

ORIGINAL

Decision No. 78753

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
 of Traffic Dynamics, Inc., a )  
 corporation, for a certificate )  
 of public convenience and )  
 necessity as an Air Freight )  
 Forwarder of general commodities )  
 between points in the State of )  
 California. )

Application No. 52515  
 (Filed March 22, 1971)

O P I N I O N

By this application, Traffic Dynamics, Inc., a Pennsylvania corporation, qualified to do business in California 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, utilizing the lines of air common carriers, highway common carriers and passenger stage corporations from points located within a twenty-five mile radius of Los Angeles International Airport and San Francisco International Airport to various destination points within a twenty-five mile radius of various cities set forth in Exhibit C attached to the application.

Applicant is presently engaged in business as a domestic air freight forwarder under Civil Aeronautics Board Authority No. 241 and as an international air freight forwarder under Operating Authority No. 138.

Applicant maintains offices at Los Angeles and San Francisco incident to its freight forwarding activities on an interstate basis. It also has agency agreements with other firms in the State of California that will enable it to provide the proposed services.

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

Applicant proposes rates, rules and regulations, which are generally competitive with Domestic Air Express, Inc., on file as California Intrastate Airfreight Forwarder Tariff No. 1, Cal. P.U.C. No. 1 (Air).

Applicant's balance sheet dated November 30, 1970, shows total assets of \$1,131,057, and total liabilities of \$1,071,111. Its statement of income for the eleven months ended November 30, 1970 discloses a net income of \$9,309.

The application was served in accordance with the Commission's procedural rules and was listed on the Commission's Daily Calendar of March 24, 1971. There are no protests.

After consideration 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.

Traffic Dynamics, 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 Traffic Dynamics, 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 Diego, California, this 2nd day of JUNE, 1971.

[Signature]  
Chairman  
William J. [Signature]  
[Signature]  
Vernon L. Sturgeon  
[Signature]  
Commissioners

Traffic Dynamics, 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 is transported by aircraft originating at one of the following airports:

Los Angeles International Airport  
San Francisco International Airport

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

Bakersfield	Palm Springs
Chico	Paso Robles
Crescent City	Red Bluff
Eureka	Redding
Fresno	Sacramento
Los Angeles	San Diego
Marysville	San Francisco
Merced	Santa Barbara
Modesto	Santa Maria
Monterey	Stockton
Oakland	Visalia
Oxnard	

2. In emergencies only, such as an airport being closed because of inclement weather, highway common carriers or passenger stage corporations may be used as underlying carriers to provide transportation between the airports specified in Paragraph 1 hereof.

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3. No collection or distribution service shall be provided by Traffic Dynamics, Inc. to or from any point more than 25 airline miles distant from any airport served by it unless said service beyond said 25 airline miles is performed by a highway common carrier. As used herein "point" means any point within 25 airline miles of the city limits of any city in which is located an airport, or 25 airline miles of any airport located in an unincorporated area.
4. Traffic Dynamics, Inc. shall establish door-to-door rates for service between airports, including points within 25 miles thereof as defined in Paragraph 3 herein. On traffic moving to or from points beyond said 25-mile radius, Traffic Dynamics, Inc. shall, in addition to said door-to-door rates, assess the lawful tariff rates of any highway common carrier utilized to perform said beyond service.

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