

**ORIGINAL**

Decision No. 75888

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, to transfer to AERO  
 SPECIAL AIR FREIGHT, INC., a California  
 corporation, a freight forwarder oper-  
 ating right for the transportation of  
 air freight, pursuant to Sections 851-  
 853 of the California Public Utilities  
 Code.

Application No. 51081  
 (Filed May 16, 1969)

O P I N I O N

By this application, Carl K. Sparks, an individual, doing business as Aero Special Delivery and Messenger Service, hereinafter referred to as Sparks, seeks authority to transfer and Aero Special Air Freight, Inc., a California corporation, hereinafter referred to as Air Freight, seeks authority to acquire a certificate of public convenience and necessity authorizing operations as a freight forwarder.

The certificate referred to was granted to Sparks by Decision No. 72326 dated April 18, 1967 in Application No. 49048. A permit to operate as a radial highway common carrier was also issued to Sparks authorizing the transportation of general commodities statewide. Said permit has heretofore been transferred to Air Freight.

The application alleges that Sparks is desirous of transferring and disposing of the authority herein described by virtue of the fact that Sparks no longer desires to engage in the freight forwarding business on an individual basis. Sparks has become sole

shareholder of the stock of Air Freight, owning 100 percent of the issued stock of said corporation. In addition, Sparks is presently the President of Air Freight and General Manager of its operations. It is intended that Air Freight succeed to the business operations of Sparks and provide the service to the public that was previously provided by Sparks. There will be no adverse effect upon the financial condition of the freight forwarder business, and there will be no change in rates and other charges now assessed to the public. No detriment will be felt by the public in that Air Freight, through its management by Sparks, will continue to provide the same service that was heretofore provided by Sparks.

As of May 16, 1969 Air Freight had assets totaling \$10,000, and no liabilities.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest. A public hearing is not necessary.

Air Freight 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 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. On or before October 1, 1969, Carl K. Sparks, an individual, doing business as Aero Special Delivery and Messenger Service, may transfer, and Aero Special Air Freight, Inc., a California corporation may acquire, the operative rights and property referred to in the application.

2. Within thirty days after the consummation of the transfer herein authorized, transferee shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

3. Transferee shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the freight forwarder operations herein to show that it has adopted or established, as its own, said rates and rules. The tariff filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the consummation of the transfer herein authorized. The tariff filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 117. Failure to comply with and observe the provisions of General Order No. 117 may result in a cancellation of the operating authority granted by this decision.

4. On or before the end of the third month after the consummation of the transfer as herein authorized, transferee shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the transferor for the period commencing with the first day of the current fiscal year to and including the effective date of the transfer.

5. Within thirty days after the effective date hereof, transferee shall file a written acceptance of the certificate, the transfer of which is herein authorized. Transferee is placed on notice that, if it accepts such certificate, it will be required, among other things, to file annual reports of its operations.

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

Dated at San Francisco, California, this 8th day of JULY, 1969.

William Sproule Jr.  
President  
Arthur J. ...  
John P. ...  
...  
Commissioners