation.

In exchange for these properties the corporation asks permission to issue 73 shares (\$7,300.00 par value) of its capital stock to Jas. E. Fickett and 74 shares (\$7,400.00 par value) to C. E. Houchin. This will be the sole consideration for the

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THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

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<u>A S S E T S</u>		
<u>CURRENT ASSETS:</u>		
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Petty cash	50.00	
Accounts receivable	2,505.35	
Inventory	<u>2,544.21</u>	\$ 5,127.55
<u>FIXED ASSETS:</u>		
Real estate	\$2,600.00	
Buildings	6,400.00	
Equipment	<u>1,932.67</u>	10,932.67
<u>DEFERRED CHARGES:</u>		
Prepaid insurance		<u>324.30</u>
	TOTAL ASSETS.....	<u><u>\$16,384.52</u></u>
<u>L I A B I L I T I E S</u>		
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J. E. Fickett, "	7,500.00	
Surplus	<u>327.39</u>	<u>15,327.39</u>
	TOTAL LIABILITIES.....	<u><u>\$16,384.52</u></u>

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In exchange for these properties the corporation asks permission to issue 73 shares (\$7,300.00 par value) of its capital stock to Jas. E. Fickett and 74 shares (\$7,400.00 par value) to C. E. Houchin. This will be the sole consideration for the

transfer and sale of the warehouse properties and business. In addition the corporation desires permission to issue three shares of its stock to its directors.

ORDER

The Railroad Commission having been requested to enter its order as indicated in the foregoing opinion, the Commission having considered the request of applicants and being of the opinion that this is not a matter in which a public hearing is necessary and that this application should be granted, that the money, property or labor to be procured or paid for by the issue of \$15,000.00 of stock by Buttonwillow Warehouse Company, a corporation, is reasonably required for the purposes herein indicated, and that such purposes are not in whole or in part reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. C. E. Houchin and/or C. E. Houchin and Jas. E. Fickett, copartners doing business under the firm name and style of Buttonwillow Warehouse Company, be, and they are hereby, authorized to transfer to Buttonwillow Warehouse Company, a corporation, the properties described in Exhibit "B" and in Exhibit "C" filed in this proceeding.
2. Buttonwillow Warehouse Company, a corporation, is hereby authorized to acquire the aforesaid properties and to issue at par in payment therefor \$14,700.00 par value of its common capital stock.
3. Buttonwillow Warehouse Company, a corporation, is hereby authorized to issue and sell at not less than par, \$300.00 par value of its common capital stock for the purpose of qualifying its directors, and shall use the proceeds realized from the sale of such

stock to pay organization expenses and provide itself with working capital.

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

a. C. E. Houchin and/or C. E. Houchin and Jas. E. Fickett, copartners, doing business under the firm name and style of Buttonwillow Warehouse Company, and Buttonwillow Warehouse Company, a corporation, shall unite in common supplement to the tariffs on file with the Railroad Commission in the name of C. E. Houchin, applicants C. E. Houchin and/or C. E. Houchin and Jas. E. Fickett, ^{firm} copartners, doing business under the name and style of Buttonwillow Warehouse Company withdrawing and applicant Buttonwillow Warehouse Company, a corporation, adopting such tariffs and all effective supplements thereto, as its own.

b. Buttonwillow Warehouse Company shall keep such record of the issue, sale and delivery of the stock herein authorized to be issued 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.

c. Under the authority herein granted no properties may be transferred nor any stock issued after May 1, 1932.

DATED at San Francisco, California, this 29th day of February 1932.

C. Deane
Leon D. Dwyer
W. H. Lee
M. B. Harris
Fred G. Stewart
Commissioners.