

Decision No. 93076 : MAR 13 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of: )  
 )  
 GELCO COURIER SERVICES, INC., an )  
 Illinois corporation, formerly )  
 named Bankers Dispatch Corpora- )  
 tion, for authority to control )  
 International Air Courier, Inc., )  
 a Delaware corporation, for the )  
 purposes of merging the latter )  
 into the former; and to transfer )  
 the latter's certificate of pub- )  
 lic convenience and necessity to )  
 operate as a freight forwarder )  
 and an express corporation to the )  
 surviving company, Gelco Courier )  
 Services, Inc., pursuant to )  
 §§851-854 of the Public Utilities )  
 Code. )

Application No. 58548  
(Filed December 26, 1978)

OPINION AND ORDER

International Air Courier, Inc., (International), a Delaware corporation, is a freight forwarder and an express corporation operating by virtue of a certificate granted by Decision 83913, dated December 30, 1974, in Application 54956. Additionally, International is an air freight forwarder in interstate and foreign commerce as authorized by Civil Aeronautics Board Operating Authorities Nos. 251 and 340.

By this application, Gelco Courier Services, Inc., (Gelco) an Illinois corporation, seeks authority to merge International into its corporation and to transfer International's rights,<sup>1</sup> to operate as a freight forwarder and an express corporation, to Gelco, the surviving corporation.

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<sup>1</sup>The rights are set forth in Appendix A of Decision 83913 in Application 54956, dated December 30, 1974.

Gelco and International are wholly owned subsidiaries of International Couriers Corporation, and there is no monetary or tangible consideration in connection with the merger. The merger will only result in mutual benefit to Gelco, International and their parent corporation.

Requests for merger have been filed by the directors of Gelco in Illinois and by the directors of International in Delaware. International's certificate will be amended to show the new corporate name, and it will be ordered to amend its tariffs pursuant to General Order 117.

The merger will continue the same experienced management, and will assure adequate service at the existing rates to the public in the same manner as heretofore. The merger will only change the financial structure of an on-going business. Approval of the application will have no adverse effect upon the environment.

The application was listed on the Commission's Daily Calendar of December 27, 1978. No objection to the granting of the application has been received.

In the circumstances, the Commission finds that:

1. Public convenience and necessity require that the aforementioned merger be approved.
2. It can be seen with certainty that the proposed activity will not have a significant effect on the environment.
3. A public hearing is not necessary.
4. The order which follows will provide for revocation of the present certificate held by International, and the issuance in its place and stead of a new certificate to Gelco.
5. Gelco Courier Services, Inc., a corporation, 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. 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. The Commission concludes that the application should be granted.

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Gelco Courier Services, Inc., a corporation, authorizing it to operate as an express corporation as defined in Section 219 of the Public Utilities Code (Code), and as a freight forwarder as defined in Section 220 of the Code, as more particularly set forth in Appendix A of this decision.

2. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede the certificate of public convenience and necessity granted by Decision 83913, which certificate is revoked concurrently with the effective date of the tariff filings required by paragraph 3(b).

3. In providing service pursuant to the authority granted by this order, applicant shall comply with and observe the following regulations. Failure to do so 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 five days after the effective date of this order on not less than five 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 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 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 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 thirty days after the date hereof.

Dated at San Francisco, California, this 13<sup>th</sup> day of MARCH, 1979.

John E. Guyon  
President  
Vernon L. Sturgeon  
Richard D. Howell  
Clair J. Smith  
James W. Jones  
Commissioners

Gelco Courier Services, Inc., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to operate as an express corporation as defined in Section 219 of the Public Utilities Code (Code), and as a freight forwarder as defined in Section 220 of the Code, via the lines of air common carriers, highway common carriers, and passenger stage corporations, from, to, and between all points situated on and within ten miles of the following numbered highways:

