

ORIGINAL

Decision No. 65564

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of STOCKTON WIRE PRODUCTS,
a California Corporation, to Issue
Shares of its Capital Stock and to
Merge under the Laws of the State
of California and of the State of
New Jersey, with STOCKTON PRODUCTS,
a New Jersey Corporation.

Application No. 45497
Filed June 5, 1963

O P I N I O N

Stockton Wire Products, a California corporation, and Stockton Products, a New Jersey corporation, have filed this application for an order authorizing them to merge.

Stockton Wire Products and Stockton Products are engaged primarily in the manufacture of metal plaster-reinforcing materials and, in addition, Stockton Wire Products is a public utility warehouseman operating in Lompoc, its utility operations constituting but a small part of its total business. It appears that both corporations are controlled through stock ownership by the same interests; that to some extent they utilize the same equipment and employees; and that they have concluded economies in operations can be effected if the ownership and operations were to be consolidated into one corporation.

Accordingly, the corporations propose to enter into an Agreement of Merger whereby Stockton Products will be merged into Stockton Wire Products and the latter, as the surviving corporation, will succeed to all the assets of Stockton Products; will assume all the debts, liabilities and obligations of Stockton Products; and will issue 800 shares of its \$1 par value common stock in exchange for the outstanding shares of stock of Stockton Products. The shareholders of both of the corporations have approved the proposed merger. A copy of the Agreement of Merger is annexed to the application and marked Exhibit D.

The Commission has considered this matter and finds that the proposed merger will not be adverse to the public interest; that the money, property or labor to be procured or paid for through the issue of the stock herein authorized is reasonably required for the purpose specified herein; and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

The authorization herein granted is for the purpose of this proceeding only and is not to be construed as a finding of the value of the warehouse operative rights and the assets referred to in this application.

O R D E R

IT IS ORDERED that:

1. Stockton Wire Products and Stockton Products may enter into an Agreement of Merger whereby Stockton Products is merged into Stockton Wire Products and the assets of Stockton Products, subject to outstanding liabilities, are transferred to Stockton Wire Products. Applicants may carry out the terms of said Agreement of Merger.

2. Stockton Wire Products may issue not to exceed 800 shares of its common stock in exchange for the shares of stock of Stockton Products in carrying out the terms of said Agreement of Merger.

3. Stockton Wire Products 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.

4. The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California,
this 18th day of JUNE, 1963.

George H. Prover
President

Edward W. Krag

Fredrick B. Holbrook

William M. Bennett
Commissioners