

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 & AVRR
Pittsburgh, PA 15222

Date May 18, 1987

CR 124287 A

**DOCUMENT
FOLDER**

DOCUMENTED
MAY 20 1987

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

Revenue account 001780-017601-102 (ck)
ck 4880 \$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
June 3, 1987

IN REPLY PLEASE
REFER TO OUR FILE

Robert F. Hammel
26 and A.V.R.R.
Pittsburgh, PA 15222

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

Dear Mr. Hammel:

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 APPLICANT.
- 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 July 2, 1987.

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 William P. Hoshour 717-787-5513.

Very truly yours,

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

RECEIVED
APPLICATION DOCKET

JUN 3 1987.

ENTRY No. ML-1

RECEIVED
JUN 3 1987

LAW OFFICES

VUONO, LAVELLE & GRAY

2310 GRANT BUILDING

PITTSBURGH, PA. 15219

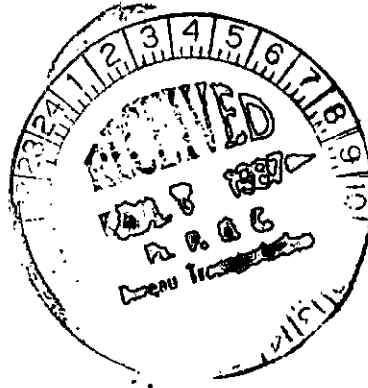
(412) 471-1800

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

July 2, 1987

Re: Pitt-Ohio Express, Inc.
Docket No. A-00102471, F. 1, Am-S
Our File 2691-30

Mr. William P. Hoshour
Technical Review Section
Bureau of Transportation
Pennsylvania Public Utility
Commission
P.O. Box 3265
Harrisburg, PA 17120



Dear Mr. Hoshour:

This will confirm our telephone conversation on July 1 concerning the above application. You granted an extension of time for filing verified statements from July 2 to August 3, 1987. I appreciate your cooperation in this matter.

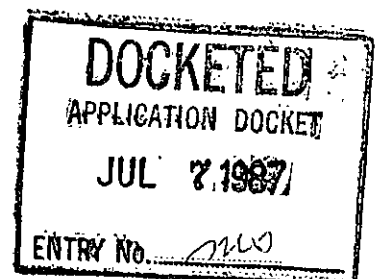
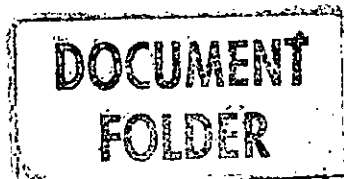
Sincerely yours,

VUONO, LAVELLE & GRAY

William J. Lavelle
William J. Lavelle

mm

cc: Pitt-Ohio Express, Inc.





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

July 9, 1987

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-S - Application of Pitt-Ohio Express, Inc.

Dear Mr. Lavelle:

In accordance with your request of July 1, 1987 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 August 3, 1987. 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.

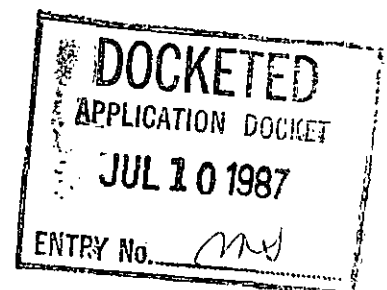
If you have any questions, please do not hesitate to contact us.

Very truly yours,

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

CERTIFIED MAIL

RETURN RECEIPT REQUESTED

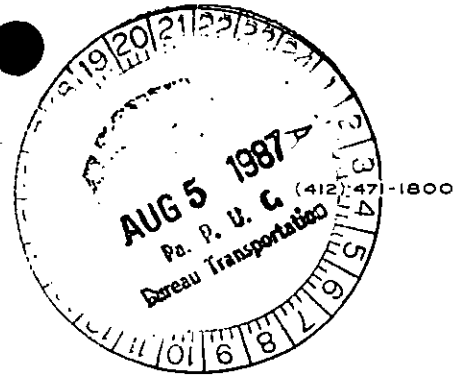


LAW OFFICES

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



August 3, 1987

Re: Pitt-Ohio Express, Inc.
Docket No. A-00102471, F.1, Am-S
Our File 2691-30

RECEIVED

AUG 3 1987

**SECRETARYS 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 Statements in connection with 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.

