

ORIGINALDecision No. 71941

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of WTC AIR FREIGHT,)
for a certificate of public)
convenience and necessity.)Application No. 48267
Filed October 13, 1966O P I N I O N

WTC Air Freight requests a certificate of public convenience and necessity, pursuant to Section 1010 of the Public Utilities Code to conduct intrastate business as an air freight forwarder of general commodities.

Applicant is a California corporation with its principal place of business in Los Angeles. The corporation was formed on March 1, 1964.

Applicant presently conducts business as a domestic air freight forwarder under Civil Aeronautics Board Operating Authority No. 86 and as an international air freight forwarder under Operating Authority No. 184. Applicant has 10 terminals in the United States, including Los Angeles, San Diego and San Francisco. Applicant proposes to deliver freight to all points in California served by aircraft, utilizing the air freight services offered by airlines serving such points. It is alleged that the movement of air freight cargo on an intrastate basis is required from time to time as a necessary incident to adequately serve applicant's regular customers who ship interstate; and that the granting of the authority will enable applicant to serve the shipping public more efficiently by

providing specialized door to door service, expediting ground handling of air freight shipments, detailed relaying of information and simplified accounting for shippers.

The proposed service will be on an "on call" basis and limited by the operating schedules of carriers operating under authorization of the Civil Aeronautics Board. Applicant does not operate and does not propose to operate any aircraft in its proposed service. Sufficient equipment is available to provide efficient service. Applicant proposes rates, rules and regulations which are competitive with Emery Air Freight, as published in Air Freight Tariff No. 2, Cal. P.U.C. No. 2. Applicant's balance sheet dated June 30, 1966 shows total assets of \$1,536,322 and current liabilities of \$1,091,702, and its profit and loss statement for the six months ending June 30, 1966 shows total revenue of more than \$6,000,000.

Copies of the application were mailed to 19 airlines, 6 air freight forwarders and an express corporation. No protests have been filed.

The Commission finds as follows:

1. Applicant possesses the experience, equipment and financial resources to institute and maintain the proposed service.
2. Public convenience and necessity require that the application be granted as set forth in the ensuing order.
3. A public hearing is not necessary.

We therefore conclude that the application should be granted.

WTC Air Freight is placed on notice that operative rights, as such, do not constitute a class of property which may be

capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to WEC Air Freight authorizing it to operate as a freight forwarder as defined in Section 220 of the Public Utilities Code, via the line of an air common carrier for the transportation of general commodities between points within the State of California, subject to the following restrictions.

Applicant shall not ship or arrange to ship, any property via the line of any air common carrier unless such property shall have its transportation by aircraft originate at one of the following airports:

Los Angeles International Airport
Lindbergh Field, San Diego
San Francisco International Airport,

on the one hand, and terminate at the following points served by common carriers by aircraft, on the other hand:

Apple Valley	Merced
Arcata-Eureka	Modesto
Bakersfield	Monterey-Salinas
Blythe	Oakland
Burbank	Ontario-Riverside
Chico	Oxnard-Ventura
Crescent City	Paso Robles-San Luis Obispo
El Centro	Red Bluff-Redding
Fresno	Sacramento
Indio-Palm Springs	San Bernardino
Inyokern	San Diego
Laguna Beach-Santa Ana	San Francisco
Lake Tahoe	San Jose
Lancaster-Palmdale	Santa Barbara
Long Beach	Santa Maria
Los Angeles	Santa Rosa
Marysville-Yuba City	Stockton
	Visalia

2. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations:

- a. Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. Applicant is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, it will be required, among other things, to file annual reports of its operations. Failure to file such reports, in such form and at such time as the Commission may direct, may result in a cancellation of the operating authority granted by this decision.
- b. Within one hundred twenty days after the effective date hereof, applicant shall establish the service herein authorized and file tariffs, in triplicate, in the Commission's office.
- c. The tariff filings shall be made effective not earlier than thirty days after the effective date of this order on not less than thirty days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the establishment of the service herein authorized.

- d. The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 117.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 31st day of JANUARY, 1967.

[Signature]
President

[Signature]

[Signature]
William Lyons, Jr.

[Signature]
Commissioners