

1. <u>REPORT DATE:</u>	: 2. <u>BUREAU AGENDA NO.</u>
September 12, 1985	
3. <u>BUREAU:</u>	: Oct-85-T-1051*
Transportation	
4. <u>SECTION(S):</u>	: 5. <u>PUBLIC MEETING DATE:</u>
Technical Review	
6. <u>APPROVED BY:</u>	: October 10, 1985
Director: Ernst 7-2154	
Supervisor: Bigelow/Marzolf 3-5945	
7. <u>MONITOR:</u>	:
8. <u>PERSON IN CHARGE:</u>	:
Honegger 7-4386	
9. <u>DOCKET NO:</u>	:
A-00102471, F. 1, Am-H	

10. (a) **CAPTION (abbreviate if more than 4 lines)**
 (b) **Short summary of history & facts, documents & briefs**
 (c) **Recommendation**

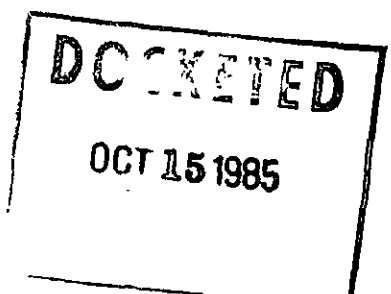
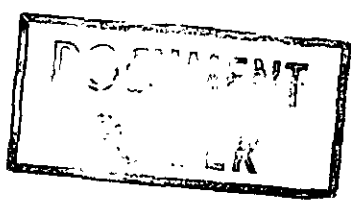
(a) Application of Pitt-Ohio Express, Inc., a Pennsylvania corporation, Pittsburgh, Allegheny County, for amendment to its common carrier certificate: SO AS TO PERMIT the transportation of property (except commodities in bulk, and household goods and office furniture in use), for Sherwin-Davis, Inc., between points in Pennsylvania.

(b) The application was protested by one carrier which subsequently withdrew upon reconsideration. A necessity for service has been set forth by the named shipper to and from its Allegheny County facilities. The need for transportation has resulted from the recent demise of several major carriers previously serving western Pennsylvania. The applicant has the experience and resources to render the proposed transportation, as limited. Approval of the application is in the public interest and will be an accommodation and convenience to the public.

(c) The Bureau of Transportation recommends that the Commission adopt the proposed order approving the application, as limited, and that the application be denied in all other respects for lack of proof of necessity.

11. **MOTION BY:** Commissioner Chm. Taliaferro Commissioner Fischl - Yes
 Commissioner
SECONDED: Commissioner Shane Commissioner

CONTENT OF MOTION: Staff recommendation adopted.





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

October 16, 1985

IN REPLY PLEASE
REFER TO OUR FILE
A-00102471
F.1, Am-H

RECEIVED
OCT 18 1985

DOCUMENT
FOLDED

William J. Lavelle, Esquire
2310 Grant Building
Pittsburgh, PA 15219

Application of Pitt-Ohio Express, Inc., a corporation of
the Commonwealth of Pennsylvania

Dear Sir:

Enclosed, herewith, is supplemental order modifying
Certificate of public convenience issued by the Commission in
the above entitled proceeding.

The applicant will not be permitted to operate or engage in
any transportation granted by the enclosed order until he has
complied with the following tariff requirement:

Prepare and file a tariff, instructions
for which are enclosed.

Motor carriers operating without complying with the above
requirement will be subject to the penalty provisions of the
Public Utility Law.

Commission regulations require compliance with the above
requirement within sixty (60) days of the date of this letter.
Failure to comply within the sixty (60) day period will cause
the Commission to rescind the action of October 10, 1985
and dismiss the application without further proceedings.

If you foresee any problems in obtaining the necessary re-
quirement within the specified time period, please contact the
Pennsylvania Public Utility Commission--Service Section.

Copy of order to:

Very truly yours,

Refer to Computer list
attached.

Jerry Rich
Secretary

fao
Encls.
Cert. Mail
cc: Applicant
26th & A.V.R.R.
Pittsburgh, PA 15222

0001

PITT-OHIO EXPRESS INC

26TH & A.V.R.R.