Sincerely yours,

VUONO, LAVELLE & GRAY

William J. Lavelle
William J. Lavelle

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Enclosures

cc: Pitt-Ohio Express, Inc.



ORIGINAL

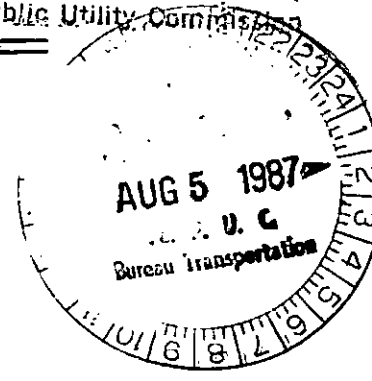
RECEIVED

AUG 3 1987

BEFORE THE
Pennsylvania Public Utility Commission

SECRETARYS OFFICE
Public Utility Commission

DOCKET NO. A-00102471, F.1, Am-S
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: August 3, 1987

**DOCUMENT
FOLDER**

DOCKETED
APPLICATION DOCKET
AUG 10 1987
ENTRY No. *Mo*

Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

APPLICANT'S VERIFIED STATEMENTS

I. STATEMENT OF THE CASE

By application published in the Pennsylvania Bulletin on May 2, 1987, Pitt-Ohio Express, Inc. (Applicant or Pitt-Ohio) seeks motor common carrier authority as follows:

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.

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 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 seven 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-S.

3. Authority Sought.

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

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.

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. 102471 and various amendments thereto. There is attached hereto as Appendix 1 a summary of the permanent operating authority presently held by the Applicant.

At Folder 1, Am-J, Pitt-Ohio was granted temporary authority to operate under the authority of Hammel's Express, Inc. at Docket No. A-88995, F. 2, Am-F pending final action by the Commission on the related transfer application.

Under that temporary authority, the Applicant is able to transport, as here pertinent, property from points in Allegheny County to points in the counties of Lebanon, Berks, and Lancaster, and vice versa; with the right of interchange.

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.

Under its present authority at Folder 1, Am-B, the Applicant is authorized to transport property between points in

Allegheny County. Under its authority at Folder 1, Am-I, it is authorized to transport property from points in Allegheny County to other points in Pennsylvania beyond Allegheny County, and vice versa, with certain exceptions, with the primary ones being set forth in restrictive paragraphs 6 and 7. Those two restrictions are superseded in part by the authority at Folder 1, Am-E, which authorizes the transportation of property between points in 15 western Pennsylvania counties. Under that authority, the Applicant can operate for the supporting shipper from points in Allegheny County to points in Beaver, Crawford, Erie, Fayette, Lawrence, Mercer, Venango, Washington and Westmoreland Counties, and vice versa, thereby offsetting the restriction as to those counties.

The Folder 1, Am-B authority also permits the Applicant to operate between points in Allegheny County, which offsets to a certain extent the effect of the sixth restriction under Folder 1, Am-I. The authority at Folder 1, Am-I also offsets the seventh restriction under Folder 1, Am-B so that the Applicant can operate from points in Allegheny County, PA to points in Armstrong, Butler, Clarion and Greene Counties.

As previously indicated, the pending transfer application at Folder 1, Am-J and related temporary authority would authorize transportation from points in Allegheny County to points in Lebanon, Berks, and Lancaster Counties, and vice versa, thereby offsetting a portion of the seventh restriction of Folder 1, Am-I.

The net effect of these various grants of authority is that the Applicant can now perform service for Kaufmann's from points in Allegheny County to all points in Pennsylvania, and vice versa, with the exception of the following seven counties referred to in restrictive paragraph 7 of Folder 1, Am-I: Indiana, Clearfield, Cambria, Blair, Huntingdon, Somerset and Bedford. The purpose of this application is to obtain authority to and from those seven counties so that Pitt-Ohio can perform a statewide service for Kaufmann's in connection with its facilities in Allegheny County. If we were to obtain authority by this application merely to serve Kaufmann's to and from points in those seven counties, it would require a great deal of explanation to the supporting shipper and perhaps its customers concerning the intricate relationship of the various certificates, as explained above. In order to avoid that complexity and confusion, and to facilitate the interpretation of the operating authority, Applicant has by this application requested authority to serve Kaufmann's from its facilities in Pittsburgh to points in Pennsylvania, and vice versa. Applicant has no objection to a restriction in any grant of authority which would prohibit the severance of any duplicating authority.

