

December 4, 1987

IN REPLY PLEASE
REFER TO OUR FILE

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

A-00102471, F. 1, Am-V - Application of Pitt-Ohio Express, Inc.

Dear Sir:

The application of Pitt-Ohio Express, Inc. has been captioned as attached and will be submitted for review provided no protests are filed on or before December 28, 1987. If protests are filed, you will be advised as to further procedure.

You are further advised that the above application will be published in the Pennsylvania Bulletin of December 5, 1987.

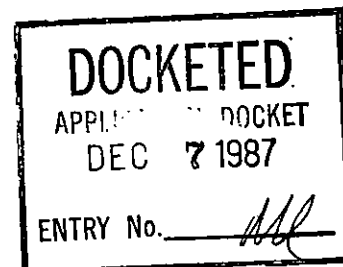
Very truly yours,

David Ehrhart
Supervisor - Application Section
Bureau of Transportation

DE:RP:rs

cc: Applicant
26th & AVRR
Pittsburgh, PA 15222

**DOCUMENT
FOLDER**



A-00102471, Folder 1, Am-V PITT-OHIO EXPRESS, INC. (26th & A.V.R.R., Pittsburgh, Allegheny County, Pennsylvania 15222), a corporation of the Commonwealth of Pennsylvania, inter alia - property, except commodities in bulk and household goods and office furniture in use, for G. C. Murphy Company between points in Pennsylvania: SO AS TO PERMIT the transportation of property (except commodities in bulk and household goods and office furniture in use), for S. L. Abrasives, Inc., from the township of North Middleton, Cumberland County, and the borough of Parkesburg, Chester County, to points in Pennsylvania, and vice versa. Attorney: William J. Lavelle, 2310 Grant Building, Pittsburgh, Pennsylvania 15219.

PENNSYLVANIA
PUBLIC UTILITY COMMISSION

SERVICE OF NOTICE OF MOTOR CARRIER APPLICATIONS

DATE _____ SERVICE DEC -5 1987

BUREAU OF TRANSPORTATION
COMMON CARRIER
NOVEMBER 1987

A-00102471
F. 1
Am-V

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, except commodities in bulk and household goods and office furniture in use, for G. C. Murphy Company between points in Pennsylvania: SO AS TO PERMIT the transportation of property (except commodities in bulk and household goods and office furniture in use), for S. L. Abrasives, Inc., from the township of North Middleton, Cumberland County, and the borough of Parkesburg, Chester County, to points in Pennsylvania, and vice versa.

MW:11
11/23/87

Application received: 11/12/87
Application docketed: 11/20/87

NH

DOCUMENT
FOLDER

DOCKETED
APPLICATION DOCKET
DEC 7 1987
ENTRY No. _____

DEC 28 1987

Protests due on No Hearings _____
Protests due on Hearings - (5 days prior to date of hearing)
Notice of the above application was mailed to all certificate
holders and railroad companies in the service area as noted above.

PENNSYLVANIA PUBLIC UTILITY COMMISSION



RECEIPT

The addressee named hereunder has paid Pennsylvania Public Utility Commission for the following bill, subject to final collection of check or money order tendered for such payment.

Pitt-Ohio Express, Inc.
26th & A.V.R.R.
Pittsburgh, PA 15222

December 10, 1987

Date _____

DOCKETED
DEC 11 1987

CR 127181 A

In re application of Pitt-Ohio Express, Inc.
A-00102471, P.1, Am-V.....\$125.00

DOCUMENT
FOLDER

ck 6506 Revenue account 001780-017601-102 (ck)
 \$125.00
Checks _____ Currency _____
Utility account 50:26

C. Joseph Meisinger
For Department of Revenue



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

January 6, 1988

IN REPLY PLEASE
REFER TO OUR FILE

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

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

Dear Sir:

The above referenced application has been assigned for review without an oral hearing. In order to reach a determination on the application, you are being requested to file verified statements in accordance with 52 Pa. Code §3.381(e)(1). You will be required to file:

- A. VERIFIED STATEMENT OF APPLICATION.
- B. VERIFIED STATEMENTS IN SUPPORT OF APPLICATION.

The verified statements should be in paragraph form. Each heading contained in the attached minimum outline should be a separate section or paragraph.

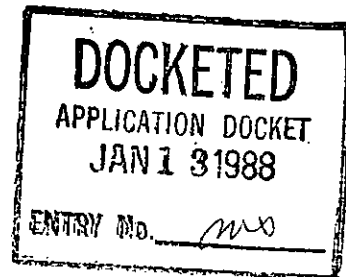
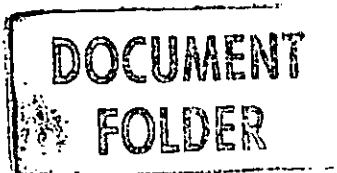
You are being granted an initial thirty (30) days to file verified statements. They will be due on or before February 8, 1988.

If additional time is required, it may be requested by telephone but should be followed in writing with the reasons for the extension stated.

Questions about your application should be directed to Douglas A. Pike (717-783-5947).

Very truly yours,

By Douglas A. Pike
For Peter S. Marzolf, Supervisor
Technical Review Section
Bureau of Transportation



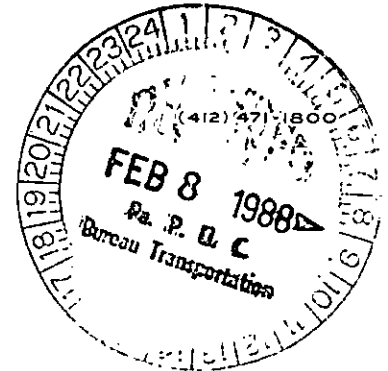
LAW OFFICES

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

February 3, 1988



Re: Pitt-Ohio Express, Inc.
Docket No. A-00102471, F. 1, Am-V
Our File 2691-36

Mr. Douglas A. Pike
Technical Review Section
Pennsylvania Public Utility Commission
North Office Building
P. O. Box 3265
Harrisburg, PA 17120

Dear Mr. Pike:

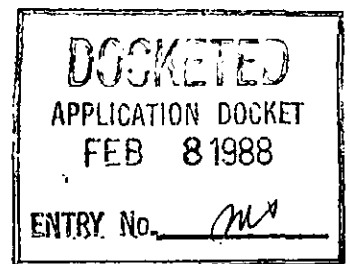
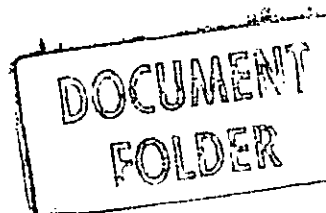
This will confirm our telephone conversation yesterday, February 2, during which you agreed to extend the due date for applicant's verified statements for 30 days from February 8 to March 9, 1988. As I mentioned, we have completed the applicant's verified statement but have not yet received all of the supporting information from the shipper. Thank you for your cooperation in this matter.

