

ORIGINAL

Decision No. 79240

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
AMERFORD INTERNATIONAL CORPORATION,)
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. 52616
(Filed May 14, 1971)

Gordon W. Keats, for applicant.
Peter N. Kujachich, for the Commission staff.

O P I N I O N

By this application Amerford International Corporation 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 between the following airports: Burbank Airport, Fresno Municipal Airport, Los Angeles International Airport, Long Beach Airport, Oakland International Airport, Ontario Airport, Palm Springs Airport, Sacramento Municipal Airport, San Diego International Airport, San Francisco International Airport, San Jose Municipal Airport, Santa Ana Airport, Santa Barbara Airport and Visalia Airport. There are no protests.

Public hearing was held before Examiner O'Leary at San Francisco on August 9 and 17, 1971. The matter was submitted on the latter date.

Applicant is presently engaged in business as a domestic air freight forwarder under Civil Aeronautics Board Authority No. 254, and as an international air freight forwarder under Operating Authority No. 149.

Applicant maintains offices in California at Los Angeles and Burlingame and has an agent at San Diego. Applicant is presently attempting to secure agents in Sacramento and Fresno.

Applicant's northwest regional manager testified that applicant has received requests from its customers who ship interstate for intrastate service. He also testified that applicant proposes to establish airport to airport rates because some customers prefer to pickup or deliver shipments at airports rather than utilize the pickup and delivery services offered by freight forwarders. The witness avered that by establishing airport to airport rates customers not utilizing pickup and delivery service will not be paying for said service which they would do if door to door rates were established. In the event customers desire door to door service, applicant intends to assess its airport to airport rate plus an additional charge which would be the charge assessed by the carrier performing the pickup and delivery service. Since applicant intends to provide both an airport to airport service and a door to door service it should publish rates for both types of service and the order herein will so require.

Three persons who utilize applicant's service testified in support of the application.

Applicant's balance sheet as of December 30, 1970 and its income statement for the fiscal year ended June 30, 1970 are attached to the application as Exhibit B. The balance sheet shows assets of \$1,019,484.74 and current liabilities of \$719,772.65. Its statement of income discloses a net income of \$5,618 after taxes.

Based on the evidence adduced 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.

Amerford International Corporation, 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:

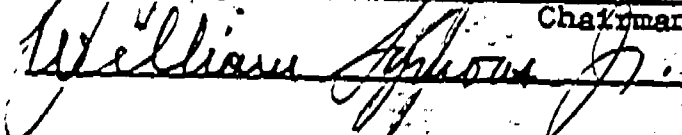
1. A certificate of public convenience and necessity is granted to Amerford International Corporation, a corporation, authorizing it to operate as a freight forwarder, as defined in Section 220 of the Public Utilities Code, between the points and subject to the conditions set forth in Appendix A attached 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 12th day of OCTOBER, 1971.



Chairman






Commissioners

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.

Amerford International Corporation, 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 between two of the following airports:
 - Burbank Airport
 - Fresno Airport Terminal
 - Long Beach Municipal Airport
 - Los Angeles International Airport
 - Oakland International Airport
 - Ontario Airport
 - Palm Springs Airport
 - Sacramento Municipal Airport
 - San Diego International Airport
 - San Francisco International Airport
 - San Jose Municipal Airport
 - Santa Ana Airport
 - Santa Barbara Airport
 - Visalia Airport

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 Amerford International Corporation to or from any point more than 25 airline miles distant from any airport served by it. 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. Amerford International Corporation shall establish airport to airport rates for service between airports, and door-to-door rates for service to points within 25 miles thereof as defined in Paragraph 3 herein.

(End of Appendix A)

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