1. Between Los Angeles and San Bernardino via State Highway 66.
2. Between Los Angeles and the United States-Mexican border at Calexico via State Highway 60 to its intersection with Interstate Highway 10 at Beaumont, thence via Interstate Highway 10 to its intersection with State Highway 86 at Indio, thence via State Highway 86, and including alternate route via State Highway 111 from its intersection with Interstate Highway 10 approximately 2 miles west of Whitewater to Calexico, and also including off-line route via State Highway 62 from its intersection with Interstate Highway 10 approximately 2 miles east of Whitewater to and including the city of Twentynine Palms and including the U.S. Marine Corps Training Center north of Twentynine Palms.
3. Between Los Angeles and Beaumont via Interstate Highway 10, and from Pomona via State Highway 60 to Beaumont, including lateral route over Interstate Highway 15-E from its intersection with U.S. Highway 60 near Sunny-mead to its intersection with State Highway 74 near Romoland; thence via State Highway 74 to Hemet.
4. Between Los Angeles and United States-Mexican border, south of San Ysidro via Interstate Highway 5, including off-route points within five miles of the city of Brea, including Camp Pendleton U.S. Marine Base, and also including alternate routes:
  - (a) Via State Highway 72 between Los Angeles and the junction of Interstate Highway 5 and State Highway 72 in Anaheim;

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- (b) Routes over roads and streets in the city of San Diego via La Jolla, Pacific Beach, Mission Beach, Ocean Beach, Point Loma;
  - (c) Santa Ana, Newport Beach and Balboa via Main Street, State Highway 55 and unnumbered highway; and
  - (d) North Island, Coronado and Silver Strand via San Diego-Coronado Bridge from San Diego and over State Highway 75.
5. Between Santa Monica and Doheny Park via State Highway 1 from and including Santa Monica to its junction with Interstate Highway 5 at Doheny Park, also including off-line points of San Pedro and Terminal Island.
  6. Between junction of Interstate Highway 5 and Interstate Highway 14, north of the city of San Fernando, and Wilmington (Los Angeles Harbor), via Interstate Highway 5 to Los Angeles, thence via Figueroa Street, Avalon Boulevard or Alameda Street to Wilmington, also via lateral route commencing at the intersection of Interstate Highway 5 and Sunland Boulevard in Sun Valley; thence via Sunland Boulevard and State Highway 118 through Sunland to the intersection of State Highways 118 and 2, thence via State Highway 2 to its intersection with Interstate Highway 5 in Glendale.
  7. Between Anaheim and San Bernardino via State Highway 91.
  8. (a) Between Riverside and San Diego via Interstate Highway 15-E, including alternate route via San Diego County Road S-13 from its intersection with Interstate Highway 15 approximately 6 miles south of Temecula to its intersection with State Highway 78 at Vista; thence via State Highway 78 to its intersection with Interstate Highway 15 at Escondido.  
  
(b) Between Perris and Hemet via State Highway 74.

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9. Between San Diego and California-Arizona Boundary near Winterhaven via Interstate Highway 8 and also via alternate route from San Diego via State Highway 94 to its intersection with Interstate Highway 8 at Boulevard.
10. Between Los Angeles and Santa Monica via State Highway 2.
11. Between Buena Park and the Pacific Ocean via State Highway 39.
12. Between Pasadena and Long Beach via State Highway 66 and State Highway 19.
13. Between Los Angeles and San Francisco, via U.S. Highway 101 and the following routes:
  - (a) State Highway 1, between Santa Monica and the intersection of said highway with U.S. Highway 101 at a point north and westerly of Oxnard.
  - (b) State Highway 118 between San Fernando and the intersection of said highway with U.S. Highway 101 at a point approximately 4.1 miles east of Ventura.
  - (c) State Highway 126 between Interstate Highway 5 and the intersection of said highway with U.S. Highway 101 at a point approximately 2.5 miles east of Ventura.
  - (d) State Highway 150 from Santa Paula through Ojai to the intersection of said highway with State Highway 33 west of Ojai, thence via State Highway 33 to its intersection with U.S. Highway 101 in Ventura.
  - (e) State Highway 1 between Las Cruces and Pismo Beach.
  - (f) State Highway 246 between Buellton and Lompoc.
  - (g) State Highway 156 between the intersection of said highway with U.S. Highway 101 at a point approximately 11 miles south of Gilroy and the intersection of State Highway 156 with State Highway 152 at a point approximately 12 miles east of Gilroy.