PITTSBURGH

PA 15222

SELF

0002

WILLIAM J LAVELLE ESQ

2310 GRANT BUILDING

PITTSBURGH

PA 15219

APPLICANT

0003

THOMAS M MULROY ESQ

SUITE 700

312 BOULEVARD OF THE ALLIES

PITTSBURGH

PA 15222

NEWCOMER TRUCKING INC PRESIDENT

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

Public Meeting held October 10, 1985

Commissioners Present:

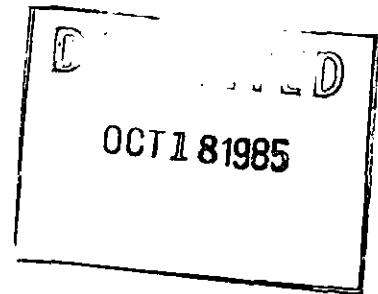
Linda C. Taliaferro, Chairman
Frank Fischl
Bill Shane

Application of Pitt-Ohio Express, Inc., a corporation of the Commonwealth of Pennsylvania, for amendment to its common carrier certificate, which grants the right, inter alia, to transport, by motor vehicle, 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: SO AS TO PERMIT the transportation of property (except commodities in bulk, and household goods and office furniture in use), for Sherwin-Davis, Inc., between points in Pennsylvania.

A-00102471

F. 1

Am-H



William J. Lavelle for the applicant.
John A. Pillar for Newcomer Trucking, Inc.

O R D E R

BY THE COMMISSION:

This matter comes before the Commission by way of an application filed on May 24, 1985. Public notice was given in the Pennsylvania Bulletin of June 15, 1985, and one protest was entered which was subsequently withdrawn without restrictive amendment. The now unprotested application has been certified to the Commission for disposition without an oral hearing. The record consists of a verified statement from the applicant and a verified statement from the named shipper.

The verified statement of Pitt-Ohio Express, Inc. (Pitt or applicant) is set forth by its Secretary, Robert F. Hammel. The applicant is a Pennsylvania corporation and its principal place of business is located at 26th & A.V.R.R., Pittsburgh, PA 15222. Principals of the applicant are affiliated with another certificated carrier, Hammel's Express, Inc., A-00088995, in which they are minority stockholders and serve as officers.

In the instant application, Pitt seeks to transport property for a specific shipper between points in Pennsylvania. The applicant currently holds authority from this Commission for several named shippers between points in Pennsylvania and has authority for property in 15 western Pennsylvania counties, subject to several stipulations. Pitt is also in the process of obtaining by transfer part of the extensive authority of Breman's Express Co., at A-00080581 and is currently operating under emergency temporary authority at A-00102471, F. 600, pending disposition of the permanent transfer proceeding. In addition, Pitt is operating at A-00102471, F. 601, pursuant to emergency temporary authority relating to a second transfer procedure to acquire part of the authority of Exhibitors Service Company at A-00024261. The applicant also operates interstate between 18 eastern states, including Pennsylvania and the District of Columbia, under authority at MC-30136.

The applicant's Pittsburgh terminal consists of office space, a 26-door freight terminal, a large parking area and central dispatch. Approximately 35 vehicles are presently assigned to this terminal, which is a break-out point for line-haul traffic in western Pennsylvania and a hub for cargo in this area. Pitt also has a 20-door terminal in Norristown which serves in the same capacity for eastern Pennsylvania. These terminals have direct telephone lines. A toll-free number is also provided for the applicant's customers. Pitt employs 75 drivers who are required to contact central dispatch upon completion of deliveries.

The applicant owns 23 straight trucks, 20 feet in length, 33 tractors and 22 closed van trailers. It also leases from an affiliated leasing company, Martera, Inc., one tractor, 13 straight trucks, and 54 closed van trailers. In addition, Pitt leases four tractors and four flatbed trailers from owner/operators. All equipment is inspected and serviced regularly, and no truck is dispatched unless it is roadworthy. Pitt is cognizant of all state and federal regulatory requirements and conducts a safety program in compliance with safety regulations.

The service to be rendered Sherwin-Davis, Inc., will include the spotting of equipment, since the applicant's terminal is only a block away. Pitt will handle both truckload and less-than-truckload shipments with multiple stop-offs and split pickups, as necessary. Service will be available five days a week, 24 hours daily, delivery taking place within one or two days following pickup.

As proof of its financial fitness to render the additional transportation proposed herein, the applicant enters a comparative balance sheet for the year ending December 31, 1984, showing total current assets of \$1,257,183 and total assets of \$2,534,573, total current liabilities of \$944,844, total long term debt of \$556,743 and total stockholders' equity of \$1,032,986. A comparative statement of income and retained earnings for the period ending December 31, 1984, shows total revenue of \$6,852,720, total expenses of \$6,091,362 for a net operating revenue of \$761,358.

