

Decision No. 20090

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
E. F. SALSBUURY and WEBB RICHARDS to
enter into an agreement of sale of all
of the issued and outstanding capital
stock of MERCHANTS EXPRESS CORPORATION,
a corporation, to WALKUP DRAYAGE &
WAREHOUSE CO., a California corporation.)

Application No. 20090

Hettman & Scampini, for applicants.

BY THE COMMISSION:

OPINION AND ORDER

This is an application for an order authorizing Walkup Drayage & Warehouse Co. to acquire all the outstanding stock of Merchants Express Corporation.

It appears that Walkup Drayage & Warehouse Co. is a corporation organized on or about October 22, 1920 under the laws of the State of California, and engaged in the transportation of goods, for compensation by automotive trucks and in the public utility warehouse business with its principal field of operation in San Francisco, and that Merchants Express Corporation is a corporation organized on or about August 22, 1934 under the laws of the State of California and engaged generally in the business of transporting property by auto truck between San Francisco and East Bay points and in the warehouse business in Oakland.

Merchants Express Corporation, under authority granted by Decision No. 27367, dated September 17, 1934, issued \$125,000. of common stock in payment for properties. Thereafter the holders thereof donated to the company's treasury \$25,000., leaving outstanding at present \$100,000. par value of stock, which is reported

held by E. F. Salsbury and Webb Richards.

The present application indicates that Walkup Drayage & Warehouse Co. desires to extend its operations over the territory now served by Merchants Express Corporation and to that end has entered into a conditional contract of sale, dated August 1, 1935, to purchase, for \$110,000., all the outstanding stock of the latter corporation, payment to be made as follows: \$25,000. in cash on the execution of the agreement and \$85,000., together with interest at the rate of six per cent per annum, in monthly installments of \$1,000. on September 1, 1935, and \$1,000. on the first day of each succeeding month thereafter to and including August 1, 1936; then \$1,500. on September 1, 1936 and \$1,500. monthly thereafter to and including August 1, 1937; then \$2,000. on September 1, 1937 and \$2,000. thereafter monthly until paid.

A copy of the conditional contract of sale is attached to the application and marked "Exhibit D".

The Commission is of the opinion that this is not a matter in which a public hearing is necessary, that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the execution of the conditional contract of sale is reasonably required for the purpose specified herein, which purpose is not in whole or in part reasonably chargeable to operating expense or to income,

IT IS HEREBY ORDERED that Walkup Drayage & Warehouse Co. be, and it hereby is, authorized to execute and enter into a conditional contract of sale substantially in the same form as that dated August 1, 1935 and filed in this proceeding as "Exhibit D", and to purchase, acquire and hold all the outstanding stock (\$100,000. par value) of Merchants Express Corporation, such purchase and acquisition to be made in accordance with the terms and conditions of said conditional

contract of sale.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when Walkup Drayage & Warehouse Co. has paid the fee prescribed by Section 57 of the Public Utilities Act.

DATED at San Francisco, California, this 10th day of August, 1935.

Leon A. Whitely

W. G. Lins

William A. Lins

Commissioners.

