

ORIGINAL

Decision No. 41459

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)
LOS ANGELES COLD STORAGE COMPANY)
for authority to execute agreements)
extending mortgage note and bonds.)
-----)

Application
No. 29206

OPINION AND ORDER

This is an application for an order of the Public Utilities Commission authorizing Los Angeles Cold Storage Company to execute two agreements extending the time for payment of certain outstanding note and bonds as hereafter set forth.

Los Angeles Cold Storage Company is a corporation engaged in the cold storage business in Los Angeles, Pasadena and Pomona. Its operations formerly were conducted by several predecessors. However, under authority granted by Decision No.28473, dated December 27, 1935, Merchants Ice and Cold Storage Company of Los Angeles, Pasadena Ice Company, Pomona Valley Ice Company and Los Angeles Ice and Cold Storage Company executed an agreement of merger with Merchants Ice and Cold Storage Company of Los Angeles being designated as the surviving corporation, the name subsequently being changed to Los Angeles Cold Storage Company. All of the company's outstanding stock--\$483,000 par value--is reported held by California Consumers Corporation. (1)

(1) Information on file with the Commission shows that California Consumers Corporation owns all the stock of applicant, Hollywood Ice Company and Associated Ice Distributors and about 30% of the stock of Southern Counties Ice Company. The combined business includes ice manufacturing, quick freeze and cold storage operations in Los Angeles, Pasadena, Pomona, Hollywood, Beverly Hills, El Monte, Monrovia and Santa Monica.

The application shows that as a result of the merger applicant became obligated as follows:

1. Mortgage note issued by Los Angeles Ice and Cold Storage Company for \$150,000 dated December 24, 1921, due April 1, 1948, with interest at the rate of 6½% per annum.

2. Bonds issued by Pasadena Ice Company in the total amount of \$115,000, dated July 1, 1925, due July 1, 1945, with interest at the rate of 6% per annum.

Said note and bonds are owned by California Consumers Corporation and have been pledged by it with Security-First National Bank of Los Angeles, as trustee, as collateral security for its Five Percent Fixed and Income Interest Mortgage Bonds, dated December 1, 1935, and due December 1, 1955. It is reported that approximately \$2,500,000 of said bonds are outstanding.

The trust indenture defining the terms of California Consumers Corporation bonds provides, among other things, that unless or until default occurs with respect to said bonds, no payment of interest shall be made or demanded on the bonds of subsidiary companies which are pledged thereunder. The annual reports of Los Angeles Cold Storage Company filed with the Commission show that applicant has neither accrued nor paid interest on said note or bonds.

Applicant and California Consumers Corporation now desire to extend to December 1, 1955, (the date of maturity of the California Consumers Corporation bonds) the maturity date of the Los Angeles Ice and Cold Storage Company note and the Pasadena Ice Company bonds. Copies of the proposed agreements to so

extend the dates are filed with the application as Exhibits "A" and "B".

The Commission has considered this matter and is of the opinion that a public hearing is not necessary and that the application should be granted, as herein provided, therefore,

IT IS HEREBY ORDERED that Los Angeles Cold Storage Company, after the effective date hereof and on or before July 31, 1948, may execute agreements in, or substantially in, the same form as the agreements filed in this proceeding as Exhibits "A" and "B".

IT IS HEREBY FURTHER ORDERED that Los Angeles Cold Storage Company shall file with the Commission a copy of each agreement as actually executed within thirty (30) days after the date of execution.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective twenty (20) days from the date hereof.

Dated at San Francisco, California, this 13th day of April, 1948.

R. E. Anderson
Justin J. Garner
Edgar J. Hayes
Harold P. Kula
Herbert L. Potter
Commissioners