

ORIGINAL

Decision No. 43734

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
WEST LOS ANGELES MILLING CO., a cor-
poration, for an Order Authorizing
the Purchase of a Part of the Capital
Stock of Ventura County Warehouse Co.,
a California corporation.

Application
No. 30913

O P I N I O N

This is an application for an order authorizing West Los Angeles Milling Co. to purchase shares of stock of Ventura County Warehouse Co.

Ventura County Warehouse Co. is a corporation organized on or about January 26, 1948, under the laws of the State of California, with an authorized capital stock of 60,000 shares of the par value of \$10 each, all common. Heretofore, under authority granted by Decision No. 43550 dated November 12, 1949, in Application No. 30730, it issued 6,250 shares of its stock to Ernest J. Evans in payment for warehouse properties located at or near El Rio, Ventura County, and on December 6, 1949 filed with the Commission its schedule naming rates for storage as a public utility.

The record in Application No. 30730 shows that Ernest J. Evans is the president and principal shareholder of West Los Angeles Milling Co., a corporation engaged in the public utility warehouse business in Los Angeles county. It was reported in that application that it was his intention to sell a portion of said 6,250 shares of stock of Ventura County Warehouse Co. to other persons as follows:

	<u>No. of Shares</u>
J. V. Smith, a bean grower in the Oxnard area	1,500
Arnold Poppic, vice president and director of West Los Angeles Milling Co.	750
Louis R. Stephens, a bean grower in the Los Angeles area	1,500
George E. Croke, vice president and treasurer of West Los Angeles Milling Co.	750
C. L. McGaughey, attorney, secretary and director of West Los Angeles Milling Co.	<u>250</u>
Total	<u><u>4,750</u></u>

The present application shows that prior to the issue of said shares, J. V. Smith died and that it was concluded, in view of the close identity of management and share ownership between West Los Angeles Milling Co. and Ventura County Warehouse Co., it would be desirable to transfer to West Los Angeles Milling Co. the 1,500 shares originally proposed to be transferred to J. V. Smith. Accordingly, Ernest J. Evans on December 10, 1949 sold and transferred 1,500 shares of stock to West Los Angeles Milling Co. at par for cash.

It now is reported that through inadvertence the provisions of Section 51(b) of the Public Utilities Act were overlooked in connection with the transaction and therefore West Los Angeles Milling Co. did not apply for, nor receive, permission to purchase the shares of Ventura County Warehouse Co. When its failure to do so was called to its attention, it filed the present application requesting the Commission to approve the purchase of said shares effective as of December 10, 1949 or, in the alternative, to make its order approving said sale upon the rescission of the former transfer of said shares.

We have considered this matter and believe that the transfer of shares of stock to applicant on December 10, 1949, should be rescinded of record and a new transfer effected subsequent to the effective date of the order herein.

O R D E R

The Commission having considered the above entitled matter and being of the opinion that a hearing thereon is not necessary and that the application should be granted, as herein provided, therefore,

IT IS HEREBY ORDERED as follows:

1. West Los Angeles Milling Co. after the effective date of this order, and prior to March 31, 1950 may purchase 1,500 shares of capital stock of Ventura County Warehouse Co. and hold said shares of stock.

2. The authority herein granted is effective twenty (20) days after the date hereof.

Dated at San Francisco, California, this 24~~th~~ day of January 1950.

R. E. [unclear]
Justin J. Cassien
Harold P. Hale
Kenneth Potter

Commissioners