

Decision No. 79634

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of:

(a) SNYDER WAREHOUSE COMPANY, INC.,
a corporation, for authority to
issue shares of its common capital
stock pursuant to Section 816-830
of the California Public Utilities
Code;

(b) SNYDER WAREHOUSE COMPANY, INC.,
a corporation, to purchase, and
SNYDER TRANSFER COMPANY, INC., a
corporation, to sell prescriptive
warehouse operating authority and
property, pursuant to Section 851-
853, et seq., and Section 1052 of
the California Public Utilities
Code;

(c) SNYDER WAREHOUSE COMPANY, INC.,
a corporation, to operate as a public
warehouseman at Commerce, California;

(d) SNYDER TRANSFER COMPANY, INC., a
corporation, for authorization to
cease operations at Vernon and
vicinity, California; and

(e) SNYDER TRANSFER COMPANY, INC., a
corporation, for authority to acquire
all issued and outstanding capital
stock of SNYDER WAREHOUSE COMPANY,
INC., pursuant to Section 852 of the
California Public Utilities Code.

Application No. 53082
Filed December 29, 1971

O P I N I O N

Snyder Transfer Company, Inc. seeks an order of the Commission authorizing it to sell and transfer its prescriptive operative right as a public utility warehouseman and related assets to, and to acquire all the capital stock of, Snyder Warehouse Company, Inc., and the latter seeks authority to issue 110 shares of its no par value capital stock at a stated value of \$100 per share.

Snyder Transfer Company, Inc. is a California corporation operating as (1) a highway common carrier of general commodities in southern California pursuant to the certificate of public convenience and necessity granted by Decision No. 60841, dated October 4, 1960, in Application No. 42162, and (2) a public utility warehouseman pursuant to the prescriptive operative right set forth in the Order dated August 9, 1960, in Case No. 6762. Operations are also conducted under permits issued by this Commission and under Interstate Commerce Commission authority. Its balance sheet at October 31, 1971, is summarized from Exhibit D, attached to the application, as follows:

Assets

Current assets	\$105,312
Net carrier operating property	69,394
Net noncarrier property	11,988
Buildings	179,013
Land	<u>54,552</u>
Total	<u>\$420,259</u>

Liabilities

Current liabilities	\$ 36,228
Long-term debt	109,870
Common stock equity	<u>274,161</u>
Total	<u>\$420,259</u>

Snyder Warehouse Company, Inc. is a California corporation incorporated on or about June 30, 1971. It proposes to acquire said warehouseman prescriptive operative right and related equipment in exchange for 110 shares of its no par value common stock at a stated value of \$100 per share. Exhibit E, attached to the application, allocates \$11,000 to said equipment, segregated to fork lifts, hand trucks and key rack pallets in amounts of \$6,000, \$100 and \$4,900, respectively.

The application indicates that Snyder Warehouse Company, Inc. has available to it under long-term lease suitable warehouse facilities at 4632 E. Sheila Street, Commerce, California 90040. This is the location contemplated by the warehouseman prescriptive operative right determined in said Case No. 6762.

After consideration the Commission finds that:

1. The proposed transactions would not be adverse to the public interest.
2. The proposed stock issue is for a proper purpose.
3. 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, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of the foregoing 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 properties 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 June 30, 1972, Snyder Transfer Company, Inc. may sell and transfer, and Snyder Warehouse Company, Inc. may purchase and acquire, the prescriptive operative right and assets referred to in the application. The transfer may be made effective as of September 30, 1971 for accounting purposes.

2. Snyder Warehouse Company, Inc., on or after the effective date hereof and on or before June 30, 1972, for the purpose specified in the application, may issue and sell not exceeding 110 shares of its no par value common stock at a stated value of \$100 per share.

3. Snyder Transfer Company, Inc. may acquire the shares of common stock authorized by Ordering Paragraph No. 2 hereof.

4. Snyder Warehouse Company, Inc. shall file with the Commission the report required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

5. Within thirty days after consummating the transfer herein authorized, Snyder Warehouse Company, 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.

6. Snyder Warehouse Company, 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 effective 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. Failure to comply with and observe the provisions of General Order No. 61-A may result in a cancellation of the operating authority acquired pursuant to this decision.

7. Concurrently with the effective date of the tariff filings required by Ordering Paragraph No. 6 hereof, the prescriptive operative right as a public utility warehouseman set forth in the order dated August 9, 1960, in Case No. 6762, is hereby restated for Snyder Warehouse Company, Inc., as more particularly set forth in Appendix A attached hereto.

8. Within thirty days after the transfer herein authorized is consummated, Snyder Warehouse Company, Inc. shall file a written acceptance of the prescriptive operative right herein restated. Snyder Warehouse Company, Inc. is placed on notice that, if it accepts the prescriptive operative right herein restated, it will be required, among other things, to file annual reports of its operations.

9. This order shall become effective when Snyder Warehouse Company, Inc. has paid the minimum fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$50.

Dated at San Francisco, California, this 25th day of JANUARY, 1972.

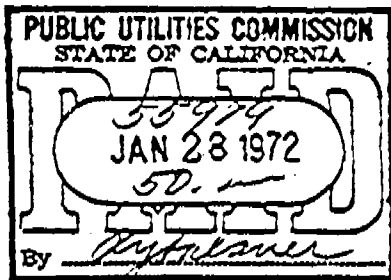
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Chairman

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Commissioners



Snyder Warehouse Company, Inc., by the prescriptive right restated in the decision noted in the margin, is authorized to operate as a public utility warehouseman as defined in Section 239(b) of the Public Utilities Code for the operation of storage or warehouse floor space as follows:

<u>Location</u>	<u>Number of Square Feet of Floor Space</u>
City of Commerce	10,000

(The floor space shown 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. 79634, Application No. 53082.