A statement of support submitted by Dan Sherwin, warehouse manager and traffic manager for Sherwin-Davis, Inc. (Sherwin or shipper) sets forth the following information. Sherwin is a distributor of electrical products and has warehouse facilities at 24 27th Street, Pittsburgh, PA 15222. It receives such items as conduit fittings, steel pipe, copper wire and plastic pipe from manufacturers. Said commodities are then shipped outbound from its warehouse to electrical supply firms or electrical contractors in the Commonwealth. The majority of inbound shipments are truckload lots weighing 30,000 to 45,000 pounds each. Approximately 10 percent of inbound traffic is less-than-truckload. Major points of origin for inbound cargo are Philadelphia, Wheatland or Washington, but any manufacturer of steel or plastic pipe, copper wire or conduit fittings in Pennsylvania might be a potential point of pickup. Shipments leaving Sherwin's warehouse are generally smaller in size, the majority weighing 150 to 20,000 pounds. Only about five percent of the shipper's outbound traffic is truckload, with an average weight of 30,000 pounds. The shipper has customers throughout Pennsylvania in such representative points as Johnstown, Indiana, Altoona, Clearfield, Somerset, Uniontown, Erie, State College, Clarion, DuBois, St. Marys and Brookville. The shipper states it has used Pitt for the past five years to a limited extent in Pennsylvania and also for interstate shipments, and has found its service to be of an excellent quality. If the instant application is approved, Sherwin intends to offer the applicant all of its Pennsylvania transportation. Most of the shipper's customers are unable to maintain large inventories and thus depend upon short notice delivery. Pitt has indicated it is willing to provide such delivery, in addition to stop-offs and scheduled deliveries to job sites. Its terminal is in close proximity to the Sherwin warehouse. It also has the van trailers and flatbed equipment the shipper will require.

Sherwin states it has been faced with a declining number of carriers in the Pittsburgh area since several of the major trucking companies are no longer in business, including LaFace Express, Breman's, Motor Freight Express and Capp Trucking. This has created major transportation problems for Sherwin such as delayed pickup and deliveries, excessive transit time, greater loss and damage ratio, and lack of tracing data on shipments. This has adversely affected the shipper's overall business operations.

DISCUSSION AND FINDINGS

In the proceeding before us, the applicant seeks to amend its existing authority to permit the transportation of property for a specific shipper between points in Pennsylvania. The support statement of Sherwin, a distributing company, sets forth a critical need for dependable transportation because of the recent demise of many of the major carriers in the area. From the evidence submitted, it appears that a necessity exists for transportation for the named shipper. However inasmuch as all traffic is to be routed to or from the shipper's warehouse facilities in Allegheny County, any authority hereinafter granted shall be limited to or from said facilities.

There is no doubt of the applicant's capability of providing the proposed service. It is currently serving the shipper and is familiar with its particular transportation requirements. Pitt already has experienced personnel and the necessary van and flatbed equipment required in its fleet. Pitt's terminal is in close proximity to the shipper's warehouse, facilitating quick response to short-notice delivery requirements. We believe the applicant has amply demonstrated its fitness to provide the additional service proposed herein.

We find:

1. A necessity for the proposed service has been demonstrated for the named shipper limited to transportation originating or terminating at its Allegheny County facilities.
2. The applicant possesses the fitness to provide the proposed transportation, as limited.
3. Approval of the application is in the public interest and is necessary for the accommodation and convenience of the public; THEREFORE,

IT IS ORDERED: That the application, as limited, be and is hereby approved, and that the certificate issued on March 4, 1981, as amended, be further amended to include the following right:

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:

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

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

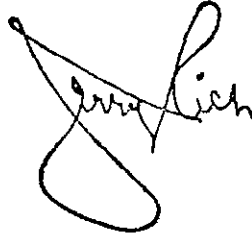
IT IS FURTHER ORDERED: That the application be denied in all other respects for lack of proof of necessity.

IT IS FURTHER ORDERED: That the authority granted herein, to the extent that it duplicates authority now held by or subsequently granted to the carrier shall not be construed as conferring more than one operating right.

IT IS FURTHER ORDERED: That the applicant shall not engage in any transportation granted herein until it shall have complied with the requirements of the Pennsylvania Public Utility Code and the rules and regulations of the Commission relating to the filing and acceptance of a tariff establishing just and reasonable rates.

IT IS FURTHER ORDERED: That in the event said applicant has not, on or before sixty (60) days from the date of the service of this order, complied with the requirements hereinbefore set forth, the application shall be dismissed without further proceedings.

BY THE COMMISSION,

A handwritten signature in black ink, appearing to read "Jerry Rich". The signature is written in a cursive style with a large, looping initial "J".

Jerry Rich
Secretary

(SEAL)

ORDER ADOPTED: October 10, 1985

ORDER ENTERED: OCT 16 1985