

**ORIGINAL**

Decision No. 50522

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application

of

PACIFIC WAREHOUSE COMPANY, for  
a permit authorizing it to  
issue securities

Application No. 39959

In the Matter of the Application  
of EDWARD T. MERNOR, doing busi-  
ness as the PACIFIC CARTAGE AND  
STORAGE COMPANY, to transfer his  
interest to PACIFIC WAREHOUSE  
COMPANY, a California corporation.

Application No. 39975

O P I N I O N

In these applications the Commission is asked (1) to authorize Edward T. Mernor, doing business as Pacific Cartage and Storage Company, to transfer his public utility assets to Pacific Warehouse Company, a corporation, and (2) to authorize Pacific Warehouse Company to issue \$70,500 par value of its common stock.

It appears that Edward T. Mernor has been engaged in business as a city carrier, a radial highway common carrier and a public utility warehouseman in Sacramento, that he and certain other individuals, namely, Lloyd R. Williams and Dee Robinett, partners doing business as Sacramento Cartage Company, desire to consolidate their operations and to conduct them by means of a corporate form of organization, and that they have incorporated

Pacific Warehouse Company as a California corporation to take over the cartage, transportation and warehouse operations in exchange for \$70,500 of stock.

Information filed with the applications shows the gross revenues of Edward T. Mernor for the year 1957 at \$62,424 and of Sacramento Cartage Company at \$215,634 and the net income of Edward T. Mernor at \$6,957 and of Sacramento Cartage Company at \$3,842. A pro forma balance sheet of the new corporation, as of January 1, 1958, is as follows:

<u>Assets</u>		
Tangible assets		\$ 84,078
Current assets -		
Cash	\$ 2,234	
Accounts receivable	15,534	
Notes receivable	28,900	
Materials and supplies	550	
Prepayments	100	
Total current assets	<u>47,318</u>	<u>47,318</u>
Total		<u>\$131,396</u>
<u>Liabilities and Capital</u>		
Equipment obligations		\$ 34,124
Current liabilities		26,772
Capital stock subscribed		<u>70,500</u>
Total		<u>\$131,396</u>

Upon reviewing the verified applications, we are of the opinion, and so find, that the proposed transfer will not be adverse to the public interest, that 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, that such purpose is not, in whole or in part, reasonably

chargeable to operating expenses or to income, and that the application should be granted.

The action taken herein 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 matters and being of the opinion that a public hearing is not necessary, therefore,

IT IS HEREBY ORDERED as follows:

1. Edward T. Mernor, doing business as Pacific Cartage and Storage Company, on and after the effective date hereof and on or before August 31, 1958, may transfer his properties to Pacific Warehouse Company, a corporation, under the terms and conditions set forth in Application No. 39975.

2. Pacific Warehouse Company, a corporation, on and after the effective date hereof and on or before August 31, 1958, may issue not exceeding \$70,500 par value of its common stock and may assume the payment of outstanding obligations for the purpose of acquiring the properties to which reference is made in these applications.

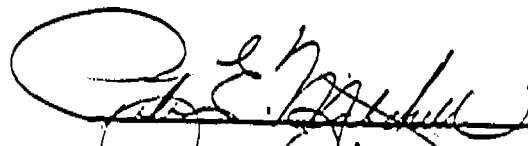
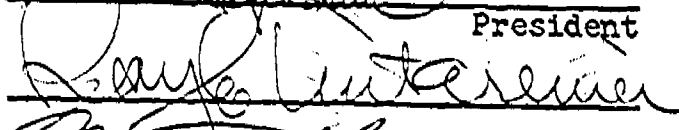
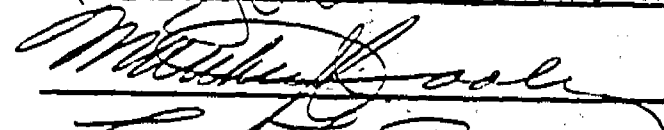
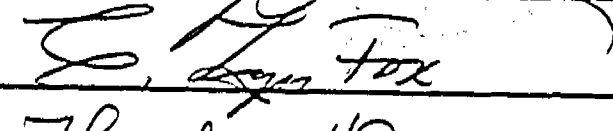
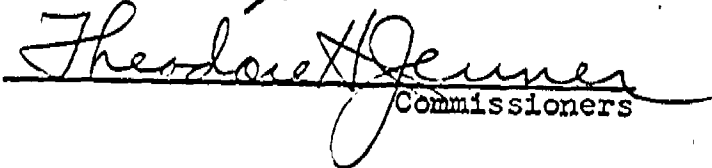
3. On not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of such transfer, applicants shall supplement or reissue the tariffs

now on file with the Commission, insofar as they name rates, rules and regulations governing the warehouse operations here involved of Edward T. Mernor, doing business as Pacific Cartage and Storage Company, to show that Edward T. Mernor, doing business as Pacific Cartage and Storage Company, has withdrawn or canceled and that Pacific Warehouse Company 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. Pacific Warehouse Company 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.

Dated at San Francisco, California, this 15<sup>th</sup> day of APRIL, 1958.

  
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President  
  
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Commissioners