Sincerely yours,

VUONO, LAVELLE & GRAY

William J. Lavelle
William J. Lavelle

pz





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

February 8, 1988

IN REPLY PLEASE
REFER TO OUR FILE

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

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

Dear Mr. Lavelle:

In accordance with your request of February 3, 1988 for an extension of time to file verified statements, we are granting an additional thirty (30) days for filing of statements.

Please be advised that verified statements are now due on March 9, 1988. If said statements are not filed with this office by that date we shall assume that you do not desire to pursue this matter and shall recommend to the Commission that the application be dismissed for lack of prosecution.

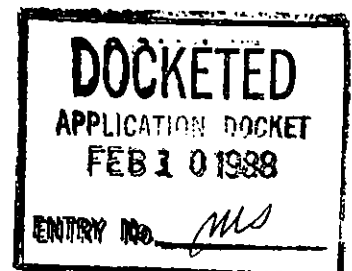
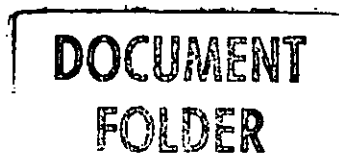
If you have any questions, please do not hesitate to contact us.

Very truly yours,

By Douglas Pike
For Peter S. Marzolf, Supervisor
Technical Review Section
Bureau of Transportation

CERTIFIED MAIL

RETURN RECEIPT REQUESTED



12
24

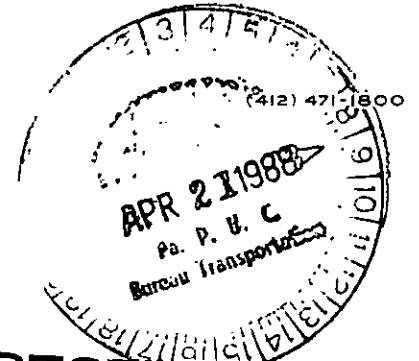
LAW OFFICES

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

April 19, 1988



Re: Pitt-Ohio Express, Inc.
Docket No. A-00102471, F. 1, Am-V
Our File 2691-36

RECEIVED

APR 21 1988
SECRETARY'S OFFICE
Public Utility Commission

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

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,

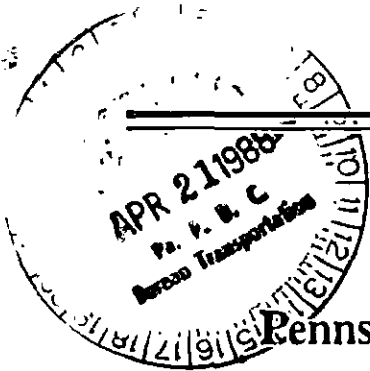
VUONO, LAVELLE & GRAY

William J. Lavelle
William J. Lavelle

pz
Enclosures
cc: Pitt-Ohio Express, Inc.



ORIGINAL



RECEIVED

BEFORE THE APR 21 1988
Pennsylvania Public Utility Commission SECRETARY'S OFFICE
Public Utility Commission

DOCKET NO. A-00102471, F. 1, AM-V

PITT-OHIO EXPRESS, INC.

APPLICANT'S VERIFIED STATEMENTS

WILLIAM J. LAVELLE, ESQ.
Attorney for Applicant

Of Counsel:
VUONO, LAVELLE & GRAY
2310 Grant Building
Pittsburgh, Pennsylvania 15219
Due Date: May 2, 1988

DOCUMENT
FOLDER

DOCKETED
APPLICATION DOCKET
APR 25 1988
ENTRY No. *ms*

Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

APPLICANT'S VERIFIED STATEMENTS

I. STATEMENT OF THE CASE

By application published in the Pennsylvania Bulletin on December 5, 1987, Pitt-Ohio Express, Inc. (Applicant or Pitt-Ohio) seeks motor common carrier authority as follows:

Property (except commodities in bulk and household goods and office furniture in use), for S.L. Abrasives, Inc. from the township of North Middleton, Cumberland County, and the borough of Parkesburg, Chester County, to points in Pennsylvania, and vice versa.

The application is unopposed. Applicant now submits its verified statements in support of the application and requests that it be granted in its entirety.

II. VERIFIED STATEMENT OF ROBERT F. HAMMEL
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 Robert F. Hammel. I am the Secretary-Treasurer 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 eight 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. 00102471, F. 1, Am-V.

3. Authority Sought.

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

Property (except commodities in bulk and household goods and office furniture in use), for S.L. Abrasives, Inc. from the township of North Middleton, Cumberland County, and the borough of Parkesburg, Chester County, to points in Pennsylvania, and vice versa.

The application has not been amended.

4. 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. 00102471 and various amendments thereto. There is attached hereto as Appendix 1 a summary of the permanent operating authority presently held by the Applicant.

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.

Approval of this application will not result in any duplicating authority except from Parkesburg to points in Pennsylvania on and west of U.S. Highway 219, and vice versa, and from North Middleton to points in Allegheny County, and vice versa. Applicant has no objection to a restriction in any grant of authority which would prohibit the severance of any duplicating authority. It requests that no reduction in the territory be made to compensate for the possible duplicating authority since

it will be more easily understood by the supporting shipper and other interested parties if the authority to serve the supporting shipper is self-contained in a single grant.

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

5. 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 linehaul traffic and as the hub for pickup and delivery operations in western Pennsylvania, northern West Virginia and eastern Ohio. About 55 vehicles are presently assigned to the Pittsburgh terminal which is also the location of the company's central dispatch system.

Within Pennsylvania, Pitt-Ohio also has terminals in Harrisburg, Oaks (Philadelphia) and Allentown. The Harrisburg terminal would be used to serve the shipper's facilities in North Middleton Township, Cumberland County. It is a 14-door cross-dock terminal which operates five days a week and has 14 full-time employees including eight drivers.

The Oaks terminal is likewise open for business five days a week and has a staff of 25 employees including 14 drivers. It is a 24-door cross-dock operation.

At Allentown, Pitt-Ohio operates a 12-door dock which has 14 employees, including nine drivers. It is also open for business five days a week and would be used primarily in connection with less-than-truckload shipments which the supporting shipper would have originating or terminating in the Allentown area.

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 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.

6. Pertinent Equipment.

There is attached to my statement as Appendix 2 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 five pages of Appendix 2 show the equipment owned by the company. The last five pages of Appendix 2 show the equipment which is leased from Martera.

Pitt-Ohio owns 52 tractors, 20 trailers and 44 straight trucks which are 20 feet in length. All of the trailers are closed vans. There are two 25-foot pup trailers (300 series), eight 48-foot vans (400 series), and ten 45-foot vans (600 series).

Pitt-Ohio leases from Martera 2 tractors, 90 closed van trailers all of which are either 42 or 45 feet in length, and 18 straight trucks which are either 20 or 21 feet in length.

Applicant also leases from independent owner-operators approximately 6-8 tractors and flatbed trailers at any one time.

