

ORIGINAL

Decision No. ~~86468~~

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of JACK BEAN, majority shareholder)
of the stock of LOYALTY WAREHOUSE)
CORPORATION, a California corpora-)
tion, to sell stock of Loyalty)
Warehouse Corporation,)
and)
HYMAN BROKOWSKY, minority share-)
holder of stock of LOYALTY WARE-)
HOUSE CORPORATION, a California)
corporation, to purchase stock of)
Loyalty Warehouse Corporation.)

Application No. 56496
(Filed May 24, 1976)

OPINION AND ORDER

Hyman Brokowsky seeks authority to control Loyalty Warehouse Corporation by virtue of becoming its sole stockholder.

Loyalty Warehouse Corporation is a California corporation and operates under the jurisdiction of this Commission as a public utility warehouseman at the City of Commerce. For the fiscal year ended December 31, 1975, the corporation's reported total income and net earnings after taxes amounted to \$257,983 and \$33,308, respectively.

Jack Bean, applicant seller, and Hyman Brokowsky, applicant buyer, own 75 percent (375 shares) and 25 percent (125 shares), respectively, of the outstanding stock of the corporation. Jack Bean proposes to sell all of his shares to Hyman Brokowsky in order to devote his full time and effort to his primary business, independent theatrical productions.

The verified application shows that Hyman Brokowsky, as President and minority shareholder, has been involved in the corporation operations, is financially able to fulfill the terms of the stock purchase agreement and is dedicated to continuing to provide service to the public under authority granted to the corporation by this Commission.

Consideration for the sale is \$25,000 to be paid upon consummation of the transaction and an additional amount of \$7,500 to be covered by a one-year promissory note.

After consideration the Commission finds that control of Loyalty Warehouse Corporation by Hyman Brokowsky would not be adverse to the public interest and concludes that the application should be granted. A public hearing is not necessary.

The action taken herein shall not be construed as a finding of value of the stock of Loyalty Warehouse Corporation.

IT IS ORDERED that Hyman Brokowsky may control Loyalty Warehouse Corporation.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 5th day of October, 1976.

William L. Syron President
Vernon L. Sturgeon
Robert Patman Commissioners