

Decision No. 10634.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SAN JOSE WAREHOUSE COMPANY, for an
order authorizing issuance of capi-
tal stock.

Application No. 7954.

Heller, Ehrman, White and McAuliffe,
by J. B. White, for Applicant.

ORIGINAL

BENEDICT, COMMISSIONER:

O P I N I O N

SAN JOSE WAREHOUSE COMPANY asks permission to issue \$5,000.00 (500 shares) of its capital stock at par, and to use the proceeds to pay expenses of incorporation and to provide working capital.

The record shows that applicant was incorporated on or about May 26, 1922 with an authorized capital stock of \$5,000.00, divided into 500 shares of the par value of \$10.00 each, for the purpose of conducting a public warehouse business in San Jose. It appears that all of the company's authorized capital stock will be acquired and held by members of a co-partnership known as Bisceglia Bros. which is engaged in the business of canning fruits and vegetables in San Jose.

Applicant reports that each year a large quantity of canned fruits and vegetables are held by Bisceglia Bros. for future delivery and that pending the date of delivery it has been found expedient to place such goods in a public warehouse and obtain negotiable warehouse receipts in order that they might borrow money for additional working capital. It appears that there is no public warehouse near Bisceglia Bros. canning plant and for that reason it has been necessary to incur expenses of hauling and handling

when storing goods. The company reports that there is a large building adjoining the cannery which is suited for a public warehouse, being situated on the main line and spur tracts of the Southern Pacific Railroad Company and Western Pacific Railroad Company close to the point of intersection of the two lines. The building is reported owned by Biscaglia Bros. who have arranged to lease it to applicant for a period of five years commencing June 15, 1922 at an annual rental of \$3,000.00. A copy of the proposed lease has been filed with the Commission in this proceeding. It is not contemplated that there will be any demands for storage from the public in general, nor that any goods will be stored other than the products of Biscaglia Bros. Applicant reports that facilities are at hand, however, to take care of goods which may be offered for storage. The company, apparently, is aware of the duties and responsibilities of a public utility warehouse company and of the fact that all must be served alike, as provided in the Public Utilities Act.

I herewith submit the following form of order:-

O R D E R

SAN JOSE WAREHOUSE COMPANY having applied to the Railroad Commission for permission to issue stock, a public hearing having been held, 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;

IT IS HEREBY ORDERED that SAN JOSE WAREHOUSE COMPANY be, and it is hereby, authorized to issue and sell at par, for cash, on or before December 31, 1922, \$5,000.00 of its capital stock, and to use the proceeds to pay organization expenses and to provide working capital;

IT IS HEREBY FURTHER ORDERED that San Jose Warehouse Company be, and it is hereby, authorized to execute a lease with Biscaglia Bros. substantially in the same form as the lease filed in this proceeding and referred to in the foregoing opinion.

The authority herein granted is subject to the condition that San Jose Warehouse Company keep such record of the issue and sale 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, in so far as applicable, is made a part of this order.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

DATED at San Francisco, California, this 29th day of June, 1922.

H. B. Brundage

Dwight Martin

W. B. Benedict

Commissioners.