7. 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, Charles L. Hammel, III and Kenneth W. Hammel, each own one-third of the stock of Pitt-Ohio. Charles L. Hammel, III is the President of the Applicant and a Director. Kenneth W. Hammel is Vice President of the Applicant and a Director. I am 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 19.3% 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-00088995. Each of us are directors of Hammel's. Each of us are also Vice Presidents of Hammel's and I am the Secretary. The remaining stock of Hammel's is owned by my father, who also serves as the President-Treasurer and a director 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, serve on its Board of Directors, and are officers of the company.

8. 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.

9. Financial Data.

There is attached to my statement as Appendix 3 the comparative financial statements of Pitt-Ohio for the twelve months ended December 31, 1986 and December 31, 1985. The balance sheet portion of the financial statement shows that the total shareholders' equity increased during this twelve-month period by \$634,072.00. The total current assets exceed total current liabilities by almost \$330,000.00. 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 by \$4,200,000.00 on a year-to-year basis. On a gross revenue of \$13,604,865, the company had a net income after provision for federal and state income taxes of \$642,750.00. It is apparent that the financial condition of the company is steadily increasing at a rapid rate and it had retained earnings at the end of 1986 in excess of \$2,070,000.00. Pitt-Ohio is financially able to provide the

proposed additional service for S.L. Abrasives without any difficulty.

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

Pitt-Ohio is currently handling traffic for the account of S. L. Abrasives from its facilities in North Middleton, Cumberland County, to points in Allegheny County. During the month of December, 1987, it transported seven shipments weighing approximately 7,500 pounds in this area. The type of service now available and which will continue to be available in the future is described in the following section.

11. 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 40% weigh less than 1,000 pounds.

Service is generally available on a five day per week basis during normal business hours. However, a shipper can arrange for service at other times such as in the evening, weekends and holidays, by contacting the company's central dispatch office in Pittsburgh or the company's local representative in the Chester and Cumberland County areas.

Less-than-truckload shipments are transported in the usual fashion to the destination. Pitt-Ohio handles both truckload and less-than-truckload shipments of the supporting shipper, regardless of size. Pitt-Ohio will spot equipment at the facilities used by S.L. Abrasives in Cumberland and Chester Counties as well as other locations in Pennsylvania. Once the trailers have been loaded and Pitt-Ohio notified, it will immediately dispatch a road tractor to pick up the loaded trailer and move it to destination. It is anticipated that shipments will be delivered on either an overnight or second day basis to any point in Pennsylvania.

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA)
) ss:
COUNTY OF ALLEGHENY)

Robert F. Hammel, 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.


Robert F. Hammel

Sworn to and subscribed
before me this 7TH day
of JANUARY, 1988.


Notary Public

My commission expires:

ROBERT E. TAYLOR, NOTARY PUBLIC
PITTSBURGH, ALLEGHENY COUNTY
MY COMMISSION EXPIRES JUNE 29, 1991
Member, Pennsylvania Association of Notaries

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.

FOLDER 1, AM-I

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 Specialty 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.

FOLDER 1, AM-J

1. To transport, as a Class D carrier, 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; with the right to interchange property with Class A, Class B and Class D carriers so authorized;

2. To transport, as a Class D carrier, property from points in Allegheny County to points in the counties of Lebanon, Berks and Lancaster, and vice versa; with the right to interchange property with Class A, Class B and Class D carriers so authorized;

With rights number 1 and 2 subject to the following conditions:

A. That no right, power or privilege is granted to transport household goods and office furniture in use, property in bulk, property which because of size or weight requires the use of special equipment, or commodities in vehicles equipped with mechanical refrigeration;

B. That no right, power or privilege is granted to transport (a) property to or from points in the boroughs of Exeter and West Pittston and the city of Wilkes-Barre, Luzerne County, (b) property to or from the facilities of American Home Foods Division of American Home Products Corporation located in the township of Turbot and the borough of Milton, Northumberland County, (c) such merchandise, as is dealt in by wholesale, retail and chain grocery and food business houses to or from points in York County, and (d) limestone, limestone products or fertilizer from points in York County;

3. To transport, as a Class D carrier, glassware, from the borough of South Connellsville, Fayette County, to points within one hundred fifty (150) miles of the limits of the said borough, with the right to return damaged, refused or rejected merchandise.

With right number 3 subject to the following conditions:

A. That no right, power or privilege is granted to transport glassware from the borough of South Connellsville, Fayette County, to the borough of Latrobe, Westmoreland County, or to the villages of Schenley and Aladdin, Armstrong County.

B. That no right, power or privilege is granted to transport glassware from the borough of South Connellsville, Fayette County, to points in Pennsylvania east of U.S. Highway Route 219, except to the city of Altoona, Blair County.

FOLDER 1, AM-K

To transport, as 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.

FOLDER 1, AM-L

To transport, as a Class D carrier, property (except commodities in bulk and household goods and office furniture in use) for Midland-Ross Corporation, from points in the county of Allegheny to points in the counties of Indiana, Clearfield, Cambria, Blair, Huntingdon, Somerset and Bedford, and vice versa.

FOLDER 1, AM-M

To transport, as a Class D carrier, wearing apparel and related accessories, for Crystal Brands, Inc. (Women's Apparel Group) from its facilities located in the township of Aston, Delaware County, to points in Pennsylvania, and vice versa

Subject to the following conditions:

1. That no right, power or privilege is granted to transport property to or from points in the counties of Bradford, Columbia, Lackawanna and Luzerne.
2. That no right, power or privilege is granted to transport property between cutting, sewing, assembling and manufacturing plants.

FOLDER 1, AM-N

To transport, as a Class D carrier, such commodities as are dealt in by retail shoe stores, for Kinney Service Corp., from the distribution facilities of Kinney Service Corp. located in the township of Hampden, Cumberland, to points in the counties of Blair, Clarion, Clearfield and Indiana, and vice versa.

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

FOLDER 1, AM-O

To transport, as a Class D carrier, property for Atlantic-Pacific Automotive Company located on the boundaries of the borough of Mechanicsburg and the township of Silver Spring, Cumberland County, to points in Pennsylvania, and vice versa.

Subject to the following condition:

That no right, power or privilege is granted to transport property to or from points in the counties of Bradford, Columbia, Lackawanna and Luzerne.

FOLDER 1, AM-Q

To transport, as a Class D carrier, property, for McCreary Tire & Rubber Co., from its facilities located in the borough of Indiana, Indiana County, to points in Pennsylvania, and vice versa.

To transport, as a Class D carrier, property, for Pittsburgh Corning Corporation, from its facilities located in the borough of Port Allegheny, McKean County, to points in Pennsylvania, and vice versa.

With both of the above rights 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.

FOLDER 1, AM-R

To transport, as a Class D carrier, property for Triangle Auto Spring Company from its facilities located in the city of DuBois, Clearfield 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, or household goods and office furniture, in use.
2. That no right, power or privilege is granted to transport property from the facilities of Bethlehem Steel Corporation located in Cambria County to the facilities of Triangle Auto Spring Company located in the city of DuBois, Clearfield County.

FOLDER 1, AM-S

To transport, as a Class D carrier, property, for Kaufmann's, from its facilities located in the city of Pittsburgh, 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 household goods in use.
2. That no right, power or privilege is granted to transport commodities in bulk.

