

ORIGINAL

Decision No. 50025

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 E. J. EVANS and A. L. EVANS, co-)
 partners doing business under the)
 name of OCEANSIDE WAREHOUSE CO., a)
 partnership, for an order authorizing)
 the transfer of the franchise and)
 assets of said partnership to OCEAN-)
 SIDE WAREHOUSE COMPANY, a California)
 corporation; and)

Application
 No. 35288

In the Matter of the Application of)
 OCEANSIDE WAREHOUSE COMPANY, a Cali-)
 fornia corporation, for an order au-)
 thorizing the issuance of shares.)
 -----)

O P I N I O N

This is an application for an order of the Commission authorizing E. J. Evans and A. L. Evans to transfer warehouse properties to Oceanside Warehouse Company, a corporation, and authorizing said corporation to issue \$236,000 per value of common stock.

Applicants Evans are engaged in operating a public utility warehouse in Oceanside, primarily for the storage of beans, and in conducting related activities. For the last three calendar years they have reported revenues and expenses as follows:

	<u>1951</u>	<u>1952</u>	<u>1953</u>
Revenues -			
Public utility warehouse	\$49,254	\$56,337	\$60,341
Other	<u>41,089</u>	<u>27,106</u>	<u>32,147</u>
Total revenues	90,343	83,443	92,488
Expenses	<u>75,817</u>	<u>80,753</u>	<u>80,597</u>
Net income	<u>\$14,526</u>	<u>\$ 2,690</u>	<u>\$11,891</u>

It appears that applicants Evans desire to conduct their business by means of a corporation and that they have caused

Oceanside Warehouse Company to be organized to take over the properties and to continue the operations. The new corporation will adopt the tariffs presently in effect.

The physical properties include warehouse buildings, loading dock, elevators, tractors, pilers, cleaners, fumigators and other equipment. Applicants have furnished a statement showing the historical cost of the physical properties as of February 28, 1954, less accrued depreciation, at \$173,559.05 and net current assets at \$62,825.94, a total of \$236,384.99. The agreed consideration for the properties, subject to the current liabilities, is the \$236,000 of stock.

The Commission's staff has reviewed applicants' statement of physical properties and their books of account in connection with this transaction. From such review and from our consideration of the verified application we are of the opinion that applicants' requests should be granted and that the transfer, as proposed, will not be adverse to the public interest.

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

The Commission having considered the above entitled matter and being of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for by the issue of the shares of stock herein authorized is reasonably required by

applicant corporation for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. E. J. Evans and A. L. Evans, as partners doing business under the name of Oceanside Warehouse Co., may transfer their warehouse properties and business to Oceanside Warehouse Company, a corporation.

2. Oceanside Warehouse Company, a corporation, in acquiring said properties and business, may assume the payment of outstanding indebtedness and may issue not to exceed \$236,000 par value of its common stock.

3. On not less than five days' notice to the Commission and to the public, applicants shall supplement or reissue the tariffs now on file with the Commission, insofar as they name rates, rules and regulations governing warehouse operations of E. J. Evans and A. L. Evans, to show that E. J. Evans and A. L. Evans have withdrawn or canceled and that Oceanside Warehouse Company, a corporation, concurrently has adopted or established as its own said rates, rules and regulations. The tariff filings made pursuant to this order in all respects shall comply with the regulations governing the construction and filing of warehouse tariffs set forth in the Commission's General Order No. 61.

4. Oceanside Warehouse Company, a corporation, shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

5. The authority herein granted will become effective
20 days after the date hereof.

Dated at Los Angeles, California, this 11th day of May,
1954.

Robert E. Mitchell
President

Justus F. Cramer

Kenneth Pottel

Gene Higgins

Commissioners