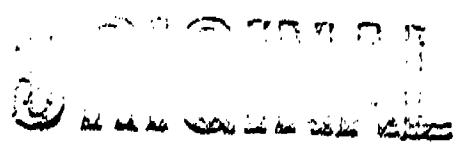


Decision No. 23404

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of JOSEPH PERUMEAN, I. SHAKARIAN, T. KARDASHIAN and S. J. STRATTON, copartners, doing business under the firm name of JOSEPH PERUMEAN & COMPANY, to sell and transfer, and of JOE BOZOFF to purchase and acquire operative rights as a transportation company heretofore acquired and held under certificates of public convenience and necessity heretofore granted by Decisions Nos. 15528 and 15805 on Application No. 11205; Decision No. 15953 on Application No. 12472, and Decision No. 19609 on Application No. 14565; Decision No. 15535 on Application No. 11239 and Decisions Nos. 19761 and 19786 on Application No. 14669.

Application No. 17057



Hugh Gordon, for Applicants.

Richard T. Eddy, by J. A. Jorgenson,
for R. E. Robson.

BY THE COMMISSION:

O P I N I O N

Applicant, JOE BOZOFF, seeks of this Commission approval of the transfer to him by Joseph Perumean, I. Shakarian, T. Kardashian and S. J. Stratton, copartners, doing business under the name of Joseph Perumean & Company, of all the certificated rights heretofore granted the partnership or acquired by them for the transportation of milk in the region of Artesia, Bellflower, Downey and Clearwater and adjacent points and Los Angeles.

A public hearing herein was conducted by Examiner Williams at Los Angeles.

Applicant, Bozoff, is acquiring the certificates of the partnership for the consideration of \$10.00, and intends to furnish public carrier service to all who may want it within the terri-

tory heretofore served by the sellers.

According to the testimony of Bozoff and Perumean, the creameries at Los Angeles and elsewhere recently have put in operation their own trucks for the purpose of picking up at dairy ranches and transporting to Los Angeles milk which each creamery requires daily in its business, and thus the bulk of the patronage of the public carriers has been withdrawn; in fact, although Perumean & Company transported hundreds of cans daily from the territory served by them, there now remain but three or four producers who are shipping by public service. It is to these shippers and others that Bozoff intends to extend his service. It appears from the record that Bozoff is now transporting a volume of approximately 225 to 250 cans daily, and desires to amplify and increase his volume by the addition of such shippers as may utilize his service in the area under the Perumean certificates. It appears that this will be of benefit to the few who still rely upon public carriers.

The transfer of the certificates was opposed by R. E. Robson, also operating in the same area under certificates from this Commission, but no witnesses were produced by protestant, reliance being placed solely on the cross-examination of Bozoff and Joseph Perumean. While it was shown that applicant, Bozoff, had been transporting milk for these producers to Los Angeles for a period before the hearing, we do not believe that this temporary service is sufficient to justify disapproval of the transfer.

The operating rights herein proposed to be transferred were established in the following manner:

A certificate was granted to John Hamo and Abat Semonian by Decision No. 15528 of October 15, 1925, ** * * for the transportation of milk and other dairy products between ranches in the vicinity of Eynes, Clearwater and Downey, and Los Angeles, and for a return haul of dairy feed and supplies from Los Angeles to the ranches served by applicants, over and along the following route: "

The route as set forth in Decision No. 15528 was modified by Decision No. 15805 of December 28, 1925, to read as follows:

"Beginning at the intersection of First Street and College Avenue in Downey, thence south on College Avenue and Ocean Avenue to Artesia Avenue; thence east on Artesia Avenue to New York Avenue; thence north on New York Avenue to Center Street, thence east on Center Street to Cerritos Avenue, thence north on Cerritos Avenue to Zinn (Curtin) Road, thence east to Woodruff Avenue, thence north to Washburn Road, thence east to the junction of Downey-Norwalk Road, thence north to First Street, thence west on First Street to the point of Beginning; and all points not to exceed one-half mile on either side thereof; and from Downey to Los Angeles via the Los Angeles-Downey Road via Bell; also, Curtin Road between College and Cerritos Avenues; Cerritos Avenue between First and Curtin Road; Alameda between College and Crawford; Crawford between Alameda and First; Dolan between First and Texas; Palm between Crawford and Cerritos."

