

Decision No. 7386.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

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In the Matter of the Application of)
INTRASTATE WAREHOUSE COMPANY)
for an order authorizing the issue)
and sale of its capital stock and)
the purchase of certain property;)
and of LANCASTER FEED & FUEL COMPANY)
for an order authorizing the transfer)
of certain property to INTRASTATE)
WAREHOUSE COMPANY (Pursuant to Sec.)
52, Public Utilities Act of California.)

Application Number
5 4 3 1.

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Lawrence L. Larrabee, for applicant.

BRUNDIGE, Commissioner.

O P I N I O N.

The Railroad Commission is asked to make an order authorizing applicant, LANCASTER FEED & FUEL COMPANY, to sell, and applicant, INTRASTATE WAREHOUSE COMPANY, to buy, the warehouse business, building and equipment hitherto owned and conducted by the applicant, LANCASTER FEED & FUEL COMPANY, and authorizing applicant, INTRASTATE WAREHOUSE COMPANY, to issue 41 shares (\$4,100.00) of stock at par for the purpose of acquiring the warehouse properties of LANCASTER FEED & FUEL COMPANY and provide itself with some working capital.

Attached to the petition is a copy of the bill of sale, in which the properties to be sold and transferred are described as follows:

"That certain frame warehouse building located on land leased by first party from Southern Pacific Company, adjoining to, and on the easterly side of, said Southern Pacific Company's right-of-way, between Ninth and Tenth Streets at Lancaster, California; together with the warehouse business conducted thereat by first party, first party's lease to said land from Southern Pacific Company; and the warehouse equipment used at said warehouse by first party and consisting of one electric stacker, four hand-trucks, one set of dormant scales, and one set of team scales."

Lancaster Feed & Fuel Company is engaged primarily in the business of dealing at wholesale and retail in farm products and supplies, and incidentally, in conducting a public warehouse at Lancaster, California. Its warehouse properties, described above, are valued by applicants at \$3,800.00. The company has agreed to accept in exchange for the properties \$3,800.00 of capital stock of Intrastate Warehouse Company. In addition to the \$3,800.00 of stock, Intrastate Warehouse Company asks permission to issue \$300.00 par value (3 shares) of stock for cash to its incorporators for the purpose of qualifying them as stockholders and officers of the company. The cash will be used for working capital.

I herewith submit the following form of Order:

O R D E R.

LANCASTER FEED & FUEL COMPANY having applied to the Railroad Commission for authority to sell its warehouse property and business to INTRASTATE WAREHOUSE COMPANY, and INTRASTATE WAREHOUSE COMPANY having joined in the application and having asked permission to issue \$4,100.00 of stock, a public hearing having been held and the Railroad Commission being of the opinion that the money, property or labor to be procured by INTRASTATE WAREHOUSE COMPANY through the issue of said stock is reasonably required by it, and that the expenditures are not reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED, that LANCASTER FEED & FUEL COMPANY be, and it is hereby, authorized to sell and INTRASTATE WAREHOUSE COMPANY to purchase the properties described in the bill of sale attached to the petition herein.

IT IS HEREBY FURTHER ORDERED, that INTRASTATE WAREHOUSE COMPANY be, and it is hereby, authorized to issue \$4,100.00 of its common capital stock.

The authority herein granted is subject to the following conditions:

- 1.-- Of the stock herein authorized, \$3,800.00 shall be delivered by Intrastate Warehouse Company to Lancaster Feed & Fuel Company in payment for the properties described in the bill of sale attached to the petition herein and \$300.00 of the stock shall be sold for cash and the proceeds used by Intrastate Warehouse Company for working capital.
- 2.-- Intrastate Warehouse Company shall 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 twenty-fifth day of each month a verified reports as required by the Railroad Commission's General Order Number 24, which order in so far as applicable is made a part of this order.
- 3.-- The price paid for the properties herein authorized to be transferred shall never be urged before this Commission, or other public body, as a measure of value of said properties for rate-fixing or any purpose other than the transfer herein authorized.

4.-- The authority herein granted will apply only to such stock as may be issued on or before September 1, 1920.

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 8th day of April, 1920.

Edwin O. Edwards
H. D. Loveland
Frank R. Owen
H. B. Anderson

Commissioners.