

3/2

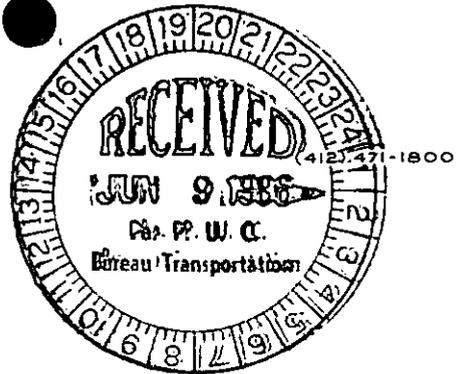
LAW OFFICES

VUONO, LAVELLE & GRAY

2310 GRANT BUILDING
PITTSBURGH, PA. 15219

JOHN A. VUONO
WILLIAM J. LAVELLE
WILLIAM A. GRAY
MARK T. VUONO
RICHARD R. WILSON
DENNIS J. KUSTURISS

June 5, 1986



RECEIVED

JUN 9 1986

Re: Pitt-Ohio Express, Inc.
Docket No. A-00102471, F. 1, Am-K
Our File 2691-20

Mr. Jerry Rich, Secretary
Pennsylvania Public Utility Commission
North Office Building
P. O. Box 3265
Harrisburg, PA 17120

SECRETARY'S OFFICE
Public Utility Commission

Dear Mr. Rich:

We enclose for filing with the Commission the signed original and two copies of Applicant's Verified Statement in the above captioned case.

Please acknowledge receipt and filing of the enclosed on the duplicate copy of this letter of transmittal and return it to the undersigned in the stamped, self-addressed envelope provided for that purpose.

Sincerely yours,

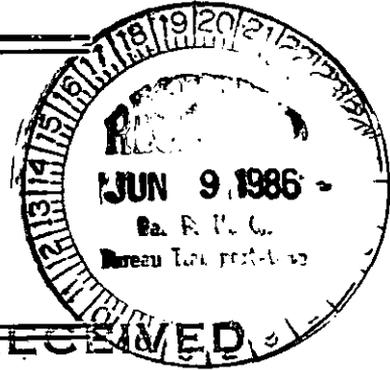
VUONO, LAVELLE & GRAY

William J. Lavelle
William J. Lavelle

pz
Enclosures
cc: Pitt-Ohio Express, Inc.

**DOCUMENT
FOLDER**

BEFORE THE
Pennsylvania Public Utility Commission



DOCKET NO. A-00102471, F. 1, Am-K

JUN 9 1986

PITT-OHIO EXPRESS, INC.

SECRETARY'S OFFICE
Public Utility Commission

APPLICANT'S VERIFIED STATEMENTS

WILLIAM J. LAVELLE, ESQ.
Attorney for Applicant

Of Counsel:
VUONO, LAVELLE & GRAY
2310 Grant Building
Pittsburgh, Pennsylvania 15219
Due Date: June 9, 1986

**DOCUMENT
FOLDER**

DOCKETED
APPLICATION DOCKET
JUN 9 1986
ENTRY No. *MLO*

Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NO. A-00102471, F. 1, Am-K
PITT-OHIO EXPRESS, INC.

APPLICANT'S VERIFIED STATEMENTS

I. STATEMENT OF THE CASE

By application published in the Pennsylvania Bulletin on February 8, 1986, Pitt-Ohio Express, Inc. (Applicant) seeks motor common carrier authority as follows:

To transport, and a Class D carrier, property (except commodities in bulk, and household goods and office furniture in use) for E. I. DuPont de Nemours and Company from points in the county of Allegheny to points in the counties of Bedford, Blair, Cambria, Clearfield, Huntingdon, Indiana and Somerset, and vice versa.

The application is unopposed and has been assigned for review without an oral hearing. Applicant now submits its verified statements in support of the application and requests that it be granted in its entirety.

II. VERIFIED STATEMENT OF CHARLES L. HAMMEL, III
ON BEHALF OF APPLICANT

1. Legal Name and Domicile of Carrier.

The applicant, Pitt-Ohio Express, Inc., is a Pennsylvania corporation. Its principal place of business is located at 26th and A.V.R.R., Pittsburgh, PA 15222.

2. Identity and Qualifications of Witness.

My name is Charles L. Hammel, III. I am the President of Pitt-Ohio Express, Inc. My business address is the same as that of the company.

I have held this position with the Applicant since it was incorporated approximately six and one-half years ago. I am actively involved in the day-to-day operations of the Applicant and I am completely familiar with its overall operations, facilities, equipment and authority. I have been authorized to present this statement to the Commission in support of the company's application at Docket No. A. 102471, F. 1, Am-K.

3. Applicant's Affiliation With Other Carriers.

Certain shareholders, officers and directors of Applicant have interests in the affairs of Hammel's Express, Inc. (Hammel's).

A. Pitt-Ohio Express, Inc.

I and my two brothers, Kenneth W. Hammel and Robert F. Hammel, each own one-third of the stock of Pitt-Ohio. Kenneth W. Hammel is Vice President of the Applicant and a Director.

Robert F. Hammel is the Secretary-Treasurer and a Director. No other person has any ownership interest in or is an officer or director of Pitt-Ohio.

B. Hammel's Express, Inc.

I and my two brothers each own 12% of the issued and outstanding stock of Hammel's which is a motor common carrier that holds authority from this Commission at Docket No. A. 88995. Each of us are directors of Hammel's. The remaining stock of Hammel's is owned by other family members who also serve as the officers and directors of Hammel's.

The affiliation between Applicant and Hammel's is therefore based on the fact that I and my two brothers, who are the sole shareholders, officers and directors of the Applicant, also hold minority stock interests in Hammel's and serve on its Board of Directors.

4. Authority Sought.

By this application, Pitt-Ohio seeks common carrier authority as follows:

To transport, and a Class D carrier, property (except commodities in bulk, and household goods and office furniture in use) for E. I. DuPont de Nemours and Company from points in the county of Allegheny to points in the counties of Bedford, Blair, Cambria, Clearfield, Huntingdon, Indiana and Somerset, and vice versa.

5. General Scope of Current Authorized Operations.

Pitt-Ohio is currently authorized by this Commission to conduct operations in Pennsylvania as a motor common carrier under authority at Docket No. A. 102471 and various amendments thereto. There is attached hereto as Appendix 1 a summary of the permanent operating authority presently held by the Applicant.

Pitt-Ohio also holds authority at Docket No. A. 102471, Folder 601 to operate under part of the rights presently held by Exhibitors Service Company at Docket No. A. 24261 pending final action by the Commission on the related transfer application. Under that emergency temporary authority the Applicant is providing service from Allegheny County to points in Pennsylvania, with the exception of those counties authorized to be served under the existing rights at Folder 1, Am-B, and the several counties which Exhibitors was not authorized to serve, and vice versa. Those counties include Bedford, Blair, Cambria, Clearfield, Huntingdon, Indiana and Somerset. There is attached hereto as Appendix 2 a copy of the Commission's order at Folder 601 and a summary of the operating authority being purchased from Exhibitors Service Company.

