

The operating right herein proposed to be transferred was created by Decision No. 24319 dated May 31, 1932 on Application No. 18140. In that proceeding Shafer and K.M. Stevenson divided the partnership business previously operated under certificate by them, Shafer retaining all the rights except the one between Yermo and the California-Nevada State Line.

Public hearings herein were conducted by Examiner Kennedy at Los Angeles September 22 and 24, 1932 and the matter was duly submitted.

Applicants stipulated that of the \$2,500.00 to be paid Shafer, \$1187.36 might be impounded with the Commission for payment of C.O.D. accounts owing by Shafer in the conduct of the operation.

A.L. Mockenhaupt testified that he and L.L. Mockenhaupt, co-applicant, as copartners own 12 trucks clear, have a terminal in Los Angeles, other real property and ample finances and credit to conduct the operations sought to be transferred with the certificate. Their financial ability to perform the service was not disputed by any intervenor.

A.L. and Louis L. Mockenhaupt 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 be, and the same is hereby granted, subject to the following conditions:

1. The authority herein granted shall not become effective unless and until applicants shall file with this Commission a verified statement that all C.O.D. amounts owing by Paul Shafer and aggregating \$1187.36 as shown by the testimony, have been paid,

and, in any event, not later than fifteen (15) days from date hereof.

2. 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.

3. Applicant Paul Shafer shall immediately unite with applicants A.L. and L.L. Mockenhaupt in common supplement to the tariffs on file with the Commission covering service given under certificate herein authorized to be transferred, applicant Paul Shafer on the one hand withdrawing, and applicants A.L. and L.L. Mockenhaupt on the other hand accepting and establishing such tariffs and all effective supplements thereto.

4. Applicant Paul Shafer shall immediately withdraw time schedules filed in his name with the Railroad Commission and applicants A.L. and L.L. Mockenhaupt shall immediately file, in duplicate, in their own names time schedules covering service heretofore given by applicant Paul Shafer which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of applicant Paul Shafer or time schedules satisfactory to the Railroad Commission.

5. 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.

6. No vehicle may be operated by applicants A.L. and L.L. Mockenhaupt 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.

Dated at San Francisco, California, this 3^d day of

October 1932.

Al Lenny
Leon A. Lenny
M. A. Lenny
M. B. Harris
Fred G. Stewart
COMMISSIONERS.