

Decision No. 56195

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application

-of-

DOTY BRICK WAREHOUSE,

a California corporation, for
Order Authorizing Issue of Stock

Application No. 39670

O P I N I O N

This is an application for an order authorizing Doty Brick Warehouse, a corporation, to issue \$30,000 par value of its capital stock in payment for the properties of Leon Brink, et al, who have joined in the application.

Doty Brick Warehouse is a California corporation recently organized for the purpose of taking over the properties and business of Leon Brink, H. S. Brink, Jr., Mattie E. Thomas, Stanley M. Persons and Philip S. Persons, who are engaged in public utility warehousing and related activities at Biggs. It has an authorized capital stock of 30,000 shares of the par value of \$10 each divided into 2,500 shares of Class A voting stock and 27,500 shares of Class B non-voting stock and it proposes at this time to issue 1,500 shares of each class for the purpose stated.

Financial reports filed with the Commission show that during 1956 the operations of the present owners developed utility revenues of \$19,150 and nonutility revenues of \$102,017 with net income from all activities of \$15,030. A summary statement showing the assets to be acquired by the corporation and the outstanding capital at the inception of its business is as follows:

Assets

Current assets -		
Cash in bank		\$ 570.68
Accounts receivable		8,906.91
Prepaid expense		<u>1,150.00</u>
Total current assets		\$10,627.59
Fixed assets -		
Machinery and equipment	\$36,977.59	
Provision for depreciation	<u>17,605.18</u>	<u>19,372.41</u>
Total assets		<u>\$30,000.00</u>

Capital

Leon Brink		\$ 7,500.00
E. S. Brink, Jr.		7,500.00
Mattie E. Thomas		7,500.00
Stanley M. Persons		3,750.00
Philip S. Persons		<u>3,750.00</u>
Total capital		<u>\$30,000.00</u>

From a review of the application, it appears that there will be no change in the public utility operations as the result of the transfer and it appears to us, and we so find, that the transfer, as proposed, will not be adverse to the public interest. In our opinion the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purpose specified herein and such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

The authorization herein granted shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

ORDER

The Commission having considered the above-entitled matter and being 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 as follows:

1. Leon Brink, H. S. Brink, Jr., Mattie E. Thomas, Stanley M. Persons and Philip S. Persons, may transfer the properties and business referred to herein to Doty Brick Warehouse, a corporation.

2. Doty Brick Warehouse, a corporation, in payment for such properties and business, may issue not to exceed 1,500 shares of its Class A stock and 1,500 shares of its Class B stock.

3. On not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of such transfer, applicants shall supplement or reissue the tariffs now on file with the Commission, insofar as they name rates, rules and regulations governing the warehouse operations here involved of Leon Brink, H. S. Brink, Jr., Mattie E. Thomas, Stanley M. Persons and Philip S. Persons, to show that Leon Brink, et al, have withdrawn or canceled and that Doty Brick Warehouse, 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. Doty Brick Warehouse, 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 on the date hereof and if not exercised will expire on June 30, 1958.

Dated at San Francisco, California, this 14th day of January, 1958.

[Signature]
President
[Signature]
[Signature]
[Signature]
[Signature]
Commissioners