

ORIGINAL

Decision No. 60977

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of MARKET WHOLESAL
GROCERY CO., a corporation, for
an order authorizing the issuance
of 12,000 shares of its \$25.00
par value preferred stock

Application No. 42744
Filed October 10, 1960

OPINION AND ORDER

Market Wholesale Grocery Co., a corporation, has filed this application for authority to issue and sell 12,000 shares of its 6% preferred stock of the par value of \$25 each and the aggregate par value of \$300,000. The company intends to sell the shares through its own organization and to use the proceeds to augment its working capital and to pay outstanding indebtedness.

Applicant reports that it is engaged primarily in the wholesale distribution of grocery items but that it also operates a quick freezing and cold storage business in Fresno and Glendale. Its financial statements filed with the application show that its net income amounted to \$204,550 in 1959 and to \$151,917 during the first eight months of 1960; that as of August 31, 1960, it had financed itself with long-term debt of \$406,381, preferred stock of \$300,000 and common stock and surplus of \$4,903,286; and that as of the end of August it had outstanding current liabilities of \$5,982,943.

A review of the application indicates that applicant's operations are sufficient to enable it to meet the dividend requirements on the proposed issue of preferred shares and that the company has need for funds to implement its working capital position. We find and conclude, therefore, that a public hearing is not necessary in this proceeding; that the application should be granted; and 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 purposes specified herein, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED -

1. That Market Wholesale Grocery Co., on or after the date hereof and on or before September 30, 1961, may issue and sell not to exceed 12,000 shares of its preferred stock, at not less than the par value of \$25 a share, and use the proceeds to implement its working capital and to pay outstanding indebtedness.

2. That applicant 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.

3. That the authority herein granted shall become effective upon the date hereof.

Dated at Los Angeles, California,
this 1st day of November, 1960.

Crest W. Page
President
John E. Mitchell
Walter P. Deady
E. Lynn Fox
Theodore Deener
Commissioners