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- (h) State Highway 25 between Hollister and the intersection of said highway with U.S. Highway 101 at a point approximately 2 miles south of Gilroy.
  - (i) State Highway 82 between its intersection with U.S. Highway 101 at a point approximately 4 miles north of Coyote and San Francisco.
14. Between Oakland and Santa Cruz via State Highway 17, serving no intermediate points between Los Gatos and Santa Cruz.
  15. Between Hayward and Los Gatos via State Highway 238 and Interstate Highway 680 to its intersection with State Highway 237 near Milpitas, thence via State Highway 237 to its intersection with State Highway 85 at Mountain View, thence via State Highway 85 to its intersection with State Highway 9 at Saratoga, thence via State Highway 9 to Los Gatos.
  16. Between Davenport and Carmel via State Highway 1.
  17. Between Monterey and Salinas via State Highway 68.
  18. Between Salinas and Castroville via State Highway 183.
  19. Between Castroville and Prunedale via State Highway 156.
  20. Between Watsonville and Gilroy via State Highway 152.
  21. Between Watsonville and U.S. Highway 101 via all un-numbered highways.
  22. Between San Francisco and Sacramento via Interstate Highway 80, serving no intermediate points between San Pablo and Sacramento.
  23. Between Oakland and Stockton via Interstate Highway 580 to its intersection with Interstate Highway 205 west of Tracy, thence via Interstate Highway 205 to its intersection with Interstate Highway 5 near Banta, thence via Interstate Highway 5 to destination, serving no intermediate points between Hayward and Stockton.

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24. Between junction of State Highway 120 and Interstate Highway 5 east of the City of Tracy and Manteca, via State Highway 120.
25. Between junction of State Highway 4 and Interstate Highway 80 northeast of Pinole and Stockton via State Highway 4, serving no intermediate points.
26. Between Los Angeles and Sacramento, including Sacramento, via Interstate Highway 5 to its intersection with State Highway 99 northwest of Wheeler Ridge, thence via Interstate Highway 5, and also the following routes:
  - (a) From the junction of Interstate Highways 5 and 14 southeast of Newhall, thence via Interstate Highway 14 and unnumbered highways through Newhall to Saugus, thence via unnumbered highway to its intersection with Interstate Highway 5 at a point 2.7 miles westerly of Saugus.
  - (b) State Highway 65 between the intersection of said highway with State Highway 99 approximately 4 miles north of Bakersfield, via Ducor, Porterville, Lindsay, Exeter to its intersection with State Highway 198, thence via State Highway 198 to Visalia, thence via unnumbered highways via Calgro, Orosi, Dinuba, Reedley, Sanger, and Clovis, thence via State Highway 168 and unnumbered highway to its junction with State Highway 99, approximately 7 miles north of Fresno.
27. Between Visalia and Lemoore via State Highway 198 via Hanford.
28. Between Sacramento and Red Bluff via Interstate Highway 80 from Sacramento to its intersection with State Highway 65 near Roseville, thence via State Highway 65 to its intersection with State Highway 20 at Marysville, thence via State Highway 20 to its intersection with State Highway 99 at Yuba City, thence via State Highway 99 to Red Bluff, serving no intermediate points between North Sacramento and Chico.
29. Between Sacramento and Woodland via State Highway 16 serving no intermediate points.

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30. Between junction of State Highway 113 and Interstate Highway 80 west of Davis and Red Bluff via State Highway 113 to its intersection with Interstate Highway 5 near Woodland, thence via Interstate Highway 5 serving no intermediate points.
31. Between Red Bluff and California-Oregon State Line via Interstate Highway 5.
32. Between Weed and California-Oregon State Line via U.S. Highway 97.

The applicant will not serve the following listed places:

Amboy	Ludlow
Barstow	Mesa Grande
Blythe	Millers Corner
Cadiz	Needles
Cajon	Oro Grande
Cuyamaca	Pine Hills
Daggett	Ramona
Desert Center	Rice
Devore	Rosemont
Goffs	Santa Ysabel
Helendale	Valley Center
Hodge	Verdemont
Julian	Victorville
Keenbrook	Warner Springs
Lake Henshaw Resort	Witch Creek
Lenwood	Yermo

(END OF APPENDIX A)

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