Decision No. 15958 of February 8, 1926, in Application No. 12472 authorized Hamo and Semonian to transfer the above described right to the copartnership of I. Shakarian, Tom Kardashian and Joe Perumean.

Decision No. 19609 of April 13, 1928, in Application No. 14565 authorized S. J. Stratton to acquire a one-fourth ($\frac{1}{4}$) interest in the copartnership right of Shakarian, Kardashian and Perumean.

Decision No. 19761 of May 11, 1928, and Decision No. 19786 of May 21, 1928, in Application No. 14669 authorized the copartnership of Shakarian, Kardashian, Perumean and Stratton to acquire from O. J. Blakesley the operating right granted to Blakesley by Decision No. 15535 of October 17, 1925, in Application No. 11239. Such right was:

"* * * for the transportation of milk and other dairy products between the Rivera, Los Nietos, Santa Fe Springs, Cudahy and Bell Districts, and the City of Los Angeles and the City of Huntington Park, and for a return haul of feed and dairy supplies to the ranches served by applicant over and along the following route:

"Starting from Belvedere, going east on Telegraph Road to Bandini, from Bandini east on Telegraph Road to the junction of Rivera and Barlow Road; thence north to Rivera to first pick-up, half-mile west of Rivera; returning to Rivera and Barlow Road, going one mile north on same road to second pick-up half-mile west of said road; return, going south on Rivera and Barlow Road to Rivera, thence east on River Road along the Santa Fe railroad to one mile east of Los Nietos, south on road (no name) to Telegraph Road; east on Telegraph Road

one and one-half miles. Return, going west on Telegraph Road to junction of Bell and Tweedy Road, thence south on Bell and Tweedy Road to junction of Hunt's Crossing road, now called Clara Street; west on Clara Street to Wilcox Avenue, south on Wilcox Avenue to Ann Street; return, going north on Wilcox Avenue to Florence Avenue, thence west on Florence Avenue, through Huntington Park to Santa Fe Avenue, thence north on Santa Fe Avenue to 38th Street in Vernon, west on 38th Street to Alameda Street in Los Angeles, to Towne Avenue, to destination;

"Provided, that no service is authorized under this routing west or north of the junction of Bandini and Telegraph Roads;"

Applicant, Joe Bozoff, 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.

ORDER

Application having been made to the Railroad Commission by Joseph Perumean, I Shakarlan, T. Kardashian and S. J. Stratton, copartners, doing business under the firm name of Joseph Perumean & Company for an order authorizing the transfer, by said company, to Joe Bozoff, the operative rights heretofore acquired and held under certificates of public convenience and necessity heretofore granted by Decisions Nos. 15528 and 15805 on Application No. 11205; Decision No. 15958 on Application No. 12472, and Decision No. 19609 on Application No. 14565; Decision No. 15535 on Application No. 11239 and Decisions Nos. 19761 and 19786 on Application No. 14669; a public hearing thereon having been held, the matter having been duly submitted, and being now ready for decision, and the Commission being of the opinion that said application should be granted as herein

provided,

IT IS HEREBY ORDERED, that the above-entitled application 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. Applicant, Joseph Perumean & Company, shall immediately unite with applicant, Joe Bozoff, in common supplement to the tariffs on file with the Commission covering service given under certificates herein authorized to be transferred, applicant, Joseph Perumean & Company, on the one hand, withdrawing, and applicant, Joe Bozoff, on the other hand, accepting and establishing such tariffs and all effective supplements thereto.

3. Applicant, Joseph Perumean & Company, shall immediately withdraw time schedules filed in its name with the Railroad Commission, and applicant, Joe Bozoff, shall immediately file, in duplicate, in his own name time schedules covering service heretofore given by applicant, Joseph Perumean & Company, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant, Joseph Perumean & Company, 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 applicant, Joe Bozoff, 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.

6. No authority is herein conveyed for the consolidation of the rights herein authorized to be transferred with the operating rights now owned by applicant, Joe Bozoff.

The effective date of this order for all other purposes shall be twenty (20) days from and after the date

of this order.

Dated at San Francisco, California, this 16th
day of February, 1931.

C. L. Henry
Leon White

M. J. Lee

M. B. Harris

Fred G. Stewart
Commissioners.