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Decision No. 8496

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
FIRST WAREHOUSE COMPANY,)
a corporation, for permit to sell and) Application No. 6346.
issue its capital stock.)

Flint and McKay, by
W. R. Flint, for Applicant.

LOVELAND, COMMISSIONER.

O P I N I O N.

FIRST WAREHOUSE COMPANY asks permission to issue and sell \$10,000.00 of common capital stock.

Applicant intends to sell at this time only \$1,000.00 of the stock and the remainder from time to time as the growth of its business may demand.

By its articles of incorporation applicant is authorized to transact a warehouse business and deal in warehouse receipts, certificates, warrants and circulars.

All of applicant's stock, except three shares necessary to qualify directors, will be acquired and held by First Securities Company, whose capital stock is owned by the stockholders of the First National Bank of Los Angeles.

Applicant, according to the testimony of its secretary, A. B. Jones, proposes to rent space in packing houses and other structures in different parts of the country, so that it can lock up goods and put a man in charge and issue warehouse receipts, which will be

used as collateral of the First National Bank.

The goods in care of the warehouse will not be shipped except upon the order of the Warehouse Company and the payment of the loan secured thereby.

During the hearing on this application, the secretary's attention was called to some of the responsibilities of a public utility warehouse company, and that a public utility must serve all alike, as provided in the Public Utilities Act.

Applicant asks permission to use \$249.50 of the proceeds from the sale of \$1,000. of its stock to pay organization expenses and to use the remainder for working capital.

I herewith submit the following form of order:-

O R D E R.

FIRST WAREHOUSE COMPANY, having applied to the Railroad Commission to issue \$10,000. of stock and sell at this time \$1,000. of said stock, a public hearing having been held, and the Railroad Commission being of the opinion that the money, property and labor are reasonably required by applicant;

IT IS HEREBY ORDERED that First Warehouse Company be, and it is hereby, authorized to issue \$10,000. of its common capital stock.

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

1. The stock herein authorized to be issued shall be sold by applicant for cash at not less than par.
2. Of the proceeds realized from the sale of the stock, \$1,000. may be used to pay organization expenses referred to in this application and for working capital necessary to establish applicant's business. The remainder of the proceeds shall be deposited in a special fund and expended only for such purposes as the Railroad Commission may authorize in a supplemental order or orders herein.

3. First 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 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.

4. The authority herein granted will apply only to such stock as may be issued and sold on or before November 1, 1921.

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

Dated at San Francisco, California, this 3rd day of January, 1921.

H. J. Loveland
Frank P. DeWitt
H. B. Bunting

Commissioners.