

Decision No. 20292

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of
BOB ARUTOFF for certificate of public
convenience and necessity to operate
milk route truck service between points
in Los Angeles City and Los Angeles
County and the City of Los Angeles,
Wilmington, San Pedro and Long Beach.

Application No. 14716.

Guy Lewis, for Applicant.

BY THE COMMISSION:

O P I N I O N

Bob Arutoff has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by him of a freight truck service as a common carrier for the transportation of milk and other dairy products between the City of Los Angeles and San Pedro and Long Beach, on the one hand, and the following territory in and about the Wilmington District of Los Angeles, more particularly described as follows:

Commencing at intersection of Carson Street and Narbonne Avenue east on Carson Street to Harbor Boulevard; north 2 miles to Nigger Slough; return to Carson Street east on Carson Street to Truck Boulevard; South on Truck Boulevard to Anaheim Street in Wilmington; west on Anaheim Street to Harbor Boulevard; south on Harbor Boulevard to Battery, San Pedro; west on Battery to Gaffey Street; north on Gaffey Street to Wilmington Boulevard; west on Wilmington Boulevard to Grand View; north on Grand View to Carson Street and east on Carson Street to Narbonne Avenue, the point of commencement,

as an extension and enlargement of his present authorized service.

A public hearing on this application was conducted before Examiner Satterwhite at Los Angeles, the matter was submitted and is now ready for decision.

Applicant proposes to charge rates and to operate on a time schedule and over a route in accordance with Exhibits "A" and "B" attached to said application and to use the equipment described in Exhibit "C."

Arutumian Sahakian and Giegoroff appeared at the hearing in opposition to the granting of the application, but by reason of a stipulation entered into with the said applicant with respect to certain restrictions as to territory proposed to be served, which will be incorporated in the order herein, the said protestants withdrew their opposition to the granting of said application.

Applicant operates an authorized freight service for the transportation of milk and other dairy products between Los Angeles and certain points in and about the Wilmington District of Los Angeles under and by virtue of the following decisions-- Decision No. 15459 on Application No. 11266 authorized applicant to operate service for the transportation of milk to Los Angeles from dairy ranches in the vicinity of Athens and Rosecrans, and for no other purpose, over and along the following route:

Leave Los Angeles via South Main Street to Rosecrans Avenue, thence west to Arlington Street, thence south to Olive Avenue, thence west to Perry Station, thence east on Electric Street to Cypress Avenue, thence north to Strawberry Street, thence east to Arlington Street; thence south to Electric Street, thence east to Normandie Avenue, thence west on Electric Street to Western Avenue, thence north to San Pedro Street, thence east to Normandie Avenue, thence south to Wilmington Street, thence east to Figueroa Street, thence south to Walnut Street, thence east to Main Street, thence north to 157th Street, thence west to Vermont Avenue, thence north to Olive Avenue, thence east to Main Street, thence north to Compton and Santa Monica Road, thence east to South Park Avenue, thence north to 128th

Street, thence east to Central Avenue, thence west on 128th Street, to South Park Avenue, thence north to 122nd Street, thence west to Main Street, thence north to Los Angeles dairies.

Said route to include all dairy ranches within the boundaries of said route, and within one-half mile outside of said boundaries, excepting, however, the territory east of Figueroa Street and south of 182nd Street (Walnut Street), as shown on the outline map attached to the application, marked Amendment to Exhibit "B."

In Decision 17899 on Application 13374 the applicant was authorized to operate a freight truck service for the transportation of milk and other dairy products between the City of Los Angeles and certain points in and about the Wilmington District of Los Angeles, as an extension and enlargement of his present authorized service over and along the following routes:

Beginning at Wilmington Boulevard (Main Street) and L Street (Wilmington), north on Wilmington Boulevard to 183rd Street, west to Figueroa Street, north to 182nd Street, east to Main Street, north to 165th Street, west to Vermont Avenue, north to Redondo-Compton Boulevard, east to South Park Avenue, North to Los Angeles, said route to include all dairy ranches within the boundaries of said route and within one-half mile outside of said boundaries, provided, however, that no additional service may be given by applicant north of 182nd Street except as heretofore authorized by Decision No. 15459 ~~on Application No. 11266~~ on Application No. 11266.

The testimony of applicant shows that there are many dairy men in the proposed enlarged territory who ship their milk and other products to various creameries located, not only in Los Angeles, but also in San Pedro, Long Beach and other points, and these dairymen have requested applicant to establish his proposed extended service to meet their transportation needs. The record shows that applicant has always rendered a satisfactory service to these creameries and dairies many of whom have been his regular customers for a long period of time.

After careful consideration of the evidence in this proceeding, we are of the opinion that public convenience and necessity

require the proposed extended service of applicant and that the application should be granted.

The applicant is 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.

O R D E R

A public hearing having been held in the above entitled proceeding, the matter having been submitted and being now ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity require the operation by Bob Arutoff of a freight truck service as a common carrier for the transportation of milk and other dairy products between the City of Los Angeles and San Pedro and Long Beach on the one hand, and the following territory in and about the Wilmington District of Los Angeles more particularly described as follows:

Commencing at intersection of Carson Street and Narbonne Avenue east on Carson Street to Harbor Boulevard; north 2 miles to Nigger Slough; return to Carson Street east on Carson Street to Truck Boulevard; south on Truck Boulevard to Anaheim Street in Wilmington; west on Anaheim Street to Harbor Boulevard; south on Harbor Boulevard to Battery, San Pedro; west on Battery to Gaffey Street; north on Gaffey Street to Wilmington Boulevard; west on Wilmington Boulevard to Grand View; north on Grand View to Carson Street and east on Carson Street to Narbonne Avenue, the point of commencement,

as an extension and enlargement of his present authorized service, and not as a separate operating right, provided, however, that said applicant shall not serve the territory in Los Angeles bounded as follows, to-wit:

On the east by the Los Angeles River; on the west by Main Street, on the north by Northern Avenue and Florence Street; on the south by Domingo Junction and a line drawn east thereof through Alameda Street and Long Beach Boulevard.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same is hereby granted to said Bob Arutoff for the operation of the service hereinabove described, subject to the following conditions:

1. Applicant shall file his written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof.
2. Applicant shall file, in duplicate, within a period of not to exceed twenty (20) days from the date hereof, tariff of rates and time schedules, such tariffs of rates and time schedules to be identical with those attached to the application herein, or rates and time schedules satisfactory to the Railroad Commission, and shall commence operation of said service within a period of not to exceed sixty (60) days from the date hereof.
3. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.
4. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 3rd day of October, 1928.

Leon Whitell
Chas. Seaver
Wm. W. ...
Thos. D. ...
M. ...
Commissioners.