

Decision No. 7343

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application of DEPUE WAREHOUSE COMPANY, a corporation, for a permit authorizing it to issue and sell stock.) Application No. 5293.

Goodfellow, Eells, Moore & Orrick, by C. J. Goodell, for applicant.

BY THE COMMISSION:

O P I N I O N.

DePue Warehouse Company asks permission to issue at par \$37,000.00 of its common capital stock.

A hearing was held on this application before Examiner Westover in San Francisco.

The record shows that DePue Warehouse Company was organized in January, 1912, with an authorized capital stock issue of \$100,000, of which \$63,000 is outstanding. In Exhibit No. 1, applicant reports assets and liabilities as of December 31, 1919, as follows:

Assets:

Real Estate	\$22,360.00
Buildings	135,164.88
Warehouse Equipment	16,609.67
Autos and Trucks	5,254.21
Office furniture and fixtures.	2,232.20
Investments.	17,654.92
Cash	3,967.83
Accounts Receivable	49,688.09
Notes receivable	5,000.00
Deferred Debit Items	9,310.47
Total Assets	<u>\$267,242.27</u>

Liabilities:

Capital stock	\$63,000.00	
Notes payable	3,000.00	
Accounts Payable	40,779.86	
Wages payable	2,405.23	
Rentals due and unpaid	370.40	
Dividend Reserve	3,575.00	
Interest accrued	23.00	
Deferred credit items	2,165.06	
Reserves	52,932.24	
Surplus	98,991.48	
Total Liabilities		\$267,242.27

For 1918 applicant reports operating revenues of \$261,422.01 and for 1919 operating revenues of \$219,220.93. After paying operating expenses, taxes, interest and other charges, the company for 1918 reported a net corporate income of \$60,960.36, and for 1919 a net corporate income of \$31,882.41.

Applicant reports that the \$37,000.00 of stock, which it desires permission to issue, will be acquired by present stockholders, and that it is in need of funds to pay for capital investment. It reports that during 1919 it constructed a warehouse at Delevan costing approximately \$27,000; that during the same year it contracted for the purchase of the Stovall-Wilcoxson Warehouse at Williams at a cost of \$30,000, and that it is now engaged in constructing a new warehouse at Berlin, which will cost approximately \$20,000, to replace a warehouse destroyed by fire, on which it collected \$6,000 of insurance. The warehouse so destroyed was valued by applicant in excess of \$7,000.00. Reports on file with the Commission show that applicant has expended out of income for permanent additions and betterments to its properties an amount in excess of the value of the warehouse destroyed by fire. On account

of such investment, applicant may properly be permitted to issue stock to reimburse its treasury and for the purpose of constructing and acquiring the warehouses and properties referred to in the petition herein.

O R D E R

DePUE WAREHOUSE COMPANY having asked permission to issue \$37,000.00 of its common capital stock, a public hearing having been held and the Commission being of the opinion that the money, property or labor to be procured by applicant for the issue of such stock is reasonably required by it, and that this application should be granted;

IT IS HEREBY ORDERED that DePue Warehouse Company be and it is hereby authorized to issue and sell at not less than par for cash on or before November 1, 1920, \$37,000.00 of its common capital stock and use the proceeds for the purpose of reimbursing its treasury and paying for the construction and the acquisition of the warehouse properties referred to in the amended petition herein,

PROVIDED that applicant will 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.

this 3^d day of April, 1920. Dated at San Francisco, California,

Edw. A. Egan
H. H. ...
Frank ...
H. B. ...

Commissioners.