

December 7, 1925, and issued on Application No. 11258, which authorizes service for the

"transportation of milk and dairy products between farms in the vicinity of Clearwater, Hynes and Artesia, and Los Angeles, and the return movement of dairy feed and supplies, and for the transportation of milk and dairy products between Artesia, Bellflower, Clearwater, Downey, Hynes, Los Alamitos, Norwalk and Studebaker, and Long Beach, and the return movement of dairy feed and supplies, over and along the following routes:

Into Los Angeles - Beginning at the junction of Temple Street and Main Street, Compton, (Temple Street situated one block each of Long Beach Boulevard; Main Street, Compton, also known as Lemon Street or Washington Street); east on Main Street to Gibson Road, north on Gibson Road to State Street, east on State Street to Michigan Avenue, north on Michigan Avenue to County Farm, including farms situated one-half mile on either side of Michigan Avenue, east of State Street to Ocean Avenue, south on Ocean Avenue to Washington Street, east on Washington Street to Cerritos Avenue, south on Cerritos Avenue to Center Street, west on Center Street to New York Avenue, south on New York Avenue to South Street, west on South Street past Maple Street to east bank of Los Angeles River, north along the east bank of Los Angeles River to Artesia Street, west on Artesia Street to Gibson Road, north on Gibson Road to Main Street.

Into Long Beach - Beginning at point where Southern Pacific Company railroad crosses the Los Angeles River, northwest of Downey, southeast along county road to Downey, southeast via Downey-Norwalk Boulevard to Norwalk, southeast from Norwalk via county road to junction with county road running directly south through the town of Cypress to Long Beach - Los Alamitos Boulevard; west from said Junction via Long Beach - Los Alamitos Boulevard through the town of Los Alamitos to Long Beach city limits, north from Long Beach city limits following the east bank of the Los Angeles River to Southern Pacific Company railroad crossing northwest of Downey,"

provided, however, that applicants shall perform no service between the junction of Temple and Main Streets in the city of Compton and any point west of the Los Angeles River; and provided further that applicants shall receive no shipment more than one-half mile north of State Street for transportation to Los Angeles."

The service was operated by the partners until on or about September 20, 1927, when applicant, Robert D. Lanzit, was duly appointed receiver of the business and property of the said co-partnership of said Bozoff & Toroff by the Superior Court of the State of California, in and for the County of Los Angeles, in Case No. 233393, wherein the said Jake Toroff is the plaintiff and the said Joe Bozoff is the defendant. Ever since said date

the said Robert D. Lanzit has had the custody and control of the business and property of said co-partnership and has continued the operation of said business under and pursuant to the order of said court and said order of this Commission rendered as aforesaid in Decision No.15724.

On March 29, 1928, pursuant to an order of the above named Superior Court duly made and entered in said case, the said Robert D. Lanzit, sold the business and property of said co-partnership of Bozoff & Toroff at public sale to the applicant, George J. Abajian, subject to confirmation by the said Superior Court. On the 18th day of April, 1928, the said Superior Court made a decree confirming the sale of said business and property to the said George J. Abajian. A certified copy of said decree is attached to the application herein and made a part thereof.

The business and property of said co-partnership was sold in bulk as a going concern and the sale included all operative rights or franchises granted by this Commission to the said co-partners, or either of them. The decree also provides that the said co-partners and the said receiver should join with the said George J. Abajian in an application to this Commission requesting the transfer of said operative rights or franchises to the said George J. Abajian.

Since the entry of said decree of the Superior Court confirming the sale of said property as aforesaid, the said George J. Abajian has formed a co-partnership with Joe Bozoff, Kazaroff Anthoyan and Haig Stepanian under the fictitious firm name of California Milk Transportation Company. They ask that the Commission approve the transfer of said operative rights heretofore granted by this Commission under said Decision No.15724 directly to said last named co-partners, to-wit, the said George J. Abajian, Joe Bozoff, Kazaroff Anthoyan and Haig Stepanian. The four partners are, according to the application herein, all capable and responsible men, with previous experience in the milk transportation business, and sufficient financial backing to enable them to

conduct said business in a proper manner and provide such new and additional equipment as may be required to render a complete and efficient service within the territory covered by said operation.

We are of the opinion that this is a matter in which a public hearing is not necessary and that the application should be granted. We deem it advisable, however, in approving the transfer of this right, to call the attention of Messrs. Abajian, Bozoff, Anthoyan and Stepanian to the fact that the operations of Bozoff and Tarvoff have been the subject of an informal complaint filed with this Commission, based on a charge that they had operated beyond the territory covered by their certificate. The Commission will insist that the successors to Bozoff and Tarvoff confine their operations strictly to the territory covered by the certificate of public convenience and necessity, the transfer of which is herein approved.

George J. Abajian, Joe Bozoff, Kazaroff Anthoyan and Haig Stepanian, co-partners, are hereby placed upon notice that "Operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state which is not in any respect limited to the number of rights which may be given.

IT IS HEREBY ORDERED that the above entitled application for an order of the Railroad Commission approving the transfer of the operating right herein described to a partnership consisting of George J. Abajian, Joe Bozoff, Kazaroff Anthoyan and Haig Stepanian, ^{firm} operating under the fictitious /name of California Milk Transportation Company, be, and the same is hereby granted, subject to the following conditions:

1- The consideration to be paid for the property herein authorized to be transferred shall never be urged before this Commission or any other rate fixing body as a measure of value of said property for rate fixing, or any purpose other than the transfer herein authorized.

2- Applicants Bozoff & Tarvoff shall immediately unite with applicants Abajian, Bozoff, Anthoyan and Stepanian in common supplement to the tariffs on file with the Commission, applicants Bozoff & Tarvoff on the one hand withdrawing, and applicants Abajian, Bozoff, Anthoyan and Stepanian on the other hand accepting and establishing such tariffs and all effective supplements thereto.

3- Applicants Bozoff & Tarvoff shall immediately withdraw time schedules filed in their names with the Railroad Commission, and applicants Abajian, Bozoff, Anthoyan and Stepanian shall immediately file, in duplicate, in their own names time schedules covering service heretofore given by applicants Bozoff & Tarvoff, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicants Bozoff & Tarvoff, or time schedules satisfactory to the Railroad Commission.

4- The rights and privileges herein authorized may not be sold, leased, transferred nor assigned, nor service thereunder discontinued, unless the written consent of the Railroad Commission to such sale, lease, transfer, assignment or discontinuance has first been secured.

5- No vehicle may be operated by applicants Abajian, Bozoff, Anthoyan and Stepanian unless such vehicle is owned by said applicants or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

IT IS HEREBY FURTHER ORDERED that the operation by Robert Lanzit, Receiver of Bozoff & Tarvoff, of the milk transportation service of the partnership be, and the same is hereby approved.

IT IS HEREBY FURTHER ORDERED that the order of the Superior Court of the County of Los Angeles affirming the sale of the operating right of Bozoff & Tarvoff to George J. Abajian be and the same is hereby approved.

Dated at San Francisco, California, this 11th day of

May, 1928.

Leon Whitely

Thos. J. L. ...

11/11/28
COMMISSIONERS.