At Docket No. A. 102471, Folder 602, Pitt-Ohio has been authorized to operate under the authority of Hammel's Express,

Inc. at Docket No. A. 88995, Folder 2, Am-F pending final action by the Commission on the related transfer application. Under that emergency temporary authority, the Applicant is able to transport property from points in that part of Pennsylvania on and west of U.S. Highway Route 219 (except points in Allegheny County) to points in that part of Pennsylvania on and east of U.S. Highway Route 15, and vice versa; and from points in Allegheny County to points in the Counties of Lebanon, Berks and Lancaster, and vice versa; with the right to interchange. It can also transport glassware from South Connellsville, Fayette County to points within one hundred fifty (150) miles of the limits of South Connellsville. Each of these grants is subject to several restrictions.

In addition, Applicant is authorized by the Interstate Commerce Commission to transport general commodities (except Classes A and B explosives, household goods as defined by the Commission and commodities in bulk), between points in 18 eastern states and the District of Columbia at Docket No. MC-30136 (Sub-No. 2). The authority extends from Massachusetts in the northeast to Wisconsin and Missouri in the west, and as far south as North Carolina. Under this authority Applicant is authorized to provide service between all points in Pennsylvania on an interstate basis.

6. Duplicating Authority Which Will Result From a Grant of Authority.

Approval of this application will not result in any duplicating authority. Under permanent or temporary authority, Pitt-Ohio is now authorized to provide service from points in Allegheny County to all points in Pennsylvania, and vice versa, with the exception of the counties of Bedford, Blair, Cambria, Clearfield, Huntingdon, Indiana and Somerset. The scope of this application is confined to those counties and is intended to provide Pitt-Ohio with that authority so that it can provide complete geographical coverage throughout Pennsylvania for the supporting shipper in connection with shipments moving to and from points in Allegheny County.

7. Dual Operations Resulting From a Grant of Authority.

Approval of this application will not result in any dual operations since Pitt-Ohio does not hold any contract carrier authority from this Commission.

8. Pertinent Terminal Facilities and Communications Network.

Applicant's main office is located at 26th and A.V.R.R., Pittsburgh, PA. AT this location it has in addition to its office a 26 door general freight terminal. There is also a large parking area for vehicles.

This terminal is used as a break-bulk facility for line-haul traffic and as the hub for pickup and delivery

operations in western Pennsylvania, northern West Virginia and eastern Ohio. About 35 vehicles are presently assigned to the Pittsburgh terminal which is also the location of the company's central dispatch system.

Applicant's terminals are connected by a direct telephone line. A toll-free telephone number is provided to customers. Pitt-Ohio maintains contact with its 75 drivers by having them check in periodically each day to obtain instructions for new pickup orders, changes in itineraries, and other pertinent information. This pertains both to drivers assigned to pickup and delivery runs in a local area as well as line-haul drivers. Applicant's operations insofar as volume or truckload shipments are concerned is set up on a direct dispatch system in order to facilitate the providing of equipment and service to customers. After delivery of a large shipment drivers are instructed to call the main office for instructions concerning the pickup of other loads in the immediate vicinity if prior arrangements have not already been made.

9. Pertinent Equipment.

There is attached to my statement as Appendix 3 a current list of the equipment operated by Pitt-Ohio which it either owns or leases from Martera, Inc., an equipment leasing company which is owned by other members of my immediate family. The first three pages of Appendix 3 show the equipment owned by the company. The last three pages of Appendix 3 show the equipment which is leased from Martera.

Pitt-Ohio owns 32 straight trucks which are 20 feet in length, 40 tractors and 24 trailers. All of the trailers are closed vans. There are six 25-foot pup trailers (300 series), eight 48-foot vans (400 series), and ten 45-foot vans (600 series).

Pitt-Ohio leases from Martera 1 tractor, 13 straight trucks which are 20 or 21 feet in length, and 54 closed van trailers, all of which are either 42 or 45 feet in length.

Pitt-Ohio presently has under lease from owner-operators four additional tractors and four flatbed trailers. Martera also owns flatbed trailers which can be leased by Pitt-Ohio as needed. We are aware that the supporting shipper has certain shipments which must be handled on flatbed trailers and the Applicant is in a position to obtain that equipment either by purchase or lease upon approval of this application.

10. Safety Program.

Applicant maintains a complete safety program which is conducted in compliance with the safety regulations of the Pennsylvania Department of Transportation, the Federal Department of Transportation, the Pennsylvania Public Utility Commission and the Interstate Commerce Commission. Under this program all drivers are investigated and thoroughly examined prior to employment. Before a driver is allowed to take charge of the road equipment, he must successfully demonstrate his ability to operate safely such equipment. During the time of his employment he is periodically given safety instructions that

require him to meet certain high standards of operation. The program also includes safety meetings at which films are shown and discussions conducted concerning the safe operation of equipment. Safety awards are given for accident-free driving as an incentive to safe driving.

Pitt-Ohio has implemented a preventive maintenance program which requires the checking and servicing of equipment on a regular basis. At the end of each day each driver turns in an equipment report describing any defects which are repaired during the evening. No truck is dispatched until the defect has been fully corrected. Every outbound trailer is checked by mechanics prior to departure for tires, lights, brakes, etc.

Each vehicle is given a routine service check every 12,000 miles to insure that it is safe to operate and to avoid possible breakdowns while on the road. The company operates its own maintenance facility in Pittsburgh and employs five mechanics.

11. Type of Service Currently Provided to the Supporting Shipper.

As previously explained, Applicant now holds authority from this Commission to provide service to the supporting shipper from points in Allegheny County to all points in Pennsylvania, and vice versa, with the exception of the seven counties which are the subject of this application. It has provided service for DuPont to and from points in the balance of Pennsylvania, as well as on an interstate basis. Since the type of service

presently provided is comparable to that which will be offered in the future to and from the other seven counties, the details concerning service are set forth in the following section.

12. Type of Service to be Offered.

As a motor carrier of general property, Pitt-Ohio offers a full range of services. It handles all sizes of shipments from the smallest LTL to full truckloads although it does specialize in the transportation of less-than-truckload shipments. About 95% of the shipments handled weigh less than 10,000 pounds, and 60% weigh less than 1,000 pounds.

Service is generally available on a five day per week, 24 hour per day basis during normal business hours. In unusual circumstances, however, a shipper can obtain pickup and/or delivery service on weekends and holidays.

Pitt-Ohio will have no difficulty in providing service to the supporting shipper which has facilities in the city of Pittsburgh. A truck can be provided to make a pickup at the shipper's facilities within 60 minutes after a call is received from the shipper, if necessary. Because of this proximity to the shipper's facilities, we will be able to handle its traffic regardless of when a call for service is received. Emergency shipments or shipments which must be picked up late in the day will not be a problem.

Pitt-Ohio will spot equipment at DuPont for loading and pick it up for delivery when called. Multiple stop-off delivery service will also be available.

