

Decision No. 25233

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the
 MODESTO TERMINAL COMPANY,
a corporation, to transfer and assign
to the Modesto & Empire Traction Com-
pany, a corporation, a general storage
warehouse business operated and con-
ducted at Modesto in the County of Stan-
islaus, State of California.

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) Application No. 18429
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BY THE COMMISSION:

ORIGINAL

OPINION AND ORDER

In this application the Railroad Commission is asked to make an order authorizing the transfer of the warehouse business of Modesto Terminal Company to Modesto & Empire Traction Company.

It appears that both corporations, applicants in this proceeding, are controlled by the same interests. Modesto & Empire Traction Company is engaged in operating a line of railroad between the City of Modesto and the station of Empire on The Atchison, Topeka and Santa Fe Railway Company lines.

Modesto Terminal Company is engaged in operating a general terminal company in Modesto and incidental thereto, in conducting a small general warehouse business for the convenience of shippers. Its operations are conducted in a warehouse building situate near and adjacent to the lines of the Traction Company. The utility business performed has been incidental to the terminal company's main operations. In 1930, for example, it reported gross warehouse revenues of \$6,161.01, and net revenues of \$1,291.37, while in 1931

it reported gross warehouse revenues of \$4,019.33 and a net loss of \$662.11.

The application shows that on September 22, 1932 the two corporations entered into an agreement for the transfer of the warehouse business to the Railroad Company. Under the terms of the agreement the Railroad Company agrees to take over the business, to assume charge of all of the property stored in the warehouse and to hold the same subject to any receipts issued therefor, and from the date of the agreement it will assume all charges and costs for the management and operation of the business, including any rental upon the premises used for that purpose. All charges for goods stored in the warehouse are to be collected and retained by the Railroad Company.

It appears that the transfer is being made for the purpose of the convenience of the transaction of the business and is without any consideration, except the assumption by the Modesto & Empire Traction Company of the payment of the rental upon the property in which such warehouse operations are conducted.

The Commission is of the opinion that this is not a matter in which a public hearing is necessary and that the application should be granted, as herein provided, therefore,

IT IS HEREBY ORDERED, that Modesto Terminal Company be, and it hereby is, authorized to transfer and assign its warehouse business to Modesto & Empire Traction Company.

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

1. Applicants shall forthwith unite in common supplement to the tariffs now on file in the name of Modesto

Terminal Company, applicant Modesto Terminal Company withdrawing and applicant Modesto & Empire Traction Company adopting as its own said tariffs and all effective supplements thereto.

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

DATED at San Francisco, California, this 3^d day of October, 1932.

C. L. Lewis
Leon C. ...
W. A. ...
M. B. ...
Fred G. ...
Commissioners.