FOLDER 1, AM-T

To transport, as a Class D carrier, property, for Glidden Coatings & Resins, Division of SCM Corporation from its facilities located in the city of Reading, Berks County, to points in Pennsylvania, and vice versa.

Subject to the following conditions:

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

APPENDIX 2

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	1983	MACK	2M2W129Y7CC016636	43,981
D17	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	1983	MACK	EA088386	44,800
D22	1984	MACK	EA088387	44,800
D23	1984	MACK	U6855T13613	15,500
D24	1977	MACK	U685ST13623	15,500
D25	1977	MACK	R685ST72680	22,800
D26	1978	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	1984	MACK	98599	48,500
D35	1985	MACK	98600	48,500
D36	1985	MACK	98601	48,500
D37	1985	MACK	1M2N185Y96A003493	47,159
D38	1986	MACK	1M2N185Y76A003494	47,159
D39	1986	MACK	1M2N179Y5GA004002	53,241
L40	1986	MACK	1M2N179Y9GA004004	53,241
D41	1986	MACK	1M2N185X2GA004008	47,159
D42	1986	MACK	1M2N185X0GA004007	47,159
D43	1986	MACK	1M2N179Y2GA004006	53,241
D44	1986	MACK	1M2N179Y7GA004003	53,241
E52	1979	GMC	T49CJ9V625038	22,000
D53	1979	GMC	T49CJ9V625037	20,000
D54	1979	GMC	T49CJ9V625036	22,000

PITT OHIO EXPRESS, INC

EQUIPMENT OWNED
SUPPLEMENT LIST
TRACTORS - ADDED

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
D45	1986	MACK	1M2N179Y8GA005239	53,251.
D46	1986	MACK	1M2N179Y4GA005240	53,251.
D47	1986	MACK	1M2N179Y4GA005190	53,251.
D48	1986	MACK	1M2N179Y6GA005191	53,251.
D49	1986	MACK	1M2N179Y8GA005192	53,251.
D51	1986	MACK	1M2N185X2GA005241	47,159.
D55	1986	MACK	1M2N185X6GA005243	47,159.
D56	1986	MACK	1M2N185X8GA005244	47,159.
D57	1986	MACK		
D58	1986	MACK		
D59	1987	MACK		
D60	1987	MACK		

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
T325	1973	STOUGHTON	732661	2,850
T400	1972	FRUEHAUF	MEN261002	3,500
T401	1972	FRUEHAUF	MEP298801	2,800
T480	1983	FRUEHAUF	1HEVO482XDH046601	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	1H2V045268H056737	12,895
T607	1982	FRUEHAUF	1H2V04BH056738	12,895
T608	1982	FRUEHAUF	1H2V0452XBH056739	12,895
T609	1982	FRUEHAUF	1H2V04526BH056740	12,895
T610	1978	FRUEHAUF	ME2582118	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.

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	34403312441274	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
78	1985	MERCEDES BENZ	1MBZB77A7FN676073	28,139
79	1985	MERCEDES BENZ	1MBZB77A9FN676074	28,139
80	1985	MERCEDES BENZ	1MBZB77A5FN676072	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
204	1984	MACK	VG6M111B5EB019509	30,167
208	1982	MACK	VG6M111B2CB014104	13,500
209	1982	MACK	014104	13,500
210	1982	MACK	VG6M111B7CB013918	13,500

PITT OHIO EXPRESS, INC

EQUIPMENT OWNED
 SUPPLEMENT LIST
STRAIGHT TRUCKS -ADDED

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
81	1986	MERCEDES BENZ	1MBZB83A5GN708905	28,994.
82	1986	MERCEDES BENZ	1MBZB83A7GN708906	28,994.
83	1986	MERCEDES BENZ	1MBZB83A5GN708928	28,994.
85	1986	MERCEDES BENZ	1MBZB83A8GN708929	28,994.
86	1986	MERCEDES BENZ	1MBZB83A1GN710330	28,994.
87	1986	MERCEDES BENZ	1MBZB83A8GN710332	28,994.
88	1986	MERCEDES BENZ	1MBZB83A3GN710331	28,994.
89	1986	MERCEDES BENZ	1MBZB83A9GN708907	28,994.
211	1985	MACK	VG6M111B9FB023287	22,255.
212	1985	MACK	VG6N111B0FB023288	22,255.
213	1985	MACK	VG6M111B2FB023292	22,255.
214	1985	MACK	VG6M111B9FB023323	22,255.

MARTERA, INC.

EQUIPMENT OWNED

TRACTORS

<u>UNIT</u>	<u>ACQUIRED DATE</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
D1	11/75	1974	GMC	TH1904V605741	\$11,200
D8	6/83	1978	MACK	U686T4213	19,500

MARTERA, INC.

EQUIPMENT OWNED

TRAILERS

<u>UNIT</u>	<u>ACQUIRED DATE</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
T26	9/78	1978	STRICK	219482	\$ 7,775.00
T327	8/85	1979	STRICK	233338	4,600.00
T328	8/85	1979	STRICK	233336	4,600.00
T329	8/85	1979	STRICK	233333	4,700.00
T330	8/85	1979	STRICK	233339	4,600.00
T331	8/85	1979	STRICK	233332	4,600.00
T332	8/85	1979	STRICK	233337	4,700.00
T450	1/74	1974	STRICK	177947	6,455.00
T453	1/74	1974	STRICK	7450533NSW177948	6,455.00
T456	4/74	1974	STRICK	177949	6,495.00
T457	11/85	1978	BUDD	157767E	6,950.00
T506	8/69	1969	TRAILMOBILE	E32979	5,076.00
T507	5/71	1971	FRUEHAUF	MAN297546	4,342.00
T508	5/71	1971	FRUEHAUF	MAN297545	4,343.00
T509	9/72	1972	FRUEHAUF	MAP362979	4,808.00
T510	5/73	1973	TRAILMOBILE	K30269	5,500.00
T514	10/74	1974	STRICK	194096	7,200.00
T516	10/74	1974	STRICK	194097	7,200.00
T518	2/78	1977	STRICK	213423	8,950.00
T520	9/79	1979	FRUEHAUF	665410	10,941.00
T522	9/79	1979	FRUEHAUF	HPV665404	10,600.00
T524	9/79	1979	FRUEHAUF	HPV665403	10,600.00
T526	9/79	1979	FRUEHAUF	665406	10,941.00
T528	11/79	1980	STRICK	235927	10,645.00
T530	11/79	1980	STRICK	235928	10,645.00
T536	2/80	1968	STRICK	990309	3,205.00
T540	7/83	1971	FRUEHAUF	SWN1356505	5,915.00
T600	4/82	1982	FRUEHAUF	1H2V0452XBH056708	12,895.00
T601	4/82	1982	FRUEHAUF	1H2V04521BH056709	12,895.00
T602	2/80	1982	FRUEHAUF	1H2V04528BH056710	12,420.00
T603	4/82	1982	FRUEHAUF	1H2V0452XBH056711	12,895.00
T604	2/80	1982	FRUEHAUF	1H2V04521BH056712	12,420.00
T611	3/84	1978	FRUEHAUF	MAY521347	5,500.00
T612	3/84	1978	FRUEHAUF	MAY521327	5,500.00
T613	3/84	1978	FRUEHAUF	MAY521350	5,500.00
T614	3/84	1978	FRUEHAUF	MAY521341	5,500.00
T615	5/84	1977	HOBBS	BLY77949	7,177.00
T616	5/84	1977	HOBBS	BLY779850	7,177.00
T617	5/84	1978	STRICK	223559	7,900.00
T618	5/84	1979	STRICK	210855	7,500.00
T619	5/84	1979	STRICK	215849	7,500.00
T620	5/84	1979	STRICK	222668	7,500.00
T621	6/84	1977	HOBBS	BLY779841	7,125.00
T622	6/84	1980	STRICK	244013	8,200.00
T627	10/84	1979	FRUEHAUF	HPV670137	6,750.00
T628	10/84	1979	FRUEHAUF	HPV670115	6,750.00
T629	10/84	1977	FRUEHAUF	HPY582874	3,750.00
T630	10/84	1977	FRUEHAUF	HPY582848	3,750.00
T631	10/84	1977	FRUEHAUF	HPY582801	3,750.00
T632	10/84	1974	FRUEHAUF	MES430874	3,000.00
T633	10/84	1979	FRUEHAUF	HPV670064	6,750.00