Delivery of freight will ordinarily take place the day following the day of pickup, unless there are unusual circumstances or specific customer requirements involved. Pitt-Ohio will handle both the truckload and less-than-truckload shipments of the supporting shipper, regardless of size. Split pickup and multiple stop-off delivery service is available as needed. With approximately 30 pickup and delivery runs operating daily out of the Pittsburgh terminal, prompt service in the local western Pennsylvania territory will not be a problem.

13. Financial Data.

There is attached to my statement as Appendix 4 the comparative financial statements of Pitt-Ohio for calendar years 1984 and 1985 which are the latest available. The balance sheet portion of the financial statement shows that the total shareholders' equity increased by \$453,854.00 in the one year. Total current assets far exceed total current liabilities and the company is able to meet all of its obligations as they come due.

The income statement portion of the financial statement shows that the company's revenues increased substantially between December 31, 1984 and December 31, 1985. In 1985 Pitt-Ohio had a net income after taxes of \$448,452.00.

The financial statement shows that Pitt-Ohio is financially able to provide the proposed service without difficulty.

14. Feasibility of Operations.

Pitt-Ohio does not anticipate that there will be any significant empty mileage or backhaul situation created by approval of this application. Pitt-Ohio presently has vehicles operating throughout Pennsylvania under both its intrastate and interstate authority. The LTL freight of the shipper will simply be put on vehicles along with the freight of other shippers which is presently being handled. On truckload shipments, pickups at distant points will be made by vehicles which have made deliveries in the immediate vicinity. Truckload shipments moving outbound from the shipper's Pittsburgh facilities to distant points in Pennsylvania will be delivered and that vehicle will be assigned to make pickups in that area. As a consequence, Pitt-Ohio does not believe that there will be any significant increase in empty mileage operated.

APPENDIX 1

PITT-OHIO EXPRESS, INC.
OPERATING AUTHORITY
DOCKET NO. A. 102471

LEAD CERTIFICATE

To transport, as a Class D carrier, such commodities as are dealt in by retail shoe stores, from the distribution facility of Kinney Service Corp., in the township of Hampden, Cumberland County, to points in the counties of Allegheny, Beaver, Butler, Lawrence, Armstrong, Westmoreland, Fayette and Washington.

FOLDER 1, AM-A

To transport, as a Class D carrier, property, from the facilities of USCO Distribution Services, Inc., located in the borough of McKees Rocks, Allegheny County, to points in Pennsylvania, and vice versa;

subject to the following conditions:

1. That no right, power or privilege is granted to transport commodities in bulk.
2. That no right, power or privilege is granted to transport household goods in use.

FOLDER 1, AM-B

To transport, as a Class D carrier, property between points in the counties of Allegheny, Armstrong, Beaver, Butler, Clarion, Crawford, Erie, Fayette, Greene, Indiana, Lawrence, Mercer, Venango, Washington and Westmoreland;

subject to the following conditions:

1. That no right, power or privilege is granted to transport commodities in bulk.
2. That no right, power or privilege is granted to transport household goods and office furniture in use.
3. That no right, power or privilege is granted to transport commodities which because of their size or weight require special handling or the use of special equipment.
4. That no right, power or privilege is granted to transport iron and steel and iron and steel articles and refractories in single shipments weighing more than 24,000 pounds.

5. That no right, power or privilege is granted to transport iron and steel and iron and steel articles and refractories in single shipments weighing more than 10,000 pounds to, from or between points in Beaver County.
6. That no right, power or privilege is granted to transport money, bullion, securities and other valuables, including checks in process and proof work.
7. That no right, power or privilege is granted to provide service from points in Allegheny County to points in the counties of Armstrong, Butler, Clarion, Greene and Indiana and vice versa.

FOLDER 1, AM-C

To transport, as a Class D carrier, property for H. J. Heinz Company, U.S.A., between points in Pennsylvania;

subject to the following condition:

That no right, power or privilege is granted to transport commodities in bulk.

FOLDER 1, AM-D

To transport, as a Class D carrier, property, for Union Carbide Corporation, from the Pennsylvania terminal facilities of Pitt-Ohio Express, Inc., to points in Pennsylvania, and vice versa;

subject to the following conditions:

1. The above transportation is limited to shipments having a prior or subsequent movement in private carriage.
2. That no right, power or privilege is granted to transport property in bulk.
3. That no right, power or privilege is granted to transport household goods.

FOLDER 1, AM-F

To transport, as a Class D carrier, property, except commodities in bulk and household goods and office furniture in use, for G. C. Murphy Company between points in Pennsylvania.

FOLDER 1, AM-H

To transport, as a Class D carrier, property for Sherwin-Davis, Inc., from its facilities in the county of Allegheny, to points in Pennsylvania, and vice versa.

subject to the following conditions:

1. That no right, power or privilege is granted to transport commodities in bulk.
2. That no right, power or privilege is granted to transport household goods and office furniture, in use.

PENNSYLVANIA
PUBLIC UTILITY COMMISSION

Harrisburg, PA 17120

Public Meeting held June 13, 1985

Commissioners Present:

Linda C. Taliaferro, Chairman
James H. Cawley
Frank Fischl
Bill Shane

Pitt-Ohio Express, Inc.,
Emergency Temporary Authority
Application to operate under part of
the common carrier property rights
presently held by Exhibitors
Service Company at A-00024261.

A-00102471
F. 601

O R D E R

By application filed May 28, 1985, Pitt-Ohio Express, Inc. (Pitt-Ohio), located in Pittsburgh, Allegheny County, seeks approval for Emergency Temporary Authority to operate under part of the common carrier property rights granted to Exhibitors Service Company (Exhibitors), at A-00024261, pending disposition of applicant's companion transfer application to permanently acquire said rights. At a related application for emergency temporary authority, Hammel's Express, Inc. (Hammel's) has filed to purchase from Exhibitors the balance of Exhibitors general property authority. Pitt-Ohio and Hammel's are both owned by members of the Hammel family. Exhibitors is retaining that segment of its authority that will allow it to provide a specialized service in connection with the transportation of film, dated commodities, frozen food and other perishables.

The transferor is presently certificated to transport general property and certain other commodities in the counties of Allegheny, Beaver, Lawrence, Mercer, Butler, Crawford, Erie, Washington, Greene, Westmoreland, Cambria, Indiana, Blair, Centre, Clearfield, Jefferson, Elk, Armstrong, Fayette and Venango, subject to certain restrictions.

The averred reasons for the request for emergency temporary authority is that Exhibitors has been experiencing financial problems and has curtailed to some extent its present operations. It also avers that a large portion of traffic moves between May 1 and November 1 and that Exhibitors would like to sell the general property segment of its authority as expeditiously as possible. Exhibitors contends that if the application for emergency temporary authority is not approved

that Exhibitors would be forced to further curtail their general property service which would create greater demand for such service by the shipping public in the involved territory.

Timely protest to the application was filed by Newcomer Trucking, Inc. (Newcomer), certificated by this Commission at A-00102265.

In its protest Newcomer avers that the authority sought by Pitt-Ohio is in conflict with segments of Newcomer's authority. It also avers that Exhibitor's claims of financial difficulty are totally unsupported by evidence in Exhibitors' filing.

