

ORIGINALDecision No. 73808

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
AIRWAYS PARCEL POST SERVICE, INC.,
a Corporation, doing business as
AIRWAYS AIR FREIGHT, for a certificate
of public convenience and necessity as
a Freight Forwarder of general com-
modities between points in the State
of California.

Application No. 49826
(Filed November 30, 1967)

O P I N I O N

Airways Parcel Post Service, Inc., doing business as Airways Air Freight, requests a certificate of public convenience and necessity pursuant to Section 1010 of the Public Utilities Code to conduct business as a freight forwarder of general commodities.

Applicant requests authority to ship or arrange to ship via the lines of common carriers by air, truck and motorbus from points within twenty-five miles of Los Angeles International Airport, Lockheed Air Terminal, Inc. (Burbank), Oakland International Airport, Orange County Airport, Sacramento Municipal Airport, San Diego International Airport, San Francisco International Airport, and San Jose Municipal Airport, on the one hand, to points located within twenty-five miles of the destination points listed in Exhibit A of the application, on the other hand.

Applicant presently conducts business as a domestic air freight forwarder under Civil Aeronautics Board Operating Authority No. 10 and holds authority as an international air freight forwarder.

Applicant maintains offices or agents at San Francisco, Los Angeles, Inglewood, San Diego, Santa Ana, San Jose, Sacramento, Oakland, Burbank and Burlingame incident to its freight forwarding activities on an interstate basis.

Applicant proposes to establish door-to-door rates for service between airports including points within a twenty-five mile radius thereof. On traffic moving to or from points located beyond said twenty-five mile radius, applicant will assess in addition to its tariff rates the lawful tariff rates of any highway common carriers engaged to perform said beyond service.

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 in the performance of its service. Applicant has available sufficient equipment to efficiently perform its interstate business, said equipment being variable upon the volume of air cargo. Applicant's balance sheet, dated June 30, 1967, shows total assets of \$330,273.16 and total current liabilities of \$250,885.37, and its profit and loss statement for the six months ended June 30, 1967 shows total revenue of \$1,022,149.72 and a net profit of \$34,156.76.

Copies of the application were served in accordance with the Commission's procedural rules. There are no protests.

The Commission finds that:

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 as set forth in the ensuing order.

Airways Parcel Post Service, Inc. 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 Airways Parcel Post Service, Inc., a corporation, authorizing it to operate as a freight forwarder, as defined in Section 220 of the Public Utilities Code, between the points and subject to the conditions 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. Failure so to do may result in a cancellation of the operating authority granted by this decision.

- (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.

- (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 5th
day of March, 1968.

President
William W. Bernard

Augusta

William J. Smith

John P. Thomas
Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

Airways Parcel Post Service, Inc., 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, highway common carriers and passenger stage corporations, subject to the following conditions:

1. Applicant shall not ship or arrange to ship any property unless such property shall have transportation by aircraft originate at one of the following airports:

Los Angeles International Airport
Lockheed Air Terminal, Inc. (Burbank)
Oakland International Airport
Orange County Airport
Sacramento Municipal Airport
San Diego International Airport
San Francisco 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	Marysville
Arcata	Merced
Bakersfield	Modesto
Blythe	Monterey
Burbank	Oakland
Chico	Ontario
Crescent City	Oxnard
El Centro	Palmdale
Eureka	Palm Springs
Fresno	Paso Robles
Indio	Red Bluff
Inyokern	Redding
Laguna Beach	Riverside
Lake Tahoe	Sacramento
Lancaster	Salinas
Long Beach	San Bernardino
Los Angeles	San Diego

Issued by California Public Utilities Commission.

Decision No. 73808. Application No. 49826.

San Francisco
San Jose
San Luis Obispo
Santa Ana
Santa Barbara

Santa Maria
Santa Rosa
Stockton
Ventura
Visalia
Yuba City

2. The authority to ship via the lines of highway common carriers and passenger stage corporations is limited to pickup service within a 25-mile radius of the above-named origin points and delivery service within a 25-mile radius of the airports serving the above-named destination points.

EXCEPTIONS:

- a. The community of Apple Valley shall be deemed to be within the delivery service area of the Ontario International Airport.
- b. The City of San Luis Obispo shall be deemed to be within the delivery service area of the Paso Robles County Airport.

3. City carriers may be utilized in lieu of highway common carriers and passenger stage corporations, when necessary.

End of Appendix A

Issued by California Public Utilities Commission.

Decision No. 73808, Application No. 49826.