MARTERA, INC.

EQUIPMENT OWNED

TRAILERS

<u>UNIT</u>	<u>ACQUIRED DATE</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
T634	10/84	1979	GREAT DANE	B13129	\$7,500
T635	10/84	1979	GREAT DANE	N13072	7,500
T636	10/84	1979	GREAT DANE	B11200	7,500
T637	10/84	1979	GREAT DANE	B11183	7,500
T638	10/84	1977	GREAT DANE	NB03465	4,500
T639	11/84	1977	GREAT DANE	B03459	4,500
T640	11/84	1976	STRICK	207752	4,228
T641	11/84	1976	STRICK	207753	4,228
T642	11/84	1974	STRICK	171964	4,228
T643	11/84	1977	FRUEHAUF	HPY564045	4,228
T644	11/84	1977	FRUEHAUF	HPY564040	4,228
T645	11/84	1979	FRUEHAUF	HPV665402	4,228
T646	11/84	1982	FRUEHAUF	1H2V04520BH046513	4,228
T647	11/84	1982	FRUEHAUF	1H2V0452BH059311	4,228
T648	8/85	1979	FRUEHAUF	83906	6,750
T649	8/85	1979	FRUEHAUF	83913	7,700
T650	8/85	1979	FRUEHAUF	83924	6,750
T651	8/85	1979	FRUEHAUF	83910	7,850
T652	8/85	1979	FRUEHAUF	83917	7,700
T653	8/85	1979	FRUEHAUF	83904	7,850
T654	4/86	1979	STRICK	214299	6,000
T655	4/86	1979	STRICK	222544	5,900
T656	4/86	1980	STRICK	232630	6,800
T657	4/86	1979	STRICK	242747	6,100
T658	4/86	1979	STRICK	242710	6,500
T659	4/86	1979	STRICK	242804	6,500
T660	4/86	1980	STRICK	244871	6,800
T661	4/86	1979	STRICK	243262	6,600
T662	4/86	1980	STRICK	232635	6,800

MARTERA, INC.

EQUIPMENT OWNED
SUPPLEMENT LIST

TRAILERS - ADDED

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
T668	1986	FRUEHAUF	1H2VO4526GB011601	13,145.
T669	1986	FRUEHAUF	1H2VO4525GB011606	13,145.
T670	1986	FRUEHAUF	1H2VO4528GB011602	13,145.
T671	1986	FRUEHAUF	1H2VO4527GB011607	13,145.
T672	1986	FRUEHAUF	1H2VO4527GB011610	13,145.
T673	1986	FRUEHAUF	1H2VO4520GB011609	13,145.
T674	1986	FRUEHAUF	1H2VO4521GB011604	13,145.
T675	1986	FRUEHAUF	1H2VO4523GB011605	13,145.
T676	1986	FRUEHAUF	1H2VO4529GB011608	13,145.
T677	1986	FRUEHAUF	1H2VO452XGB011603	13,145.

MARTERA, INC.

EQUIPMENT OWNED

STRAIGHT TRUCKS

<u>UNIT</u>	<u>ACQUIRED DATE</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
43	7/77	1977	MERCEDES BENZ	34403012323406	\$18,195
44	7/85	1979	MERCEDES BENZ	34403012454829	7,600
45	7/85	1981	MERCEDES BENZ	1MBZA24BxBN559276	6,000
47	5/78	1978	MERCEDES BENZ	34403012381014	15,686
48	8/79	1979	MERCEDES BENZ	34403012442447	19,367
49	8/79	1979	MERCEDES BENZ	34403012409764	19,367
54	8/79	1979	MERCEDES BENZ	34403012432368	19,367
55	8/79	1979	MERCEDES BENZ	34403012432735	19,367
56	8/79	1979	MERCEDES BENZ	34403012432744	19,367
57	8/79	1979	MERCEDES BENZ	34403012442456	19,367
58	8/79	1979	MERCEDES BENZ	34403012427573	19,367
59	8/79	1979	MERCEDES BENZ	34403012450581	19,367
60	8/79	1979	MERCEDES BENZ	34403012450638	19,367
73	7/85	1980	MERCEDES BENZ	37602412513030	7,500
74	7/85	1980	MERCEDES BENZ	37602412513056	7,500
75	7/85	1980	MERCEDES BENZ	37602412516260	7,500
84	9/77	1977	INTERNATIONAL	D0522GCA25203	12,786
90	9/77	1977	INTERANTIONAL	D0522GCA25246	12,786

APPENDIX 3

PITT-OHIO EXPRESS, INC.

COMPARATIVE FINANCIAL STATEMENTS - UNAUDITED

FOR THE

YEARS ENDED DECEMBER 31, 1986 AND 1985

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, 1986 and 1985, 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.

Joseph L. Bender, P.C.

Allison Park, Pennsylvania

March 11, 1987

PITT-OHIO EXPRESS, INC.