Newcomer further avers that although Pitt-Ohio contends that there is an immediate need for Pitt-Ohio to assume the operations of Exhibitors because "Pitt-Ohio has received substantial and continuous requests for service from the shipping public beyond the scope of its existing rights," Pitt-Ohio offers no evidence concerning the nature of these requests, the shippers from whom they were received, when the requests were made, the commodities, origins or destinations involved, or the ultimate dispositions of the requests.

Additionally, Newcomer maintains that it has idle equipment and is willing and able to provide less-than-truckload sized shipments of general commodities on an overnight basis within the scope of its authority.

Finally, Newcomer provided a list of 21 carriers having Commission authority to provide all or part of the proposed service.

Commission records indicate that Exhibitors operating revenues and net operating income have decreased drastically based on a comparison of 1984 and 1983 annual reports.

In view of the transferor's deteriorating financial condition and on the basis of continuing necessity for the property rights to be transferred it appears that the application has merit and will serve the public interest; THEREFORE,

IT IS ORDERED: That the application of Pitt-Ohio Express, Inc., for emergency temporary authority to operate under part of the operating authority as set forth in the instant application and as held by Exhibitors Service Company at A-00024261, be and is hereby approved.

IT IS FURTHER ORDERED: That the applicant will file or have on file evidence of insurance prior to the initiation of any service granted herein.

IT IS FURTHER ORDERED: That the applicant will, within ten (10) days of entry of this order, file a tariff adopting the transferor's rates, in accordance with the provisions of PA Code, Title 52, Chapter 23.

IT IS FURTHER ORDERED: That the authority granted will be effective pending disposition of the temporary or permanent application.

IT IS FURTHER ORDERED: That the authority granted herein will have no bearing on any application for temporary or permanent authority.

BY THE COMMISSION,


Jerry Rich
Secretary

(SEAL)

ORDER ADOPTED: June 13, 1985

ORDER ENTERED: June 13, 1985

PITT-OHIO EXPRESS, INC.

AUTHORITY TO BE PURCHASED FROM
EXHIBITORS SERVICE COMPANY

- (A) To transport as a Class D carrier, property, from points in the county of Allegheny to other points in Pennsylvania beyond the county of Allegheny, and vice versa.**

Subject to the following conditions:

- 1. That no right, power or privilege is granted to transport household goods in use.**
- 2. That no right, power or privilege is granted to transport commodities in bulk.**
- 3. That no right, power or privilege is granted to transport shipments of iron or steel and iron or steel articles weighing in excess of ten thousand (10,000) pounds.**
- 4. That no right, power or privilege is granted to transport commodities which, because of size or weight, require the use of special equipment or special handling.**
- 5. That no right, power or privilege is granted to transport property for Hershey Foods Corp. and its subsidiaries, H. B. Reese Co., San Giorgio Macaroni, Inc., and Y & S Candies, Inc., from the township of Derry, Dauphin County, the city of Lebanon and the township of North Cornwall, Lebanon County, and the township of East Hempfield, Lancaster County, to points in Pennsylvania, and vice versa.**
- 6. That no right, power or privilege is granted to transport property from points in Allegheny County to points within an airline distance of twenty-five (25) miles of the City-County Building in the city of Pittsburgh and vice versa.**
- 7. That no right, power or privilege is granted to transport property from points in the county of Allegheny to points in the counties of Indiana, Clearfield, Cambria, Blair, Huntingdon, Somerset, Bedford, Lebanon, Berks, Lancaster, Beaver, Crawford, Erie, Fayette, Lawrence, Mercer, Venango, Washington and Westmoreland, and vice versa.**

8. That no right, power or privilege is granted to transport limestone and limestone products for J. E. Baker Company, from its plant in the township of West Manchester, York County, and for the Thomasville Stone and Lime Company, from its plant in the township of Jackson, York County.
9. That no right, power or privilege is granted to transport property, from the facilities of American Home Foods Division of American Home Products Corp. located in the township of Turbot and the borough of Milton, Northumberland County, to points in Pennsylvania, and vice versa.
10. That no right, power or privilege is granted to transport motion picture films and accessories, dry ice, newspapers, magazines, and meat, meat products, meat by-products, dairy products, articles distributed by meat packing houses and such commodities as are used by meat packers in the conduct of their business.
11. That no right, power or privilege is granted to transport frozen and perishable foods, fresh fruits and vegetables, perishable non-food commodities in temperature controlled vehicles, from points in Allegheny County to points within 150 miles of the limits of Allegheny County.
12. That no right, power or privilege is granted to provide service (a) to or from the facilities of Dauphin Distribution Services Company in Cumberland County and Exhibitors Service Company in Allegheny County; (b) for Speciality Ladyfingers, Inc. to or from Perry County; (c) for Standard Brands, Inc., Armour and Company, Swift and Company, The Best Foods, Inc., Fairmont Creamery Company, Grennan Bakery Company, Seven Baker Brothers Company, and Highway Express Lines, Inc.; (d) for the Commonwealth of Pennsylvania to or from the Rockview Penitentiary in the County of Centre; (e) for Sears, Roebuck & Company and Montgomery Ward and Company in connection with the transportation of catalogs from the City of Pittsburgh.

APPENDIX 3

PITT OHIO EXPRESS, INC.

EQUIPMENT OWNED

STRAIGHT TRUCKS

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
41	1978	MERCEDES BENZ	34403012394996	\$ 8,300
42	1978	MERCEDES BENZ	34403012396620	8,300
62	1978	MERCEDES BENZ	34403012394623	7,500
63	1978	MERCEDES BENZ	34403012395301	7,500
64	1978	MERCEDES BENZ	34403012395113	7,500
65	1980	MERCEDES BENZ	1MBZA24B2AN512225	8,000
66	1978	MERCEDES BENZ	34403012394911	7,500
67	1978	MERCEDES BENZ	34403012395302	7,500
68	1978	MERCEDES BENZ	34403012394460	7,500
69	1979	MERCEDES BENZ	34403312441474	7,500
70	1979	MERCEDES BENZ	34530012453141	11,500
71	1978	MERCEDES BENZ	34403012394900	8,500
72	1978	MERCEDES BENZ	34500312356643	9,500
76	1985	MERCEDES BENZ	1MBZB77A1FN676070	28,139
77	1985	MERCEDES BENZ	1MBZB77A3FN676071	28,139
79	1985	MERCEDES BENZ		28,139
80	1985	MERCEDES BENZ		28,139
100	1981	GMC	1GDL7D1F1BV555625	27,788
101	1981	GMC	1GDL7D1G2BV557196	22,500
102	1981	GMC	1GDL7D1F6BV568273	27,788
200	1982	MACK	VG6M111B5CB015361	24,500
201	1982	MACK	VG6M111B0CB015591	24,500
202	1982	MACK	VG6M111B0CB015381	24,500
203	1983	MACK	VG6M111B1CB015406	24,500
204	1982	MACK	VG6M111B9CB015413	24,500
205	1984	MACK	19692	22,800
206	1984	MACK	19723	22,800
207	1984	MACK	VG6M111B5EB019509	30,167
208	1982	MACK	VG6M111B2CB014104	13,500
209	1982	MACK	014104	13,500
210	1982	MACK	VG6M111B7CB013918	13,500
78	1985	MERCEDES BENZ	1MBZB77A7FN676073	28,139

PITT OHIO EXPRESS, INC.

