

Decision No 40133

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
BRYANT & SAWYER to sell and
STOCKTON BEAN WAREHOUSE, INC., a
corporation, to buy the assets of
Stockton Bean Warehouse; and applica-
tion of STOCKTON BEAN WAREHOUSE, INC.,
a corporation, for permission to issue
its capital stock in payment of same.

Application
No. 28246

O P I N I O N

Bryant & Sawyer, a co-partnership, own and operate the Stockton Bean Warehouse located at Oro and Post Streets outside the easterly boundary line of the City of Stockton. They are at this location engaged in storing dried beans and conducting operations incidental to the storage of beans, such as recleaning beans and selling sacks, twine and seed.

Bryant & Sawyer ask permission to sell the Stockton Bean Warehouse properties to Stockton Bean Warehouse, Inc., a California corporation for \$40,000. The consideration is to be paid by the issue of \$40,000 par value of stock which the corporation asks permission to issue. Stockton Bean Warehouse, Inc., is a California corporation organized in January 1947 and has an authorized stock issue of 500 shares of the aggregate par value of \$50,000.

Bryant & Sawyer, a co-partnership, is engaged primarily in buying and selling beans. They believe that the Stockton Bean Warehouse business can be better operated by a corporation than by Bryant & Sawyer, a co-partnership.

The warehouse building is located on the land being acquired from Southern Pacific at a cost of \$1,150.00 upon which there is a balance due of \$1,035.00, payable at the rate of \$60.00 per year for four years and \$795.00 at the end of the fifth year. The terms of payment were fixed by Southern Pacific. The land has an area of about 36,000 square feet. On this land Bryant & Sawyer constructed in 1946 a warehouse building 100' x 140' of steel and corrugated iron. To date, the land, building, machinery, equipment, spur track, furniture and fixtures represent an investment of about \$40,000.

Stockton Bean Warehouse, Inc. will operate the warehouse business under the rates which Bryant & Sawyer, doing business as Stockton Bean Warehouse now have on file with the Commission.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

O R D E R

A public hearing having been held on the above entitled application by Examiner Fenkhauser, the Commission having considered the evidence submitted at such hearing, and it being of the opinion that the money, property or labor to be procured and paid for by the issue of \$40,000 of stock by Stockton Bean Warehouse, Inc. is reasonably required by said corporation for the purpose herein stated, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income and that this application should be granted subject to the provisions of this order, therefore,

IT IS HEREBY ORDERED as follows:

1. Bryant & Sawyer, a co-partnership, may, on or before June 30, 1947 transfer the warehouse properties owned and operated by it under the name of Stockton Bean Warehouse to Stockton Bean Warehouse, Inc. a corporation, such properties being more particularly described in this application.

2. Stockton Bean Warehouse, Inc., may, on or before June 30, 1947 issue in payment for said warehouse properties not exceeding \$40,000 par value of its capital stock.

3. Applicants, upon the transfer of said properties and upon not less than five (5) days notice to the Commission and to the public, shall supplement or re-issue the tariff on file with the Commission insofar as it names rates, rules and regulations governing warehouse operations of Bryant & Sawyer, doing business under the name of Stockton Bean Warehouse, to show that Bryant & Sawyer have withdrawn or cancelled and Stockton Bean Warehouse, Inc. has concurrently adopted or established as its own, said rates, rules and regulations. The tariff filings made pursuant to this order shall in all respects comply with the regulations governing the construction and filing of warehouse tariffs set forth in the Commission's General Order No. 61.

4. Stockton Bean Warehouse, Inc. shall file with the Commission within 30 days after it acquires said warehouse properties, a statement showing the amount of stock issued in payment for said properties, and to whom such stock was issued. It shall also file a copy of the deed or bill of sale under which it acquired and holds title to said properties.

5. The effective date of this order is the date hereof.

Dated at San Francisco, California, this 8th day of April 1947.

Harold P. Kula
Justin J. Calver
Jack H. Russell
B. J. Johnson
Nemethy Potter
Commissioners