COMPARATIVE BALANCE SHEET - UNAUDITED

<u>ASSETS</u>	<u>December 31,</u>	
<u>CURRENT ASSETS</u>	<u>1986</u>	<u>1985</u>
Cash In Bank	\$ 562,694	\$ 273,984
Temporary Cash Investments	252,035	None
Notes Receivable - G	171,524	21,901
Accounts Receivable - Customers	1,116,083	819,247
Accounts Receivable - Other	126,604	49,753
Material & Supplies	53,809	61,113
Prepaid Items	94,696	138,228
<u>TOTAL CURRENT ASSETS</u>	<u>2,377,445</u>	<u>1,364,226</u>
 <u>FIXED ASSETS AT COST</u>		
Revenue Equipment - C - D	3,684,408	2,529,092
Service Cars	9,964	9,964
Leasehold Improvements & Office Equipment	242,873	124,406
	<u>3,937,245</u>	<u>2,663,462</u>
Less: Depreciation Taken	1,803,895	1,120,670
<u>TOTAL FIXED ASSETS</u>	<u>2,133,350</u>	<u>1,542,792</u>
 <u>OTHER ASSETS</u>		
Note Receivable - G	150,510	175,435
Deferred Debits	None	7,976
Intangible Property	58,051	26,459
Franchises & Organization Costs - E	204,443	187,963
	<u>413,004</u>	<u>397,833</u>
Less: Allowance for Amortization	109,310	101,991
<u>TOTAL OTHER ASSETS</u>	<u>303,694</u>	<u>295,842</u>
<u>TOTAL ASSETS</u>	<u>\$ 4,814,489</u>	<u>\$ 3,202,860</u>

The accompanying notes are an integral part of these statements.

See Accountants' Review Report.

PITT-OHIO EXPRESS, INC.

COMPARATIVE BALANCE SHEET - UNAUDITED

<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	<u>December 31,</u>	
	<u>1986</u>	<u>1985</u>
<u>CURRENT LIABILITIES</u>		
Notes Payable - Bank - F	\$ 146,600	\$ 30,000
Notes Payable - Other - D	48,180	42,993
Equipment Obligations - C - F	737,759	446,399
Accounts Payable	526,111	378,610
Interline Accounts Payable	582	3,977
Payroll Deductions	19,206	17,125
Accrued Salaries & Wages	121,271	70,106
Accrued Profit Sharing - H	160,556	99,719
C.O.D.'s Payable	446	798
Accrued Taxes	66,344	42,325
Other Accrued Liabilities	69,534	30,982
Federal & State Income Taxes	150,847	44,278
<u>TOTAL CURRENT LIABILITIES</u>	<u>2,047,436</u>	<u>1,207,312</u>
<u>LONG-TERM DEBT</u>		
Notes Payable - D	125,113	157,882
Equipment Obligations - C - F	380,982	350,826
<u>TOTAL LONG-TERM DEBT</u>	<u>506,095</u>	<u>508,708</u>
<u>DEFERRED INCOME TAXES - A</u>	<u>140,046</u>	<u>None</u>
<u>SHAREHOLDERS' EQUITY</u>		
Common Stock - 50,000 Shares	50,000	50,000
Retained Earnings	2,070,912	1,436,840
<u>TOTAL SHAREHOLDERS' EQUITY</u>	<u>2,120,912</u>	<u>1,486,840</u>
<u>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</u>	<u>\$ 4,814,489</u>	<u>\$ 3,202,860</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>1986</u>	<u>1985</u>
Freight Revenue	\$ 13,465,650	\$ 9,262,183
Other Fees & Charges	<u>139,215</u>	<u>45,013</u>
<u>TOTAL REVENUE</u>	<u>13,604,865</u>	<u>9,307,196</u>
 <u>EXPENSES</u>		
Salaries - Officers	585,000	147,000
Salaries & Wages	4,685,237	3,048,898
Other Fringes	1,061,864	701,544
Operating Supplies & Expenses	1,773,830	1,546,588
General Supplies & Expenses	370,366	281,429
Operating Taxes & Licenses	392,604	271,720
Insurance	487,208	313,292
Communications & Utilities	240,913	194,263
Depreciation & Amortization	698,751	522,020
Equipment Rents & Purchased Transportation	1,576,555	1,153,656
Building & Office Equipment Rents	283,978	232,742
(Gains) or Losses on Operating Assets	1,884	23,425
Miscellaneous Expenses	<u>82,503</u>	<u>48,250</u>
<u>TOTAL EXPENSES</u>	<u>12,240,693</u>	<u>8,484,827</u>
<u>NET OPERATING REVENUE</u>	1,364,172	822,369
 <u>OTHER INCOME & EXPENSES</u>		
Dividend Income	2,044	None
Rental Income	6,000	2,500
Interest Income	48,022	35,482
Interest Expense	<u>(175,049)</u>	<u>(97,313)</u>
<u>NET PROFIT BEFORE INCOME TAXES</u>	1,245,189	763,038
Federal & State Income Taxes	<u>602,439</u>	<u>314,586</u>
<u>NET INCOME</u>	642,750	448,452
<u>RETAINED EARNINGS - BEGINNING OF YEAR</u>	1,436,840	982,986
Officers' Life Insurance Premiums	(9,238)	(9,238)
Prior Period Adjustment	<u>560</u>	<u>14,640</u>
<u>RETAINED EARNINGS - END OF YEAR</u>	<u>\$ 2,070,912</u>	<u>\$ 1,436,840</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>SOURCE OF WORKING CAPITAL</u>	<u>December 31,</u>	
	<u>1986</u>	<u>1985</u>
Net Income	\$ 642,750	\$ 448,452
Depreciation of Fixed Assets	691,432	511,202
Amortization of Operating Rights	None	8,827
Amortization of Computer Software	7,318	1,991
<u>WORKING CAPITAL PROVIDED FROM OPERATIONS</u>	<u>1,341,500</u>	<u>970,472</u>
Decrease in Note Receivable	24,925	None
Decrease in Deferred Interest	7,976	40,375
Additions to Long-term Debt	1,138,286	652,995
Additions to Deferred Income Tax	140,046	None
Disposal of Property, Plant & Equipment	59,184	27,626
Prior Period Adjustment	560	14,640
Decrease in Working Capital	None	155,425
	<u>\$ 2,712,477</u>	<u>\$ 1,861,533</u>
<u>APPLICATION OF WORKING CAPITAL</u>		
Addition to Note Receivable	\$ None	\$ 175,435
Additions to Intangible Property	31,592	26,459
Officers' Life Insurance Premiums	9,238	9,238
Additions to Franchises	16,480	68,325
Additions to Property, Plant & Equipment	1,341,173	881,046
Current Maturity of Long-term Debt	1,140,899	701,030
Increase in Working Capital	173,095	None
	<u>\$ 2,712,477</u>	<u>\$ 1,861,533</u>
<u>CHANGES IN WORKING CAPITAL</u>		
Increases (Decreases) in Current Assets		
Cash	\$ 288,710	\$(298,537)
Notes & Accounts Receivable	523,310	348,111
Other Current Assets	201,199	57,469
	<u>1,013,219</u>	<u>107,043</u>
Decreases (Increases) in Current Liabilities		
Notes Payable	(413,147)	(237,900)
Accounts Payable	(147,501)	(115,732)
Federal & State Income Taxes	(106,569)	132,046
Other Current Liabilities	(172,907)	(40,882)
	<u>(840,124)</u>	<u>(262,468)</u>
<u>NET INCREASE (DECREASE) IN WORKING CAPITAL</u>	<u>\$ 173,095</u>	<u>\$(155,425)</u>

The accompanying footnotes are an integral part of these statements.