EQUIPMENT OWNED

TRACTORS

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
D6	1981	MACK	2M2W128Y7BC16586	\$ 42,000
D7	1981	MACK	2M2W128Y9BC016587	42,000
D9	1978	MACK	U686T4214	19,500
D10	1983	MACK	2M2N166YXDC087709	41,000
D11	1982	MACK	2M2W129Y7CC016636	43,981
D12	1983	MACK	2M2N166Y6DC087710	41,000
D14	1983	MACK	2M2N166Y8DC087711	41,000
D15	1983	MACK	2M2N166Y3DC087714	41,920
D16	1983	MACK	1M2N166B0DA087683	41,920
D17	1983	MACK	1M2N166B2DA087684	41,920
D18	1983	MACK	1M2N166C3DA087606	41,920
D19	1983	MACK	1M2N166C5DA087607	41,920
D20	1983	MACK	87715	41,000
D21	1984	MACK	EA088386	44,800
D22	1984	MACK	EA088387	44,800
D23	1977	MACK	U6855T13613	15,500
D24	1977	MACK	U685ST13623	15,500
D25	1978	MACK	R685ST72680	22,800
D26	1984	MACK	88383	48,375
D27	1984	MACK	88384	48,375
D28	1984	MACK	88385	48,375
D29	1984	MACK	90359	44,800
D30	1984	MACK	90360	44,800
D31	1984	MACK	1M2N185X1EA090361	44,800
D32	1984	MACK	1M2N185X3EA090362	44,800
D33	1984	MACK	1M2N185X5EA090363	44,800
D34	1985	MACK	98599	48,500
D35	1985	MACK	98600	48,500
D36	1985	MACK	98601	48,500
D37	1986	MACK	1M2N185Y96A003493	47,159
D38	1986	GMC	1M2N185Y76A003494	47,159
D39	1986	MACK	1M2N179Y5GA004002	53,241
D40	1986	MACK	1M2N179Y9GA004004	53,241
D41	1986	MACK	1M2N185X2GA004008	47,159
D42	1986	MACK	1M2N185X0GA004007	47,159
D52	1979	GMC	T49CJ9V625038	22,000
D53	1979	GMC	T49CJ9V625037	20,000
D54	1979	GMC	T49CJ9V625036	22,000
D43	1986	MACK	1M2N179Y2GA004006	53,241
D44	1986	MACK	1M2N179Y7GA004003	53,241

PITT OHIO EXPRESS, INC.

EQUIPMENT OWNED

TRAILERS

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE.</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
T321	1973	STOUGHTON	732660	\$ 2,750
T322	1973	STOUGHTON	732589	2,850
T323	1973	STOUGHTON	732657	2,850
T324	1973	STOUGHTON	732590	2,850
T325	1973	STOUGHTON	732661	2,850
T326	1973	STOUGHTON	732656	2,850
T400	1972	FRUEHAUF	MEN261002	3,500
T401	1972	FRUEHAUF	MEP298801	2,800
T480	1983	FRUEHAUF	1HEV0482XDH046601	12,849
T481	1980	STRICK	230821	8,500
T482	1980	STRICK	7420232753	8,500
T483	1978	STRICK	222706	8,500
T484	1983	FRUEHAUF	1H2V04821DH046602	12,849
T485	1980	STRICK	7420226826	8,500
T605	1982	FRUEHAUF	1H2V0452BH056736	12,895
T606	1982	FRUEHAUF	1H2V0452F8H056737	12,895
T607	1982	FRUEHAUF	1H2V04BH056738	12,895
T608	1982	FRUEHAUF	1H2V0452XBH056739	12,895
T609	1982	FRUEHAUF	1H2V04526BH056740	12,895
T610	1978	FRUEHAUF	MEZ582118	6,000
T623	1977	STRICK	215420	7,300
T624	1977	STRICK	215424	7,300
T625	1978	STRICK	223563	8,300
T626	1979	STRICK	218671	8,600

PITT OHIO EXPRESS, INC.

LEASED EQUIPMENT

TRUCKS

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
43	1977	MERCEDES BENZ	23406	\$ 18,195
47	1978	MERCEDES BENZ	381014	20,100
48	1979	MERCEDES BENZ	442447	19,367
49	1979	MERCEDES BENZ	409764	19,367
54	1979	MERCEDES BENZ	442468	19,367
55	1979	MERCEDES BENZ	432735	19,367
56	1979	MERGEDES BENZ	432744	19,367
57	1979	MERCEDES BENZ	442456	19,367
58	1979	MERCEDES BENZ	427573	19,367
59	1979	MERCEDES BENZ	450581	19,367
60	1979	MERCEDES BENZ	450368	19,367
84	1977	INTERNATIONAL	25203	12,786
46	1977	INTERNATIONAL	25258	12,786

TRACTORS

D-8	1978	MACK	4213	19,500
-----	------	------	------	--------

PITT OHIO EXPRESS, INC.

LEASED EQUIPMENT

TRAILERS

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
T-509	1972	FRUEHAUF	362979	\$ 4,808
T-510	1973	TRAILMOBILE	20369	5,500
T-452	1974	STRICK	177946	6,455
T-450	1974	STRICK	177947	6,455
T-453	1974	STRICK	177948	6,455
T-456	1974	STRICK	176148	6,495
T-514	1974	STRICK	194096	7,200
T-516	1974	STRICK	194097	7,200
T-518	1977	STRICK	213423	8,950
T-526	1979	FRUEHAUF	665406	10,941
T-520	1979	FRUEHAUF	665410	10,941
T-524	1979	FRUEHAUF	665403	10,600
T-522	1979	FRUEHAUF	665404	10,600
T-528	1980	STRICK	235927	13,995
T-530	1980	STRICK	235928	14,070
T-536	1968	STRICK	99309	3,205
T-538	1968	STRICK	99315	3,205
T-604	1982	FRUEHAUF	56712	12,420
T-600	1982	FRUEHAUF	56708	12,895
T-601	1982	FRUEHAUF	56709	12,895
T-603	1982	FRUEHAUF	56711	12,895

PITT OHIO EXPRESS, INC.

