

SLH

Decision No. 23429

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
K. OGANESOFF and T. OSKANOFF,  
copartners, to sell and transfer,  
and of JOE BOZOFF to purchase and  
acquire operative rights as a trans-  
portation company heretofore acquired  
and held under certificates of public  
convenience and necessity granted by  
Decisions Nos. 16406 and 17990 on Ap-  
plication No. 11214 and Decision No.  
10351 on Application No. 7578.

ORIGINAL

Application No. 17092

Hugh Gordon, for Applicants.

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

BY THE COMMISSION:

O P I N I O N

Applicants, K. Oganessoff and T. Oskanoff, copartners, seek authority to sell and transfer to Joe Bozoff certain certificates authorizing the transportation of milk and dairy products between Bellflower and other points in Los Angeles County and Los Angeles City, Bozoff joining in the application as purchaser.

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

The certificates sought to be transferred were acquired by applicants, Oganessoff and Oskanoff, under Decisions Nos. 16406 and 17990 on Application No. 11214. This certificate authorizes the transportation of milk and dairy products from the region of Artesia and Bellflower and other points, to Los Angeles, and under it, for many years, applicants, Oganessoff and Oskanoff, have maintained operations. Recently, however, the

creameries to which they delivered the products of the dairy farms in the area served by them have placed in service their own trucks for the purpose of gathering and transporting milk, and thus the number of patrons has been so reduced that there now remain but three who require public service under the certificates. Oganessoff and Oskanoff have agreed to sell their certificates and their rights to applicant Bozoff for the consideration of \$10.00. No equipment is involved in the transfer. Bozoff is a certificated carrier of milk in a portion of the area served by applicants, and also a very large portion not served by them, and desires, by the acquisition of certificates, to render service to all who may want it in the area now served by the partners. According to the testimony of Bozoff before November 1, 1930, he was serving within his own area 95 shippers and transporting to Los Angeles approximately 1650 to 1700 ten-gallon cans of milk daily. At the time of the hearing (February 6, 1931) applicant had 16 shippers remaining, and a total of between 225 to 230 cans daily, transported to Los Angeles. Not only did the creameries put on their own trucks, but the California Milk Producers' Association, which has over 400 producing members in Southern California, has leased trucks for a similar purpose, and withdrawn patronage from public carriers. Bozoff expects, by the authority of the certificates to be acquired, to improve his volume so as to maintain the service without loss.

Protestant Robson introduced no testimony in support of his protest except by examination of applicant Bozoff. No deviation from the rules laid down by the Commission in Decision No. 23114 in Case No. 2813 et al. was shown, and protestant offered nothing which would justify the Commission withholding approval of the transfer, as sought. The recent action of practically all the creameries and associations establishing their own private pick-up and delivery service in the handling of milk has reduced the volume and scattered its pick-up area, so that many of the carriers are

practically without enough business to justify continuation of their service. In the present instance, Bozoff stands ready to assume the duties of a carrier in the territory where there is meager production, and as he has ample equipment and is well established, it is our opinion that the transfer should be approved, as in no other way may possible independent shippers, now or in the future in this area, have the service of a public carrier. The application accordingly will be approved.

The operating right herein proposed to be transferred was granted to Oganessoff and Oskanoff by Decision No. 16406 of April 5, 1926, as modified by Decision No. 17990 of February 8, 1927, in Application No. 11214--

"\* \* \* for the transportation of milk, cream and other dairy products, and dairy supplies, between ranches in the vicinity of Bellflower, Hynes, South Artesia and Clearwater, and Los Angeles, and also to the Brentwood creamery at 2652 Del Rey Avenue, County of Los Angeles, over and along the following routes:

"Beginning at State Street and Atlantic Avenue, east on State Street to Michigan Avenue, four blocks north on Michigan Avenue, two blocks west of Michigan Avenue, then back to State Street, east on State Street to Ocean Avenue, south on Ocean Avenue to Washington Street, east on Washington to Woodruff Avenue, south on Woodruff Avenue to Center Street, east on Center Street to Chicago Avenue, south on Chicago Avenue to Palo Verde Avenue and to First Street, west on First Street to Somerset Avenue, to Montana Ranch, north on Somerset Avenue to Rose Avenue, west on Rose Avenue to Clark Street, north on Clark Street to Artesia Avenue, (north) on Artesia Avenue to Maple Avenue, north on Maple Avenue to Lincoln Street, four blocks west on Lincoln Street, then back to Maple Avenue and north on Maple Avenue to State Street, serving intermediate points within the said territory (all within the boundaries of Bellflower, Hynes, Clearwater and South Artesia) into the city of Los Angeles; also via Slauson Avenue to the Brentwood Creamery at 2652 Del Rey Avenue, County of Los Angeles."

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 K. Oganessoff and T. Oskanoff, copartners, for an order authorizing the transfer to Joe Bozoff, the operative rights as a transportation company heretofore acquired and held under certificates of public convenience and necessity granted by Decisions Nos. 16406 and 17990 on Application No. 11214 and Decision No. 10351 on Application No. 2578; 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. Applicants, K. Oganessoff and T. Oskanoff, copartners, shall immediately unite with applicant, Joe Bozoff, in common supplements to the tariffs on file with the Commission covering service to be given under certificate herein authorized to be transferred, applicants Oganessoff and Oskanoff on the one hand withdrawing, and applicant, Joe Bozoff, on the other hand accepting and establishing such tariffs and all effective supplements thereto.
3. Applicants, K. Oganessoff and T. Oskanoff, shall immediately withdraw time schedules filed in their 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 applicants, K. Oganessoff and T. Oskanoff, copartners, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicants, K. Oganessoff and T. Oskanoff, or time schedules satisfactory to the Railroad Commission.

10. The Commission may  
11. by order suspend the  
12. operation of any  
13. provision of this  
14. Act or any  
15. regulation made  
16. thereunder  
17. if it is satisfied  
18. that such suspension  
19. is necessary in the  
20. public interest.

order shall be

Dated at  
February, 1980.

*CORRECTION*

# CORRECTION

THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY

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.

For all other purposes the effective date of this order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 7th day of February, 1931.

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*  
Commissioners.