

ORIGINAL

Decision No. 68188

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application
of VELTMAN WAREHOUSE CO. for an
order authorizing the issuance by
it of 270 shares of its common
stock.

Application No. 47055
Filed October 19, 1964

O P I N I O N

This is an application for an order of the Commission authorizing Veltman Warehouse Co. to issue and sell \$13,500 par value of its common stock.

Applicant is a California corporation organized on or about May 26, 1964. Pursuant to authority granted by Decision No. 67607, dated July 28, 1964, in Application No. 46749, the company acquired from Signal Trucking Service, Ltd. a prescriptive operative right as a public utility warehouseman in the City of Vernon, together with related good will, for a cash consideration of \$5,000 of which \$2,500 was allocated to each of the two items. The application shows that on October 1, 1964 the company commenced operating as a public utility warehouseman.

In order to strengthen applicant's equity position by capitalization the company proposes to issue \$13,500 par value of its capital stock to Raymond M. Veltman in cancellation of indebtedness of like amount. According to the application, \$8,500 of the indebtedness arose through the acquisition from

Raymond M. Veltman of certain leasehold improvements and warehouse equipment at their depreciated book values, and the remaining \$5,000 consisted of cash which he transferred to the corporation.

The Commission has considered this matter and finds that: (1) the proposed stock issue is for a proper purpose; (2) 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 (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

On the basis of the foregoing findings we conclude that the application should be granted. The authorization herein given is not to be construed as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Veltman Warehouse Co., on or after the date hereof and on or before January 31, 1965, may issue, sell and deliver, at par, not to exceed \$13,500 aggregate par value of its common stock in cancellation of indebtedness of like amount.

2. Veltman Warehouse Co. shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. The effective date of this order is the date hereof.

Dated at San Francisco, California,
this 10th day of NOVEMBER, 1964.

Frederick B. Holcomb
President

Edmund R. ...

Wesley ...

George H. ...

William ...
Commissioners