LEASED EQUIPMENT

TRAILERS (Continued)

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
T-612	1978	FRUEHAUF	521327	\$ 5,500.00
T-614	1978	FRUEHAUF	521341	5,500.00
T-611	1978	FRUEHAUF	521347	5,500.00
T-613	1978	FRUEHAUF	521350	5,500.00
T-617	1978	STRICK	223559	7,900.00
T-618	1979	STRICK	210855	7,500.00
T-619	1979	STRICK	215849	7,500.00
T-620	1979	STRICK	222668	7,500.00
T-621	1977	HOBBS	779841	7,125.00
T-622	1980	STRICK	244013	8,200.00
T-616	1977	HOBBS	779850	7,177.00
T-615	1977	HOBBS	779949	7,177.00
T-627	1979	FRUEHAUF	670137	7,500.00
T-628	1979	FRUEHAUF	670115	7,500.00
T-629	1977	FRUEHAUF	582874	3,750.00
T-630	1977	FRUEHAUF	582848	3,750.00
T-631	1977	FRUEHAUF	582801	3,750.00
T-632	1974	FRUEHAUF	430874	2,250.00
T-633	1979	FRUEHAUF	670064	7,500.00
T-634	1979	GREAT DANE	13129	7,500.00
T-635	1979	GREAT DANE	13072	7,500.00
T-636	1979	GREAT DANE	11200	7,500.00
T-637	1979	GREAT DANE	11183	7,500.00
T-638	1977	GREAT DANE	03465	3,750.00
T-639	1977	GREAT DANE	03459	3,750.00
T-640	1976	STRICK	207752	3,750.00
T-641	1976	STRICK	207753	3,750.00
T-642	1974	STRICK	171964	3,750.00
T-643	1977	FRUEHAUF	564045	3,750.00
T-644	1977	FRUEHAUF	564040	3,750.00
T-645	1979	FRUEHAUF	665402	3,750.00
T-646	1982	FRUEHAUF	46513	3,750.00
T-647	1982	FRUEHAUF	59311	3,750.00

APPENDIX 4

PITT-OHIO EXPRESS, INC.

COMPARATIVE FINANCIAL STATEMENTS - UNAUDITED

FOR THE

YEARS ENDED DECEMBER 31, 1985 AND 1984

JOSEPH L. BENDER, P.C.
Certified Public Accountant

1876 Stage Court
Allison Park, PA 15101
412 364-5333

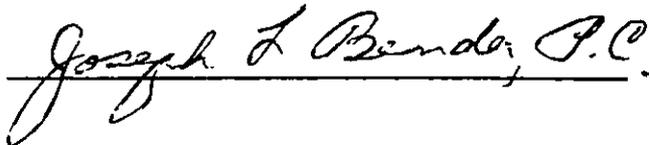
The Board of Directors of
Pitt-Ohio Express, Inc.

We have reviewed the accompanying comparative balance sheet of
PITT-OHIO EXPRESS, INC.

as of December 31, 1985 and 1984, and the related statements of income, retained earnings and changes in financial position for the years then ended, in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.



Allison Park, Pennsylvania

March 7, 1986

PITT-OHIO EXPRESS, INC.

COMPARATIVE BALANCE SHEET - UNAUDITED

<u>ASSETS</u>	<u>December 31,</u>	
	<u>1985</u>	<u>1984</u>
<u>CURRENT ASSETS</u>		
Cash In Bank	\$ 273,984	\$ 572,521
Notes Receivable - G	21,901	None
Accounts Receivable - Customers	819,247	541,369
Accounts Receivable - Other	49,753	1,421
Material & Supplies	61,113	33,947
Prepaid Items	138,228	107,925
<u>TOTAL CURRENT ASSETS</u>	<u>1,364,226</u>	<u>1,257,183</u>
<u>FIXED ASSETS AT COST</u>		
Revenue Equipment - C - D	2,529,092	1,770,872
Service Cars	9,964	None
Miscellaneous & Office Equipment	124,406	61,045
	<u>2,663,462</u>	<u>1,831,917</u>
Less: Depreciation Taken	1,120,670	631,343
	<u>1,542,792</u>	<u>1,200,574</u>
<u>OTHER ASSETS</u>		
Note Receivable - G	175,435	None
Deferred Debits	7,976	48,351
Intangible Property	26,459	None
Franchises & Organization Costs - E	187,963	119,638
	<u>397,833</u>	<u>167,989</u>
Less: Allowance for Amortization	101,991	91,173
	<u>295,842</u>	<u>76,816</u>
<u>TOTAL ASSETS</u>	<u>\$ 3,202,860</u>	<u>\$ 2,534,573</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
<u>CURRENT LIABILITIES</u>		
Notes Payable - Bank - F	\$ 30,000	\$ None
Notes Payable - Other - D	42,993	None
Equipment Obligations - C - F	446,399	281,492
Accounts Payable	378,610	262,878
Interline Accounts Payable	3,977	2,709
Payroll Deductions	17,125	18,992
Accrued Salaries & Wages	70,106	52,038
Accrued Profit Sharing - H	99,719	64,640
C.O.D.'s Payable	798	None
Accrued Taxes	42,325	23,099
Other Accrued Liabilities	30,982	62,672
Federal & State Income Taxes	44,278	176,324
<u>TOTAL CURRENT LIABILITIES</u>	<u>1,207,312</u>	<u>944,844</u>
<u>LONG-TERM DEBT</u>		
Notes Payable - D	157,882	194,564
Equipment Obligations - C - F	350,826	362,179
	<u>508,708</u>	<u>556,743</u>
<u>SHAREHOLDERS' EQUITY</u>		
Common Stock - 50,000 Shares	50,000	50,000
Retained Earnings	1,436,840	982,986
<u>TOTAL SHAREHOLDERS' EQUITY</u>	<u>1,486,840</u>	<u>1,032,986</u>
<u>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</u>	<u>\$ 3,202,860</u>	<u>\$ 2,534,573</u>

The accompanying notes are an integral part of these statements.
See Accountants' Review Report.

PITT-OHIO EXPRESS, INC.

COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS - UNAUDITED

<u>INCOME</u>	<u>December 31,</u>	
	<u>1985</u>	<u>1984</u>
Freight Revenue	\$ 9,262,183	\$ 6,844,553
Other Fees & Charges	45,013	8,167
<u>TOTAL REVENUE</u>	<u>9,307,196</u>	<u>6,852,720</u>
<u>EXPENSES</u>		
Salaries - Officers	147,000	147,000
Salaries & Wages	3,048,898	2,078,708
Other Fringes	701,544	554,028
Operating Supplies & Expenses	1,546,588	1,210,487
General Supplies & Expenses	281,429	177,389
Operating Taxes & Licenses	271,720	135,987
Insurance	313,292	129,480
Communications & Utilities	194,263	119,735
Depreciation & Amortization	522,020	378,375
Equipment Rents & Purchased Transportation	1,153,656	1,028,563
Building & Office Equipment Rents	232,742	115,433
(Gains) or Losses on Operating Assets	23,425	(3,833)
Miscellaneous Expenses	48,250	20,010
<u>TOTAL EXPENSES</u>	<u>8,484,827</u>	<u>6,091,362</u>
<u>NET OPERATING REVENUE</u>	<u>822,369</u>	<u>761,358</u>
<u>OTHER INCOME & EXPENSES</u>		
Rental Income	2,500	None
Interest Income	35,482	25,527
Interest Expense	(97,313)	(45,301)
<u>NET PROFIT BEFORE INCOME TAXES</u>	<u>763,038</u>	<u>741,584</u>
Federal & State Income Taxes	314,586	306,724
<u>NET INCOME</u>	<u>448,452</u>	<u>434,860</u>
<u>RETAINED EARNINGS - BEGINNING OF YEAR</u>	<u>982,986</u>	<u>553,476</u>
Officers' Life Insurance Premiums	(9,238)	(8,090)
Prior Period Adjustment	14,640	2,740
<u>RETAINED EARNINGS - END OF YEAR</u>	<u>\$ 1,436,840</u>	<u>\$ 982,986</u>

The accompanying footnotes are an integral part of these statements.

