

ORIGINAL

Decision No. 70185

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of:)

DEALERS TRANSIT, INC., a corporation,)
to transfer to DISTRIBUTORS CENTER,)
INC., a corporation, a prescriptive)
operative right as a public utility)
warehouseman; and for DISTRIBUTORS)
CENTER, INC., to issue stock.)

Application No. 43093
Filed December 2, 1965

O P I N I O N

This is an application for an order of the Commission authorizing Dealers Transit, Inc. to transfer its public utility warehouseman operative right to Distributors Center, Inc. and authorizing the latter to issue and sell 250 shares of its common capital stock.

Dealers Transit, Inc. is a Delaware corporation operating as a motor carrier under permits and certificates of public convenience and necessity granted by this Commission and by the Interstate Commerce Commission. In addition, the corporation possesses a prescriptive operative right as a public utility warehouseman in portions of the County of Los Angeles, which it acquired pursuant to authority granted by Decision No. 65146, dated April 2, 1963, in Application No. 45020.

Distributors Center, Inc. is a California corporation organized on or about November 4, 1965. It proposes to acquire said prescriptive right from Dealers Transit, Inc. for no monetary consideration. The transferee anticipates that \$2,500 cash will provide sufficient working capital, which it will

obtain from the transferor in exchange for 250 shares of common capital stock without par value.

Applicants state that the severance of the warehouse business from Dealers Transit, Inc. into the recently organized California corporation will be advantageous, and that the transferor is fully prepared to provide financial support to the subsidiary warehouse corporation should it become necessary to do so.

The Commission has considered this matter and finds that: (1) the proposed transfer will 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.

The action taken herein shall not be construed as a finding of the value of the prescriptive operative right herein authorized to be transferred 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 April 30, 1966, Dealers Transit, Inc. may transfer, and Distributors Center, Inc. may acquire, the prescriptive operative right referred to in the application.

2. Distributors Center, Inc., on or before April 30, 1966, for the purpose of obtaining working capital, may issue and sell, for \$10 cash per share, not to exceed 250 shares of its common capital stock without par value.

3. Distributors Center, 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, Distributors Center, 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. Distributors Center, 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. Concurrently with the effective date of tariff filings for warehouse operations required by Ordering Paragraph 5 hereof, the prescriptive operative right as a public utility warehouseman set forth in Decision No. 65146, dated April 2, 1963,

is hereby revoked and, in place and stead thereof, a prescriptive operative right as a public utility warehouseman is hereby stated for Distributors Center, Inc., as more particularly set forth in Appendix A attached hereto.

7. On or before the end of the third month after the consummation of the transfer as herein authorized, Distributors Center, 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 warehouse operations of the transferor for the period commencing with the first day of the current year to and including the effective date of the transfer.

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

Dated at San Francisco, California,
this 11th day of JANUARY, 1966.

Fredrick C. Holdoff
President
John E. Whitely
George J. Trover
Augustan
William L. Durrill
Commissioners

Appendix A

DISTRIBUTORS CENTER, INC.
(a corporation)

Distributors Center, Inc. possesses a prescriptive operative right as a public utility warehouseman for the operation of storage or warehouse floor space as follows:

<u>Location</u>	<u>No. of Square Feet of Floor Space</u>
Huntington Park and vicinity	6,000
Dominguez and vicinity	10,000
(Both in Los Angeles County)	

(The floor space shown above is exclusive of the expansion permissible under Section 1051 of the Public Utilities Code.)

(End of Appendix A)

Issued by California Public Utilities Commission.

Decision No. 70185, Application No. 48093