

Decision No. 84268**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application  
of ASTRO AIR EXPRESS, INC., a  
corporation, for certificate of  
public convenience and necessity  
as a freight forwarder of general  
commodities between points in the  
State of California.

Application No. 55452  
(Filed January 21, 1975)

### O P I N I O N

By this application, Astro Air Express, Inc., an Illinois 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 between points located within a 25-mile radius of various cities set forth in Exhibit 3 attached to the application.

Applicant is presently engaged in business as a domestic air freight forwarder under Civil Aeronautics Board Authority No. 276.

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 service.

Applicant alleges that the movement of airfreight 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 airfreight shipments, detailed relaying of information, and simplified accounting for shippers.

Applicant proposes rates, rules, and regulations, which are generally competitive with Emery Air Freight Corporation, on file as Air Freight Tariff No. 2, Cal. PUC. No. 2.<sup>1/</sup>

Applicant's balance sheet dated November 30, 1974 shows total assets of \$297,017 and total liabilities of \$51,525. Its statement of income for the year ended December 31, 1973 discloses a net income of \$79,131.

The Commission's Transportation Division staff has reviewed the application and recommended that in the absence of protest, the application be granted by ex parte order. The application was listed on the Commission's Daily Calendar of January 22, 1975. No objection to the granting of the application has been received.

#### Findings

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 Application No. 55452 should be granted.

Astro Air Express, 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

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<sup>1/</sup> This tariff has been superseded by Emery Air Freight Corporation, California Intrastate Airfreight Tariff No. 1, Cal. P.U.C. No. 6.

purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business. 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 Astro Air Express, Inc. authorizing it to operate as a freight forwarder as defined in Section 220 of the Public Utilities Code as more particularly set forth in Appendix A of this decision.

2. In providing service pursuant to the authority granted by this order, applicant shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the authority.

- (a) Within thirty days after the effective date of this order, applicant shall file a written acceptance of the certificate granted.
- (b) Within one hundred twenty days after the effective date of this order, applicant shall establish the authorized service 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 authorized service.

- (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-Series.
- (e) Applicant shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.
- (f) Applicant shall comply with the requirements of the Commission's General Order No. 84-Series for the transportation of collect on delivery shipments. If applicant elects not to transport collect on delivery shipments, it shall make the appropriate tariff filings required by the General Order.
- (g) Applicant shall comply with the requirements of the Commission's General Order No. 100-Series and the safety rules administered by the California Highway Patrol if applicant intends to operate a motor vehicle under this authority.

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

Dated at San Francisco, California, this 1st day of APRIL, 1975.

Vernon L. Sturgeon  
President  
William J. Spence, Jr.  
Leonard Ross  
Commissioners

Commissioner ROBERT BATINOVICH

Present but not participating.

Astro Air Express, 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, between the following points in the State of California served by common carriers, subject to the conditions stated:

Arcata	Los Angeles	Salinas
Bakersfield	Marysville	San Bernardino
Blyth	Merced	San Diego
Burbank	Modesto	San Francisco
Chico	Monterey	San Jose
Crescent City	Oakland	San Luis Obispo
El Centro	Ontario	Santa Ana
Eureka	Oxnard	Santa Barbara
Fresno	Palmdale	Santa Maria
Indio	Palm Springs	Santa Rosa
Laguna Beach	Paso Robles	Stockton
Lake Tahoe	Redding	Ventura
Lancaster	Riverside	Visalia
Long Beach	Sacramento	Yuba City

#### Conditions

1. The underlying carrier used by Astro Air Express, Inc. between airports shall be an air common carrier, except that 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 the transportation.

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2. No collection or distribution service shall be provided by Astro Air Express, 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.
3. Astro Air Express, Inc. shall establish door-to-door rates for service between airports, including points within 25 miles thereof as defined in paragraph 2 herein. On traffic moving to or from points beyond said 25-mile radius, Astro Air Express, 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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