

Decision No. 36275

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of

H. G. CHAFFEE WAREHOUSE COMPANY  
and

H. G. CHAFFEE COMPANY

for an Order Authorizing H. G.  
Chaffee Company to Continue the  
Business of a Warehouseman at 912  
East Third Street, Los Angeles,  
California.

Application  
No. 25542

ORIGINAL

BY THE COMMISSION:

O P I N I O N

H. G. Chaffee Warehouse Company is engaged in a public utility warehouse business in the City of Los Angeles. It has 2,500 shares of stock outstanding. Said stock is owned by the following:

H. G. Chaffee Company	2,497 shares
C. H. Riggins	1 share
H. F. Smith	1 share
M. C. Riggins	1 share

C. H. Riggins is the president of H. G. Chaffee Warehouse Company and H. G. Chaffee Company and a director of each company. H. F. Smith is the vice president of both companies and a director of each company. M. C. Riggins is secretary of H. G. Chaffee Warehouse Company.

Said H. G. Chaffee Warehouse Company owns approximately 10,800 square feet of ground at 912 East Third Street, Los Angeles, California. It is improved by a three-story and basement building with a floor space of about 69,400 square feet and a loading platform. The building is equipped with two freight elevators, floor trucks, etc.

For 1942 H. G. Chaffee Warehouse Company reports warehouse operating revenues of \$31,531.43.

Said H. G. Chaffee Warehouse Company proposes to distribute all of its assets and property, including its warehouse business, free and clear of encumbrances, to H. G. Chaffee Company, its principal stockholder, and thereafter discontinue its warehouse business. The H. G. Chaffee Company in turn will cancel all of the stock of H. G. Chaffee Warehouse Company.

H. G. Chaffee Company is a California corporation organized in 1910. It has recently amended its Articles of Incorporation and adopted, as an additional purpose for which the corporation was organized, the purpose "to construct, maintain and operate warehouses and storage plants and to do and conduct a general transfer, storage and warehouse business." Said H. G. Chaffee Company has an authorized stock issue of 10,000 shares, divided into 7,000 shares of common stock of the par value of \$100 per share and 3,000 shares of 8% cumulative preferred stock of the par value of \$100 per share. It has outstanding 2,644.5 shares of common stock and 2 shares of preferred stock. The common stock is owned by forty-three stockholders, while the 2 shares of preferred stock are owned by F. C. Follansbee, deceased. The H. G. Chaffee Company is

ready to acquire this stock but, because of the condition of the estate of F. C. Follansbee, it is difficult to determine who is entitled to receive the cash for the stock.

H. G. Chaffee Company proposes to accept, adopt, and operate the warehouse business of H. G. Chaffee Warehouse Company under the tariff schedules filed by H. G. Chaffee Warehouse Company, and now in effect, and to make no changes in such tariff schedules, except in accordance with the provisions of the Public Utilities Act of the State of California. There will be no change in the management of the warehouse properties.

While the Order herein will authorize the H. G. Chaffee Warehouse Company to deliver its assets, properties, and business to H. G. Chaffee Company and authorize said H. G. Chaffee Company to continue the warehouse business of H. G. Chaffee Warehouse Company, it should be understood that the Order entered herein does not obligate the Railroad Commission to authorize H. G. Chaffee Company to issue any preferred stock under the terms and conditions set forth in the company's Articles of Incorporation.

#### O R D E R

The Commission having considered applicants' requests and it being of the opinion that this is not a matter on which a hearing is necessary, and that this application should be granted subject to the provisions of this Order, therefore,

IT IS HEREBY ORDERED that H. G. Chaffee Warehouse Company may, on or before June 30, 1943, deliver all of its assets and properties, including its warehouse business, to H. G. Chaffee Company, execute the grant deed filed in this application as Exhibit B, the bill of sale filed as Exhibit C, and the assignment and transfer filed as Exhibit D.

IT IS HEREBY FURTHER ORDERED that upon the delivery of said assets and warehouse business by H. G. Chaffee Warehouse Company to H. G. Chaffee Company, the former may discontinue its warehouse business and the latter continue the warehouse business formerly conducted by the former.

IT IS HEREBY FURTHER ORDERED that immediately upon the delivery of the properties involved, H. G. Chaffee Warehouse Company and H. G. Chaffee Company shall, on not less than five (5) days' notice to the Commission and the public, supplement or reissue the tariffs on file with the Commission naming rates, rules and regulations covering warehouse operations of H. G. Chaffee Warehouse Company in the City of Los Angeles to show that the former has withdrawn from or canceled and that the latter has concurrently adopted or established as its own said rates, rules and regulations and that tariff filings made pursuant to this Order shall, in other respects, comply with the regulations governing the construction and filing of warehouse tariffs set forth in the Commission's General Order No. 61.

IT IS HEREBY FURTHER ORDERED that within sixty (60) days after the delivery of said properties and warehouse business by H. G. Chaffee Warehouse Company to H. G. Chaffee Company said H. G. Chaffee Company shall file with the

Railroad Commission a statement showing the date when it began to operate said warehouse business together with a copy of the grant deed, bill of sale, assignment, and transfer executed under the authority herein granted.

Dated at San Francisco, California, this 6<sup>th</sup> day of April, 1943.

Francis A. Advenne

J. J. H. H. H.

Justin D. Craemer

Richard H. H. H.

Frank W. H. H.

Commissioners