See Accountants' Review Report.

PITT-OHIO EXPRESS, INC.
COMPARATIVE NOTES TO FINANCIAL STATEMENTS - UNAUDITED
FOR THE YEARS ENDED DECEMBER 31, 1986 AND 1985

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Corporation are prepared on the accrual basis of accounting using the straight-line method for depreciation. The accelerated cost recovery method and the MACRS method are used for federal income tax purposes. This difference amounted to \$261,662 at December 31, 1986. A provision for deferred income taxes has been recorded amounting to \$140,046.

NOTE B - LEASE AGREEMENTS

The Corporation leases revenue equipment on a monthly basis with annual rentals amounting to \$325,172 and \$265,172 for 1986 and 1985, respectively.

The Corporation also leases terminal facilities with annual rentals amounting to \$260,417 and \$209,181 for 1986 and 1985, respectively.

The Corporation also leases certain computer hardware and software with annual rentals amounting to \$23,561 for 1986 and 1985.

NOTE C - EQUIPMENT OBLIGATIONS

	<u>Current Monthly Payment</u>	<u>1986</u>		<u>1985</u>	
		<u>Current Portion</u>	<u>Long-term Portion</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
Mellon Bank	\$ 19,205.00	\$ 230,460	\$ 72,555	\$ None	\$ None
Charles L. Hammel, Jr.	4,439.88	45,238	42,051	None	None
Mellon Bank	3,929.00	47,148	11,843	47,148	58,991
Charles L. Hammel, Jr.	5,737.06	53,521	None	55,837	53,520
Charles L. Hammel, Jr.	10,108.19	97,325	130,651	None	None
Mack Financial	None	None	None	12,556	None
Mack Financial	None	None	None	52,514	None
Mack Financial	None	None	None	53,328	13,332
Mack Financial	None	None	None	32,952	2,746
Mack Financial	None	None	None	33,558	16,779
Mack Financial	None	None	None	17,091	8,545
Mellon Bank	8,366.66	100,400	None	100,400	100,400
Charles L. Hammel, Jr.	4,808.63	47,691	45,139	41,015	96,513
Mellon Bank	9,664.66	115,976	78,743	None	None
<u>TOTALS</u>	<u>\$ 66,259.08</u>	<u>\$ 737,759</u>	<u>\$ 380,982</u>	<u>\$ 446,399</u>	<u>\$ 350,826</u>

See Accountants' Review Report.

PITT-OHIO EXPRESS, INC.
COMPARATIVE NOTES TO FINANCIAL STATEMENTS - UNAUDITED
FOR THE YEARS ENDED DECEMBER 31, 1986 AND 1985

NOTE D - NOTES PAYABLE

The debt due is subject to interest at 12%.

	<u>1986</u>		<u>1985</u>	
	<u>Current</u>	<u>Long-term</u>	<u>Current</u>	<u>Long-term</u>
Martera, Inc.	\$ 42,726	\$ 35,564	\$ 37,542	\$ 81,625
Charles L. Hammel, Jr.	5,454	45,450	5,451	45,450
Shareholders	None	44,099	None	30,807
<u>TOTALS</u>	<u>\$ 48,180</u>	<u>\$ 125,113</u>	<u>\$ 42,993</u>	<u>\$ 157,882</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 \$1,200,000 equipment line of credit for new and used equipment dated May 30, 1986. Any loans will be subject to certain terms, conditions, security and aggregate balances in accordance with the agreements. As of December 31, 1986 and 1985, \$657,125 and \$306,939 had been borrowed against the equipment line and \$146,600 and \$30,000 against the working capital loan at December 31, 1986 and 1985.

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, 1986 and 1985 amounted to \$160,556 and \$99,719, respectively.

NOTE I - LIFE INSURANCE

The Corporation is the beneficiary on policies insuring corporate officers and shareholders amounting to \$1,500,000.

See Accountants' Review Report.

III. STATEMENT OF JAMES BURKEPILE
ON BEHALF OF S. L. ABRASIVES, INC.

1. Legal Name and Domicile of Supporting Shipper.

S. L. Abrasives, Inc. is a corporation which is located in Carlisle, PA. The mailing address of the company is P. O. Box 188, Cave Hill Drive, Carlisle, PA 17013.

2. Identity and Qualifications of Witness.

My name is James Burkepile. I am the Plant Superintendent for S. L. Abrasives, Inc. My address is the same as that of the company given above.

I have been employed by the company for 22 years and have held my present position of Plant Superintendent for six years. My duties include overseeing the routing of freight to and from our facilities and rate negotiations with carriers. I am familiar with the company's facilities which are involved in this proceeding and I have been authorized by S. L. Abrasives, Inc. to submit this statement to the Pennsylvania Public Utility Commission in support of the application of Pitt-Ohio Express, Inc. at Docket No. A-00102471, F. 1, Am-V.

3. General Description of Supporting Shipper.

S. L. Abrasives is engaged in the business of manufacturing abrasive wheels for use in a variety of industries. We have a plant located in the township of North Middleton, Cumberland County which currently ships and receives freight five days a week between the hours of 7:00 a.m. and 4:30 p.m.

The commodities which we ship outbound consist of grinding wheels which carry National Motor Freight Classification No. 2050.

We also use a public warehouse in the borough of Parkesburg, Chester County. Grinding wheels are stored there for delivery to customers in the vicinity.

We receive inbound shipments from various manufacturers and suppliers in Pennsylvania. The inbound commodities consist of abrasives, resin, steel bushings, grinding wheels, and a variety of other commodities which are necessary to maintain a plant facility as well as produce the finished products.

S. L. Abrasives pays the freight charges on more than 90% of both the inbound and outbound traffic, and designates the carriers to be used on all but two or three percent of the shipments.

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

Considering first the outbound shipments from the Cumberland County facility, about 72% are in the less-than-truckload category. The average weight of LTL shipments is 950 pounds. A truckload shipment will weigh about 36,000 pounds.

I estimate that approximately 55% of the outbound shipments move to the end user of the product. The other 45% moves to wholesale distributors for subsequent distribution to the actual customer.

Our total annual volume of traffic from the Cumberland facility is in excess of 4 million pounds. Of that amount, approximately 800,000 pounds moves to points in Pennsylvania. A portion of that freight moves to the Parkesburg facility in Chester County for storage and subsequent delivery. The balance moves direct to our customers. Based on the figures above, about 575,000 pounds of freight moves annually to Pennsylvania destinations in less-than-truckload quantities. Using an average of 950 pounds per shipment, this amounts to about 600 LTL shipments a year. Appendix 1 attached to my statement is a list of representative Pennsylvania destinations which receive freight from the North Middleton, Cumberland County facility. Appendix 2 is a list of representative Pennsylvania destinations which receive freight from the facility at Parkesburg, Chester County.

The makeup of our inbound traffic is somewhat different. Currently, we are dealing with about ten vendors in Pennsylvania. Currently, we are dealing with a number of vendors located throughout Pennsylvania. Appendix 3 is a list of representative vendor locations in Pennsylvania which ship to the North Middleton facility. Appendix 4 is a list of representative vendor locations in Pennsylvania which ship inbound to the Parkesburg facility.

