

ORIGINALDecision No. 74385

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of AIR-LAND FREIGHT CONSOLIDATORS,
INC., for a certificate of public
convenience and necessity to
institute a freight forwarding
service.)

Application No. 50064
(Filed March 4, 1968;
amended April 16, 1968.)

Hudson F. Edwards, for applicant.
John W. Henderson, for the Commission staff.

O P I N I O N

Air-Land Freight Consolidators, Inc., 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 or motor bus from points within 25 miles of Los Angeles International Airport, Oakland International Airport and San Francisco International Airport to points located within 25 miles of the destination points listed in Exhibit B of the application.

A public hearing was held before Examiner O'Leary at San Francisco on April 30, 1967 and the matter was submitted. No protestants appeared at the hearing.

Applicant presently conducts business as an air freight forwarder under Civil Aeronautics Board Operating Authorization No. 8 for domestic operations, and No. 156 for international operations. Applicant also conducts operations as a highway contract carrier and a city carrier pursuant to permits issued by this Commission.

Applicant alleges that the movement of air freight on an intrastate basis is required from time to time as a necessary incident to adequately serve applicant's regular customers who ship interstate. If the sought authority is granted applicant expects to handle 5,000 to 8,000 intrastate shipments per year.

Applicant intends to provide a door-to-door service. Pickup and delivery service within a 25-mile radius of origin and destination airports will be performed by applicant and also by highway carriers holding appropriate authority from this Commission. Applicant has been operating as a freight forwarder in interstate commerce since 1947.

Applicant's balance sheet as of December 31, 1967 discloses total assets of \$520,463.86 and total current liabilities of \$360,842.26. Its profit and loss statement for the year 1967 discloses a profit, before income taxes, of \$16,963.15.

Upon consideration of the evidence the Commission finds that:

1. Applicant possesses the experience and financial resources to institute and maintain the service herein authorized.
2. Public convenience and necessity require that the proposed service be authorized.

The Commission concludes that the application should be granted as set forth in the ensuing order.

Air-Land Freight Consolidators, Inc., is hereby 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 hereby granted to Air-Land Freight Consolidators, 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 the 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. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that 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 9th day of JULY, 1968.

William Synoux, Jr.
President

William A. Bernard

Augusta

Ed P. Monahan
Commissioners

Air-Land Freight Consolidators, 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 originating at one of the following airports:

Los Angeles International Airport
San Francisco International Airport
Oakland International Airport

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

Bakersfield	Red Bluff
Crescent City	Redding
Eureka	Sacramento
Fresno	San Diego
Los Angeles	San Francisco
Marysville	San Luis Obispo
Merced	Santa Maria
Modesto	Stockton
Monterey	Ukiah
Oakland	Visalia
Oxnard	

2. The authority to ship via the lines of highway common carriers and passenger stage corporations and transportation by applicant in its own equipment 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 above-named destination points.

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. 74385, Application No. 50064.