

Decision No. 69662

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Ben Cassinerio, an individual, doing business as Central Warehouse & Drayage Co., to sell and Central Warehouse & Drayage Co., Inc., a California corporation, to purchase ownership and prescriptive operating rights to a public warehouse in San Francisco, California and the Application of Central Warehouse & Drayage Co., Inc. to issue stock.

Application No. 47825  
Filed August 19, 1965

O P I N I O N

This is an application for an order of the Commission (1) authorizing Ben Cassinerio to sell and transfer his prescriptive operative rights as a public utility warehouseman, together with certain related equipment and other assets, to Central Warehouse & Drayage Co., Inc., and (2) authorizing said corporation to issue \$15,000 par value of its capital stock.

Ben Cassinerio, an individual doing business as Central Warehouse & Drayage Co., acquired prescriptive warehouse operative rights pertaining to operations in the City and County of San Francisco pursuant to Decision No. 37171, dated July 11, 1944, in Application No. 26192.

Central Warehouse & Drayage Co., Inc. is a California corporation organized on or about June 22, 1965. It proposes to issue 1,500 shares of its \$10 par value capital stock and to set up an open account payable to stockholder in the amount of \$13,485 in exchange for said prescriptive operative rights and certain other assets. The results of the proposed transaction, as of July 1, 1965, are set forth in the pro forma balance sheet attached to the application as Exhibit C, which is summarized as follows:

<u>Assets</u>	
Current assets	\$11,318
Fixed assets less allowance for depreciation	<u>17,167</u>
Total	<u>\$28,485</u>
<u>Liabilities and Capital</u>	
Due stockholder	\$13,485
Capital stock	<u>15,000</u>
Total	<u>\$28,485</u>

The Commission has considered this matter and finds that: (1) the proposed sale and transfer would not be adverse to the public interest; (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. On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

In issuing our order herein, we place applicant corporation and its shareholders on notice that we do not regard the number of shares outstanding, the total par value of the shares nor the dividends paid as measuring the return the company should be allowed to earn on its investment in plant and that the authorization herein given is not to be construed as a finding of the value of applicant corporation's stock or properties nor 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. On or before December 31, 1965, Ben Cassinerio, an individual doing business as Central Warehouse & Drayage Co., may sell and transfer, and Central Warehouse & Drayage Co., Inc. may purchase and acquire, the prescriptive operative rights and properties referred to in the application.
2. Central Warehouse & Drayage Co., Inc., on or before December 31, 1965, for the purpose specified in this proceeding, may issue, at not less than par, not to exceed \$15,000 par value of its capital stock.
3. Central Warehouse & Drayage Co., Inc. 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.

4. Within thirty days after the consummation of the transfer herein authorized, Central Warehouse & Drayage Co., Inc. shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

5. Central Warehouse & Drayage Co., Inc. shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the warehouse operations herein to show that it has adopted or established, as its own, said rates and rules. The tariff filings shall be made effective not earlier than ten days after the date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the consummation of the transfer herein authorized. The tariff filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 61-A.

6. On or before the end of the third month after the consummation of the transfer as herein authorized, Central Warehouse & Drayage Co., Inc. shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the seller for the period commencing with the first day of the current year to and including the effective date of transfer.

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

Dated at Los Angeles, California, this 14<sup>th</sup> day of SEPTEMBER, 1965.

Frederick B. Hallock  
President

John E. McMillin

George J. Hoover

Augustin

William C. Bennett  
Commissioners