On inbound shipments, about 40% are less-than-truckload in size weighing an average of 1,200 pounds each, with the balance being truckload shipments which weigh between 38,000 pounds and

40,000 pounds each. The annual volume of inbound traffic from Pennsylvania points amounts to about 70,000 pounds.

5. Type of Service Required.

Our major service requirement is scheduled delivery to all customers in Pennsylvania. All shipments must be delivered either on an overnight or second day basis. To accomplish this, we must use motor carriers that are responsive to our requests for service and which conduct their operations in such a way as to meet our delivery needs. This may sometimes involve the spotting of equipment at our facilities in order to permit our crews to load the trucks in an orderly manner and then have those trailers delivered quickly to destination.

On inbound shipments, there are approximately two situations each month when we can arrange for a vehicle to make split pickups at several vendor locations on volume type shipments.

Otherwise, our trucking needs are not all that unusual. We look for a carrier that operates closed van trailers and tractors that are kept in good operating condition, and carriers that will work with our company to insure the safe and prompt delivery of our shipments. The existing service has not been totally satisfactory in meeting our needs. Preston Trucking, for example, consistently fails to deliver our shipments on a timely basis.

6. Similar Applications Supported.

S. L. Abrasives has not supported any similar type of application during the last two years.

7. Other Pertinent Information.

S. L. Abrasives has used the applicant's service in interstate and intrastate commerce for about six months under its present authority. That service has been above average and has been able to meet our transportation needs. We believe that approval of this application will have several benefits for us. It will permit us to use the applicant's service to and from the entire state of Pennsylvania and thereby serve all of our customers and vendors on a consistent, timely basis. It would also permit us to co-load our interstate and intrastate freight with the applicant so as to make our loading and unloading procedures more efficient and less time consuming since we would be dealing with primarily one carrier rather than a number of carriers. We believe that when we are able to use Pitt-Ohio Express on a statewide basis, it will improve our ability to compete with other shippers of similar products. Moreover, it will add an element of needed competition to the motor carrier industry in Pennsylvania and this should work to the advantage not only of our company but to other users of motor carrier transportation in the state. Should this application be approved, we would expect to offer the applicant up to 85% of our outbound traffic and up to 95% of our inbound traffic.

For the reasons set forth in my statement, S. L. Abrasives, Inc. requests that the Commission grant this application in its entirety.

APPENDIX 1

Representative Pennsylvania Destinations
Shipped To From North Middleton, Cumberland County

<u>Customer</u>	<u>Location</u>
Tyler Pipe Ind.	Macungie
Ecolaire Process Mgmt.	Easton
High Steel Structure	Lancaster
Raub Supply	Lancaster
Reading Machine	Reading
Raub Supply	York
Rite Way Tool Co.	Pittsburgh
S & W Tool Co.	Allentown
Tallman Supply Co.	Tower City
Tristate Corp.	Philadelphia

APPENDIX 2

Representative Pennsylvania Destinations
Shipped To From Parkesburg, Chester County

<u>Customer</u>	<u>Location</u>
C. A. Turner Inc.	Pittsburgh
Acorn Industrial Products	W. Conshohocken
Burne Abrasive Co.	Denver
Care Machine Co.	Lancaster
Central Pa. Ind.	York
J.A. Cunningham Equip.	York
Erie Industrial Supply	Erie
Fiduks Ind. Service	Harrisburg
Fiduks Ind. Service	Hatfield
Force Electric & Supply	Altoona
Frick & Landsay	Pittsburgh
The Sage Co.	Altoona
Galey Ind. Supply	Eddystone
Griffith & Raguse Co.	Norristown
Kaco Tool Co.	Philadelphia
MOC Industries	Philadelphia
Metal Working Prod.	York

APPENDIX 3

Representative Pennsylvania Origins From Which Shipments
Are Received at North Middleton, Cumberland County

<u>Customer</u>	<u>Location</u>
Barrett Haentjins	Hazelton
Bethlehem Steel	Bethlehem
Buch Co.	Quarryville
Colonial Metals	Colombia
Colombia Products	Dallastown
Crown Non-Ferrous Foundry	Chester
Daniel C. Tanney	Eddington
Deemer Steel	New Castle
Domestic Castings Corp.	Shippensburg
Dorsco Riverside Foundry	Wrightsville

APPENDIX 4

Representative Pennsylvania Origins From Which Shipments
Are Received at Parkesburg, Chester County

<u>Customer</u>	<u>Location</u>
Empire Steel Castings	Reading
Frog Switch	Carlisle
Grimmel Corp.	Colombia
Keystone Spikes Corp.	Lebanon
Lancaster Malleable	Lancaster
Mann Edge Tool Co.	Lewistown
Mold Base Ind.	Harrisburg
Quaker Alloy	Myerstown
USX Corp.	Fairless Hills

IV. CONCLUSION

For the reasons set forth in the preceding verified statements, it is respectfully requested that the Commission approve this application 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: May 2, 1988



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

March 14, 1988

IN REPLY PLEASE
REFER TO OUR FILE

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

In re: A-00102471, F. 1, Am-V

Application of Pitt-Ohio Express, Inc.

Dear Mr. Lavelle:

By our letter of February 8, 1988, we requested verified statements of applicant and verified statements in support of the above captioned application. As of this date, said statements have not been received in this office.

Please be advised that if you desire to pursue this application, we will extend an additional fifteen day period during which time these statements may be filed. If said statements are not filed with this office by March 30, 1988 we shall assume that you do not desire to pursue this matter and shall recommend to the Commission that the application be dismissed for lack of prosecution.

If you have any questions, please do not hesitate to contact us.

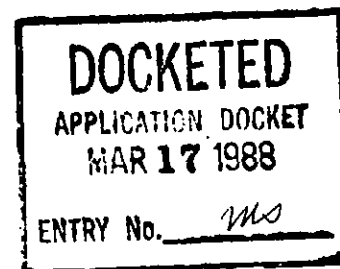
Very truly yours,

By Douglas A. Pike
For Peter S. Marzolf, Supervisor
Technical Review Section
Bureau of Transportation

CERTIFIED MAIL

RETURN REPLY REQUESTED

DAP:rs





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

March 31, 1988

IN REPLY PLEASE
REFER TO OUR FILE

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

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

Dear Mr. Lavelle:

In accordance with your request of March 31, 1988 for an extension of time to file verified statements, we are granting an additional 30 days for filing of statements.

Please be advised that verified statements are now due on May 2, 1988. If said statements are not filed with this office by that date we shall assume that you do not desire to pursue this matter and shall recommend to the Commission that the application be dismissed for lack of prosecution.

If you have any questions, please do not hesitate to contact us.

Very truly yours,

By Douglas A. Pike
For Peter S. Marzolf, Supervisor
Technical Review Section
Bureau of Transportation

CERTIFIED MAIL

RETURN RECEIPT REQUESTED

DAF:rs

