

EAB/FS

Decision No. 90762

AUG 28 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of TRINIDAD/BENHAM, CORP.,)
a Delaware corporation, to pur-)
chase all of the issued and out-)
standing shares of WESTLAM FOODS,)
a California corporation.)

Application No. 58997
(Filed July 17, 1979)

OPINION AND ORDER

Westlam Foods, a California corporation, (WESTLAM), possesses prescriptive operative rights as a public utility warehouseman for the operation and storage of warehouse floor space at and in the vicinity of Chino and Sutter. By this application, Trinidad/Benham Corp., a Delaware corporation, (TRINIDAD) seeks authority to purchase all of the outstanding shares of Westlam for 85 percent of the book value value of said shares as of July 31, 1979.

Applicant, TRINIDAD alleges that WESTLAM's shareholders are desirous of selling their stock by reason of the fact that WESTLAM has not in recent years been able to pay dividends in an amount that would constitute a reasonable return on the value of their shares. TRINIDAD further alleges that the Estate of E. J. Evans, deceased, which owns more than 50 percent of WESTLAM's outstanding shares, to wit: 29,458-1/8 shares, is desirous of selling said shares in order to pay federal estate taxes in said estate.

According to applicant, it is informed and believes that the Estate of E. J. Evans has been attempting to sell its shares for a period in excess of one year and that the purchase price is the best price said estate has been offered for such shares.

Applicant represents that it is a holding company and not a public utility and its acquisition of all the issued and outstanding shares of WESTLAM will not interfere with, in any manner whatsoever,

the way WESTLAM has and is conducting its public warehousing and business related thereto. Applicant indicates that WESTLAM will continue to serve the same area it is now serving, and under the same name.

Applicant's subsidiary Trinidad Bean & Elevator Company operates a public warehouse in Westley. Applicant indicates that there is no overlapping in any way whatsoever of Westley Warehouse's activities at Westley with those of WESTLAM's located at Chino and Sutter.

Attorney for applicant has informed the Commission by telephone on August 15, 1979 that they find themselves in urgent need for authority to purchase the involved shares of stock because of mounting interest charges which are accumulating while the application is pending.

The application was listed on the Commission's Daily Calendar of July 20, 1979. No objection to the granting of the application has been received.

After consideration, the Commission finds that the proposed acquisition of stock by Trinidad/Benham, Corp. from Westlam Foods, a California corporation, as proposed in the application, would not be adverse to the public interest. A public hearing is not necessary.

The Commission concludes that the application should be granted and the effective date of this order shall be the date hereof as there is an urgent need to conclude the matter.

IT IS ORDERED that:

1. Trinidad/Benham, Corp., a Delaware corporation, is granted authority to purchase 56,893-1/8 shares, constituting all of the issued shares of Westlam Foods, a California corporation, pursuant to Section 854 of the California Public Utilities Code as specifically set forth in the Application 58997.

The effective date of this order is the date hereof.

Dated AUG 28 1979, at San Francisco, California.

Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.

John E. Boyer
President
Charles D. Howell
Commissioners