

ORIGINAL

Decision No. 50629

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
)
 SAN BENITO COUNTY FEED & WAREHOUSE)
 COMPANY, a California corporation,)
)
 to sell certain of its real property and hay and) Application
 grain warehouse and mill thereon and equipment) No. 35827
 used in connection therewith and to withdraw)
 from the warehouseman's business as conducted)
 on the sold premises, and application of GEORGE)
 B. SHORE to purchase and take said property and)
 engage in the warehouseman's business thereon.)
 -----)

OPINION AND ORDER

In this application the Commission is asked to make an order authorizing San Benito County Feed & Warehouse Company to sell certain properties to George B. Shore and authorizing George B. Shore to issue a note in the principal amount of \$15,000 and to execute a deed of trust.

The application shows that San Benito County Feed & Warehouse Company is engaged in milling activities and in the warehousing of hay and grain in the City of Hollister, that a majority of its stockholders and directors are desirous of curtailing its operations and of disposing of its warehouse business, and that arrangements have been made for the transfer of the warehouse property to George B. Shore. The agreed consideration is the sum of \$35,000, of which \$20,000 will be paid in cash and \$15,000 will be represented by a promissory note for that amount, payable in annual installments of \$1500, or more, with interest at the rate of 4% per annum, the payment of the note to be secured by a deed of trust.

It appears that applicant Shore desires to engage in the warehouse and mill business in the premises to be acquired by him. The application shows that presently he is engaged in the hay and grain warehousing business and in other activities in Tres Pinos and that financially he is in a position to take over the operations in Hollister and to continue them.^{1/}

From our review of the application we are of the opinion that the proposed transfer will not be adverse to the public interest, that a public hearing is not necessary, that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required by applicant Shore for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, and that the application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. San Benito County Feed & Warehouse Company may transfer to George B. Shore the properties referred to in this application and, upon such sale, may withdraw from its public utility warehouse operations.
2. George B. Shore may acquire said properties and in part payment may issue a promissory note in the principal amount of \$15,000 and may execute a deed of trust, which note and deed of trust shall be in, or substantially in, the same form as those filed in this proceeding.
3. The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be sold.

^{1/} The buyer's financial statement shows net worth of \$115,057.26 and sales and other revenues during 1953 in the gross amount of \$268,538.67 with net profit from operations of \$8,942.61.

4. 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 San Benito County Feed & Warehouse Company, to show that San Benito County Feed & Warehouse Company has withdrawn or canceled and that George B. Shore concurrently has adopted or established as his 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.

5. George B. Shore 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.

6. The authority herein granted will become effective when George B. Shore has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.00.

Dated at San Francisco, California, this 13th day of October, 1954.

John E. Mitchell
President

Justus J. Caswell

Werner J. Higgins

Ray G. Hutchinson

Commissioners
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
4484
OCT 19 1954
By *[Signature]*