See Accountants' Review Report.

PITT-OHIO EXPRESS, INC.

COMPARATIVE STATEMENT OF CHANGES IN FINANCIAL POSITION - UNAUDITED

	<u>December 31,</u>	
<u>SOURCE OF WORKING CAPITAL</u>	<u>1985</u>	<u>1984</u>
Net Income	\$ 448,452	\$ 434,860
Depreciation of Fixed Assets	511,202	358,278
Amortization of Organization Expense	None	97
Amortization of Operating Rights	8,827	20,000
Amortization of Computer Software	1,991	None
	<u>970,472</u>	<u>813,235</u>
<u>WORKING CAPITAL PROVIDED FROM OPERATIONS</u>		
Decrease in Deferred Interest	40,375	None
Additions to Long-term Debt	652,995	577,749
Disposal of Property, Plant & Equipment	27,626	None
Prior Period Adjustment	14,640	2,740
Decrease in Working Capital	155,425	None
	<u>\$ 1,861,533</u>	<u>\$ 1,393,724</u>
<u>APPLICATION OF WORKING CAPITAL</u>		
Addition to Note Receivable	\$ 175,435	\$ None
Additions to Intangible Property	26,459	None
Additions to Deferred Interest	None	48,351
Officers' Life Insurance Premiums	9,238	8,090
Additions to Franchises	68,325	9,625
Additions to Property, Plant & Equipment	881,046	822,890
Current Maturity of Long-term Debt	701,030	259,915
Increase in Working Capital	None	244,853
	<u>\$ 1,861,533</u>	<u>\$ 1,393,724</u>
<u>CHANGES IN WORKING CAPITAL</u>		
Increases (Decreases) in Current Assets		
Cash	\$(298,537)	\$ 443,031
Notes & Accounts Receivable	348,111	172,060
Other Current Assets	57,469	41,667
	<u>107,043</u>	<u>656,758</u>
Decreases (Increases) in Current Liabilities		
Notes Payable	(237,900)	(184,645)
Accounts Payable	(115,732)	(67,513)
Federal & State Income Taxes	132,046	(95,705)
Other Current Liabilities	(40,882)	(64,042)
	<u>(262,468)</u>	<u>(411,905)</u>
<u>NET INCREASE (DECREASE) IN WORKING CAPITAL</u>	<u>\$(155,425)</u>	<u>\$ 244,853</u>

The accompanying footnotes are an integral part of these statements.

See Accountants' Review Report.

PITT-OHIO EXPRESS, INC.

NOTES TO FINANCIAL STATEMENTS - UNAUDITED
FOR THE YEARS ENDED DECEMBER 31, 1985 AND 1984

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Corporation are prepared on the accrual basis of accounting, consistent with reporting for federal income tax purposes.

Property is recorded at cost. Depreciation is provided for on the straight-line method based upon the estimated useful lives of the assets. Assets acquired after January 1, 1981 are being depreciated according to the new accelerated cost recovery system, as defined in the Economic Recovery Tax Act of 1981.

NOTE B - LEASE AGREEMENTS

The Corporation leases revenue equipment on a monthly basis with annual rentals amounting to \$265,172 and \$202,152 for 1985 and 1984, respectively.

The Corporation also leases terminal facilities with annual rentals amounting to \$209,181 and \$91,877 for 1985 and 1984, respectively.

The Corporation also leases certain computer hardware and software with annual rentals amounting to \$23,561 and \$23,556 for 1985 and 1984, respectively.

NOTE C - EQUIPMENT OBLIGATIONS

	<u>Current Monthly Payment</u>	<u>1985</u>		<u>1984</u>	
		<u>Current Portion</u>	<u>Long-Term Portion</u>	<u>Current Portion</u>	<u>Long-Term Portion</u>
Mellon Bank	\$ 3,929.00	\$ 47,148	\$ 58,991	\$ None	\$ None
Charles L. Hammel, Jr.	5,737.06	55,837	53,520	48,529	105,023
Xerox	199.58	None	None	2,195	None
Mack Financial	1,255.62	12,556	None	15,067	12,556
Mack Financial	6,564.29	52,514	None	78,772	59,079
Mack Financial	4,444.02	53,328	13,332	53,328	71,104
Mack Financial	2,746.04	32,952	2,746	32,952	38,445
Mack Financial	2,796.47	33,558	16,779	33,558	50,336
Mack Financial	1,424.22	17,091	8,545	17,091	25,636
Mellon Bank	8,366.66	100,400	100,400	None	None
Charles L. Hammel, Jr.	4,808.63	41,015	96,513	None	None
<u>TOTALS</u>	<u>\$ 42,271.59</u>	<u>\$ 446,399</u>	<u>\$ 350,826</u>	<u>\$ 281,492</u>	<u>\$ 362,179</u>

See Accountants' Review Report.

PITT-OHIO EXPRESS, INC.

NOTES TO FINANCIAL STATEMENTS - UNAUDITED
FOR THE YEARS ENDED DECEMBER 31, 1985 AND 1984

NOTE D - NOTES PAYABLE

The debt due is subject to interest at 12%.

	<u>1985</u>		<u>1984</u>	
	<u>Current</u>	<u>Long-Term</u>	<u>Current</u>	<u>Long-Term</u>
Martera, Inc.	\$ 37,542	\$ 81,625	\$ None	\$ None
Charles L. Hammel, Jr.	5,451	45,450	None	45,450
Shareholders	None	30,807	None	149,114
<u>TOTALS</u>	<u>\$ 42,993</u>	<u>\$ 157,882</u>	<u>\$ None</u>	<u>\$ 194,564</u>

NOTE E - FRANCHISES

The Corporation is writing off the cost of the Interstate Commerce Commission operating rights resulting from the enactment of the Motor Carrier Act of 1980 and the deregulation of motor carriers. This was done over a sixty-month period beginning with July 1, 1980.

NOTE F - LINE OF CREDIT

The Corporation has established a line of credit with Mellon Bank, N.A. consisting of \$200,000 for working capital and a \$500,000 equipment line of credit for new and used equipment dated March 15, 1985. Any loans will be subject to certain terms, conditions, security and aggregate balances in accordance with the agreements. As of December 31, 1985, \$306,939 had been borrowed against the equipment line and \$30,000 against the working capital loan.

NOTE G - NOTE RECEIVABLE

In March, 1985, the Corporation loaned \$212,000 to CRK Properties to purchase a freight terminal at Oaks, Pennsylvania for \$290,000. The partnership was formed by the shareholders of Pitt-Ohio Express, Inc. The terminal will be leased on a monthly basis to the Corporation starting April 1, 1985. The repayment of the loan will amount to \$3,856.70 per month, including interest at 13% and secured by the real estate.

NOTE H - RETIREMENT PLAN

In January, 1983, the Company adopted a profit sharing plan, effective January 1, 1983, in which the Corporation has the option to contribute to a plan for eligible employees. Profit sharing benefits for the years ended December 31, 1985 and 1984 amounted to \$99,719 and \$64,640, respectively.

