

Decision No. 72326

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
CARL K. SPARKS, an Individual, doing
business as AERO SPECIAL DELIVERY AND
MESSENGER SERVICE, for a certificate
of public convenience and necessity
to institute a freight forwarding
service.

Application No. 49048
(Filed December 22, 1966,
Amended February 17 and
March 14, 1967)

O P I N I O N

Carl K. Sparks, doing business as Aero Special Delivery and Messenger Service, requests a certificate of public convenience and necessity, pursuant to Section 1010 of the Public Utilities Code to conduct intrastate business as a freight forwarder of general commodities.

Applicant requests authority to ship or arrange to ship via the lines of air common carriers from Los Angeles International Airport; Lockheed Air Terminal, Inc. (Burbank); San Francisco International Airport; Oakland International Airport and San Jose Municipal Airport to various points in California.

Applicant presently conducts business as a domestic air freight forwarder under Civil Aeronautics Board Operating Authority No. 244 and as an international air freight forwarder under Operating Authority No. 333; applicant also holds Independent Ocean Freight Forwarders License No. 1128 and International Air Transportation Association Authorization No. 05-5-0505. Applicant also conducts operations as a Radial Highway Common Carrier and City Carrier pursuant to permits issued by this Commission.

Applicant has entered into arrangements with various shippers whereby applicant will, if the authority is granted, pick up or cause to be picked up commodities at shippers' places of business located throughout the state. After consolidation, the applicant will transport, or arrange for transportation of, such consolidated shipments by motor vehicle to airports where the property will be transported by air carrier to airports where the property will in turn be picked up by motor vehicle and after segregation, delivered to destination.

Applicant alleges 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.

Applicant does not operate any aircraft and the service will be limited to the use of aircraft operated by air carriers. Applicant will contract to operate motor vehicle equipment sufficient to transport shipments to and from the various airports. Applicant's balance sheet dated June 30, 1966 shows total assets of \$170,784 and total liabilities of \$35,078, and his profit and loss statement for the year ending June 30, 1966 shows total revenue of \$471,316 and a net profit of \$44,662.

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

The Commission finds as follows:

1. Applicant possesses the experience and financial resources to institute and maintain the proposed service.
2. Public convenience and necessity require that the proposed service be authorized.
3. A public hearing is not necessary.

The Commission concludes that the application should be granted.

Carl K. Sparks 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 cancelled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is hereby granted to Carl K. Sparks, doing business as Aero Special Delivery and Messenger Service, authorizing him to operate as a freight forwarder as defined in Section 220 of the Public Utilities Code, via the lines of air common carriers for the transportation of general commodities between the points set forth in Appendix A attached hereto and made a part hereof.

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 he accepts the certificate of public convenience and necessity herein granted, he will be required, among other things, to file annual reports of his 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 five 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 the date hereof.

Dated at San Francisco, California, this 18th day of APRIL 1967.

[Signature]
President

[Signature]

[Signature]

[Signature]
Commissioners

Carl K. Sparks, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to operate as a freight forwarder, as defined in Section 220 of the Public Utilities Code, via the lines of air common carriers for the transportation of general commodities 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
Lockheed Air Terminal, Inc. (Burbank)
San Francisco International Airport
Oakland International Airport
San Jose Municipal Airport

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

Apple Valley
Arcata
Bakersfield
Blythe
Burbank
Chico
Crescent City
El Centro
Eureka
Fresno
Indio
Inyokern
Laguna Beach
Lake Tahoe
Lancaster
Lockheed Air Terminal - Burbank

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Long Beach
Los Angeles
Los Angeles International Airport
Marysville
Merced
Modesto
Monterey
Oakland
Oakland International Airport
Ontario
Oxnard
Palmdale
Palm Springs
Paso Robles
Red Bluff
Redding
Riverside
Sacramento
Salinas
San Bernardino
San Diego
San Francisco
San Francisco International Airport
San Jose
San Jose Municipal Airport
San Luis Obispo
Santa Ana
Santa Barbara
Santa Maria
Santa Rosa
Stockton
Ventura
Visalia
Yuba City

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