

Decision No. 40134

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 Ralph A. Muncy, Doing Business as )  
 Chino Bean Warehouse, Chino, Calif- )  
 ornia, Bryant & Sawyer, Doing Busi- )  
 ness as Ontario Bean Warehouse, Ontario, )  
 California, to sell, and Chino Bean )  
 Warehouse, Inc., a corporation, to Buy, )  
 and the Application of Chino Bean Ware- )  
 house, Inc. for Permission to Issue its )  
 Capital Stock in Payment of the same and )  
 to Sell Capital Stock. )  
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**ORIGINAL**

Application  
No. 28260

O P I N I O N

In this application as amended at the hearing, Ralph A. Muncy, doing business as Chino Bean Warehouse at Chino, California, and Bryant & Sawyer, doing business as Ontario Bean Warehouse at Ontario, California, ask permission to sell their warehouse properties and business to Chino Bean Warehouse, Inc. The latter asks permission to issue and sell at their par value of \$100 per share, 310 shares of its capital stock and use the proceeds to pay for said warehouse properties.

Chino Bean Warehouse, Inc. was incorporated under the laws of California on January 13, 1947, for the purpose of acquiring the Chino Bean Warehouse and Ontario Bean Warehouse properties. It has an authorized stock issue of 500 shares, of the aggregate par value of \$50,000. The 310 shares of stock which it asks permission to issue will be acquired by the following:

J. R. Dunnavant	75 shares
Paul Clark	75 "
S. W. Hinton	50 "
Bryant & Sawyer	110 "

In the application as originally filed, the corporation asked permission to issue and sell to bean growers 90 shares of stock. This request was withdrawn at the hearing had on this application.

Ralph A. Muncy is at present engaged in the operation of the Chino Bean Warehouse. The properties he has agreed to sell consist of a one-story frame and corrugated iron building of about 12,000 square feet of floor space, a complete bean cleaning plant consisting of two standard bean cleaners or separators, two gravity separators, grinders and seed separator, truck, scales, fumigators, sack pilers and other miscellaneous equipment essential to the proper handling and storing of dried beans, and furniture and fixtures. The land upon which the building and equipment are located is being rented from Southern Pacific under a standard form of railroad lease at an annual rental of \$115. The cost of the properties is reported by Ralph A. Muncy at \$31,797.26. He has agreed to sell the same for \$22,500.

The Ontario Bean Warehouse is operated by Bryant & Sawyer. The building is owned by the Southern Pacific. It consists of a one-story frame building with about 5,000 square feet of floor space. The monthly rental is \$25. The equipment which Bryant & Sawyer have agreed to sell to Chino Bean Warehouse, Inc. for \$8,500 consists of a bean cleaner, gravity separator, sack pilers, trucks, fumigator, office equipment, inventory of merchandise and accounts receivable.

Chino Bean Warehouse, Inc. will continue to operate both the Chino and Ontario warehouses at rates which Sellers 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 before Examiner Fankhauser on the above entitled application, 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 or paid for by the issue of \$31,000 of stock by Chino Bean Warehouse, Inc. is reasonably required by said corporation for the purposes herein stated, which purposes are 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. Ralph A. Muncy, doing business as Chino Bean Warehouse, and Bryant & Sawyer, doing business as Ontario Bean Warehouse, may, on or before June 30, 1947, sell to Chino Bean Warehouse, Inc. their warehouse properties, equipment and other assets described in this application.

2. Chino Bean Warehouse, Inc. may, on or before June 30, 1947, issue and sell at not less than at their par value of

\$100 per share, 310 shares of its capital stock and use \$22,500 of the proceeds to pay for the properties which it will acquire from Ralph A. Muncy, doing business as Chino Bean Warehouse, and \$8,500 to pay for the properties which it will acquire from Bryant & Sawyer, doing business as Ontario Bean Warehouse.

3. This application, insofar as it involves the issue of 90 shares of stock, is dismissed.

4. 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 reissue the tariffs on file with the Commission insofar as they name rates, rules and regulations governing warehouse operations of Ralph A. Muncy, doing business as Chino Bean Warehouse, and of Bryant & Sawyer, doing business as Ontario Bean Warehouse, to show that said Ralph A. Muncy and said Bryant & Sawyer have withdrawn or canceled and that Chino 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.

5. Within thirty (30) days after the issue of said shares of stock, Chino Bean Warehouse, Inc. shall file with the Commission a report showing the number of shares of stock issued under the authority herein granted, the consideration received for such shares, and the purposes for which it expended the proceeds. It shall also file with the Commission a copy of any deed or bill of sale or other instrument of conveyance under which it

acquired and holds title to the properties acquired through the expenditures of said stock proceeds.

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

Dated at San Francisco, California, this 8<sup>th</sup> day of April, 1947.

James P. Lela  
Justin F. Casser  
Wm. H. Russell  
A. E. ...  
Thomas H. Potter  
Commissioners