See Accountants' Review Report.

III. VERIFIED STATEMENT OF KENNETH F. HAMILTON
FOR E. I. DU PONT DE NEMOURS AND COMPANY

1. Legal Name and Domicile of Supporting Shipper.

E. I. Du Pont de Nemours and Company is domiciled at 1007 Market Street, Wilmington, DE 19898. Insofar as this proceeding is concerned, it has a warehouse and service center located in Pittsburgh, Allegheny County, PA.

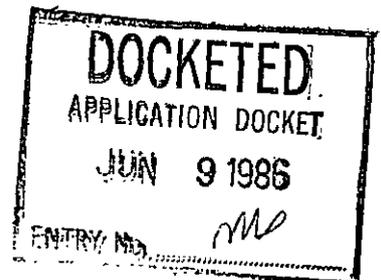
2. Identity and Qualifications of Witness.

My name is Kenneth F. Hamilton. My address is the same as that of the corporation in Wilmington, DE.

I have been employed by Du Pont for 35 years and have held my present position of Staff Specialist for two years. I am involved on a daily basis in the management of the corporate truckload program and I am the Contract Administrator for corporate truckload carriers. One of my functions is to support motor carriers for operating authority. I am familiar with the company's transportation requirements in Pennsylvania. I am authorized to present this statement to the Pennsylvania Public Utility Commission on behalf of Du Pont in support of the application at Docket No. A-00102471, F. 1, Am-K.

3. General Description of Supporting Shipper.

Du Pont is one of the nations largest and most well known chemical and energy producing companies. With respect to this



3

application proceeding, it operates a warehouse and service center in Pittsburgh, Allegheny County, PA. That facility deals in paint and related products. It normally ships between the hours of 7:30 a.m. and 4:00 p.m., five days a week.

4. Volume and Frequency of Intended Use, and Representative
Origins and Destinations.

The Pittsburgh warehouse and service center is a major distribution facility for the distribution of products in Pennsylvania. Depending upon the size of an individual customer, and the prevailing business conditions, up to 50 shipments per year may move to any given customer location. Business conditions will also dictate the frequency with which shipments are made to each customer. It is fair to state that there are many shipments moving outbound daily from the Pittsburgh warehouse to customers in Pennsylvania.

All of the outbound shipments are less-than-truckload in size. They range in weight from 440 pounds to approximately 10,000 pounds. All of this traffic is routed by Du Pont which also pays the freight charges.

Representative destinations of this outbound traffic include Everett, Bedford County, Altoona, Blair County, Ebensburg and Johnstown, Cambria County, Clearfield and DuBois, Clearfield County, Huntingdon, Huntingdon County, Blairsville and Indiana, Indiana County and Windber, Somerset County.

Inbound commodities to the Pittsburgh facility consist primarily of shipments being returned for some reason by customers.

While these are not substantial in terms of numbers, they nevertheless do occur and Du Pont therefore has a need for motor carrier inbound service as well.

5. Type of Service Required.

As mentioned previously, Du Pont's outbound shipments are less-than-truckload in size. It is therefore necessary to use a motor carrier which is experienced in handling LTL shipments. We understand that that is the type of service the applicant specializes in providing.

Du Pont's customers for the most part require same-day pickup with delivery the same or the following day. The customers do not stock large inventories of the products and rely on the so-called just-in-time service that is becoming more prevalent in American industry. Many customers specify a time of day at which the shipments are to be delivered.

The Pittsburgh warehouse and service center handles an area extending outward approximately 200 miles. Within that territory there are continual outbound shipments. The service center attempts wherever possible to load many small shipments moving to the same general area on a single truck, in the proper sequence, so that the shipments can be delivered on a stop-off basis en route to the final destination. This often results in the shipments being handled on the same vehicle from the service center to destination. This reduced handling eliminates a certain amount of loss and damage claims. Equally important, it

reduces the time in transit and increases the likelihood that deliveries will be made in accordance with the customer's schedule and production requirements.

6. Similar Applications Supported.

Du Pont has not supported any other application of this type within the last two years.

7. Other Pertinent Information.

Du Pont has used the applicant's service for approximately five years. This service has been in connection with both interstate freight and Pennsylvania intrastate freight moving within the scope of the applicant's present authority. That service has been very dependable and it is for that reason that Du Pont is looking forward to being able to use the service in Pennsylvania in a broader territory.

It is expected that the ability to consolidate shipments with a single carrier such as Pitt-Ohio, will improve the efficiency and productivity at the warehouse, improve service to the customers, and eliminate many of the problems involved in tracing multiple small shipments with a large number of carriers. It is Du Pont's desire to minimize the number of carriers it deals with at any single location in order to have better control over the shipments and the quality of the service. Upon approval of this application, Du Pont expects to tender to the

applicant up to 50% of the outbound shipments to points in Pennsylvania. Although there is only a small amount of inbound traffic, the applicant will be used to handle the return shipments from customers when the need arises.

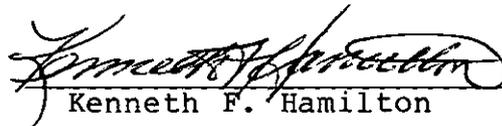
For the reasons set forth above, Du Pont respectfully requests that the Commission grant the application of Pitt-Ohio Express, Inc.

AFFIDAVIT

STATE OF DELAWARE

)
) SS:
)

Kenneth F. Hamilton, being duly sworn according to law,
deposes and says that he has read the foregoing statement, knows
the contents thereof, and that the same is true as stated.



Kenneth F. Hamilton

Sworn to and subscribed
before me this 30th day
of MAY, 1986.



Notary Public

~~My~~ Commission expires June 11, 1987
My commission expires:

IV. CONCLUSION

On the basis of the foregoing verified statements of the Applicant and supporting shipper, Pitt-Ohio Express, Inc. respectfully requests that the Commission find that a public need has been established for the proposed service, that the applicant is able to perform the proposed service, and that the application should be granted in its entirety.

Respectfully submitted,
PITT-OHIO EXPRESS, INC.

By: William J. Lavelle
William J. Lavelle
Attorney for Applicant

VUONO, LAVELLE & GRAY
2310 Grant Building
Pittsburgh, PA 15219
(412) 471-1800

Due Date: June 9, 1986



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG, Pa. 17120

June 10, 1986

IN REPLY PLEASE
REFER TO OUR FILE

William J. Lavelle
Attorney at Law
2310 Grant Building
Pittsburgh, PA 15219

In re: A-00102471, Folder 1, Am-K
Application of Pitt-Ohio Express, Inc.

Dear Mr. Lavelle:

We have received the verified statements filed in the above referenced proceeding.

The record will be reviewed and will be put before the Commission for its decision. You will be notified of the Commission's action.

Very truly yours,

By William P. Hoshour
For Peter S. Marzolf, Supervisor
Technical Review Section
Bureau of Transportation

DOCUMENT
FOLDER

DOCKETED
APPLICATION DOCKET
JUN 17 1986
ENTRY No. *MO*