

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the matter of the application of Geo. A. and Geo. J. Abajian, co-partners, for an order granting permission to sell and transfer all their right, title and interest, including certain equipment, in auto truck milk route service operated between dairy ranches located in vicinity of Wineville, Chino, Ontario, Pomona, El Monte, and intermediate points, and the creameries in Los Angeles, to Joseph K. Hawkins,

Application No. 8125

and application of Joseph K. Hawkins for an order granting permission to purchase above described auto truck line, and for permission to operate same thereafter.

George J. Abajian, Applicant, in propria persona
J.K. Hawkins, Applicant, in propria persona.

BY THE COMMISSION:

O P I N I O N

George A. Abajian and George J. Abajian herein ask permission to sell and transfer to J.K. Hawkins auto truck milk route service operated between dairy ranches located in the vicinity of Wineville, Chino, Ontario, Pomona, El Monte, and intermediate points.

A public hearing was held by Examiner Williams at Los Angeles.

The operating right sought to be transferred was purchased from Zadikian and Avoian (Dec. 9712) by applicant George A. Abajian. In February, 1922, a half-interest in the right was acquired by George J. Abajian (Dec. 10129).

Applicant, G.J. Abajian, testified that the truck to be transferred is now worth \$5,000.00. His testimony also was that it was purchased for \$4,600.00 and has been used eight months in milk hauling. He explained that its enhanced value was due to its "being insured". Applicant Hawkins, however, testified that he did not regard the truck as of the actual value stated in the application, and that he was paying a premium on the equipment as well as the stated consideration of \$1,000.00 as the value of the operating right. Applicant Hawkins now is operating a large and efficient milk carrying service and is in a position to take over and maintain with equal benefit to shippers, the operation of applicants Abajian. While the method of giving excessive value to equipment in order to reduce the apparent value paid for the operating right is to be condemned, and in some cases not condoned, in the instant case, as applicants agree never to claim any such payments as value in any proceedings before this Commission or any other body, it should not outweigh the probable benefits to the public by reason of efficient operation by applicant Hawkins, and the transfer should be approved.

O R D E R

IT IS HEREBY ORDERED that the above entitled application be and the same hereby is granted, subject to the following conditions:

- I - That 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 for rate fixing or any other purpose, excepting the transfer herein authorized.

- II - That the applicants George A. Abajian and George J. Abajian will be required to immediately cancel all tariffs and time schedules now on file with the Railroad Commission, such cancellation to be in accordance with the provisions of General Order No. 51 and other regulations of the Railroad Commission.
- III- That the applicant Joseph K. Hawkins will be required to immediately file tariff and time schedules, in duplicate, in his own name, or to adopt as his own the tariffs and time schedules heretofore filed by George A. Abajian and George J. Abajian, all rates and time schedules to be identical with those filed by George A. Abajian and George J. Abajian.
- IV - That the rights and privileges herein authorized to be transferred 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.
- V - That no vehicle may be operated by the applicant Joseph K. Hawkins, 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.

Dated at San Francisco, California, this 26th
day of September, 1922.

H. K. Brundage
Erving Martin
J. P. Brundage
Commissioners.