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.

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.

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.

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 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.

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 Kaufmann's without any difficulty.

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

Pitt-Ohio is currently handling traffic for the account of Kaufmann's to and from its facilities in Pittsburgh. Interstate shipments are being handled primarily to points in the West Virginia panhandle and eastern Ohio.

During May of 1987, Pitt-Ohio transported more than 40 intrastate shipments under its present authority. Those shipments weighed approximately 33,000 pounds in the aggregate. They were inbound shipments consigned to Kaufmann's Pittsburgh warehouse and originated at a variety of points including Pittsburgh, Ellwood City, Butler, Philadelphia, Allentown and Pottsville.

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 60% 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.

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 Kaufmann's in Pittsburgh and 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.

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-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.

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

Public Meeting held February 13, 1986

Commissioners Present:

Linda C. Taliaferro, Chairman
Frank Fischl
Bill Shane

Pitt-Ohio Express, Inc.
Temporary Authority application
to operate part of the rights
granted to Hammel's Express, Inc.
at A-00088995, F. 2 and 4.

A-00102471
F. 1, Am-J

Vuono, Lavelle & Gray by John A. Vuono for the applicant.

O R D E R

BY THE COMMISSION:

The above application was filed November 25, 1985, Pitt-Ohio Express, Inc. seeks Commission approval for temporary authority to operate under part of the rights granted to Hammel's Express, Inc., pending disposition of an accompanying transfer application for permanently acquired said rights. The one paragraph at A-00088995, F. 2 shall be fractionalized between both transferee and transferor, and only one paragraph at F. 4 is transferred.

Pitt-Ohio Express, Inc. was granted an ETA and extension thereof to operate transferor's rights by Commission order of December 5, 1985.

The averred reason for the TA request is transferor, Hammel's Express, Inc., is experiencing financial difficulties, therefore wishes to streamline its operation, and still preserve the transportation services of the public.

We find:

1. That transferor wishes to restrict its authority to local hauling in order to streamline its operation.

2. That applicant is presently certificated with experience in the authority sought.

3. The applicant is in compliance with the Commission's insurance and tariff filing regulations.

4. The applicant appears to be financially fit to operate under the rights granted to the transferor.

5. That the application for temporary authority is warranted in order to allow a continuous service to the public; THEREFORE,

IT IS ORDERED: That the above application for temporary authority be and is hereby approved, as follows:

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 prt 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.

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.

subject to the following restrictions:

FIRST: 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.

SECOND: 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.

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;


subject to the following conditions:

FIRST: 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.

SECOND: 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.

IT IS FURTHER ORDERED: That approval of the temporary authority granted herein shall have no bearing on the disposition of the accompanying application for approval of the transfer application for permanent authority.

BY THE COMMISSION,


Jerry Rich
Secretary

(SEAL)

ORDER ADOPTED: February 13, 1986

ORDER ENTERED: FEB 28 1986

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
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	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
D52	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	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.

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	4,343.11
T509	9/72	1972	FRUEHAUF	MAP362979	4,808.50
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.

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. VERIFIED STATEMENT OF JERRY HALL
ON BEHALF OF KAUFMANN'S

1. Legal Name and Domicile of Supporting Shipper.

Kaufmann's has its administrative offices and main department store on Smithfield Street, Pittsburgh, Allegheny County, PA 15219.

2. Identity and Qualifications of Witness.

My name is Jerry Hall. My business address 955 Reedsdale Street, Pittsburgh, PA 15212. I have been the Traffic Manager for Kaufmann's for two years and have been employed by the company for a total of five years. As its Traffic Manager, I am responsible for purchasing all inbound and outbound transportation services for Kaufmann's. I am familiar with its transportation requirements and I have been authorized to support the application of Pitt-Ohio Express, Inc. at Docket No. A-00102471, Folder 1, Am-S.

3. General Description of Supporting Shipper.

Kaufmann's is affiliated with the May Company department store chain. It has 14 stores in Pennsylvania, Ohio and West Virginia. It also operates a distribution center on Pittsburgh's Northside in Allegheny County.

The distribution center, to which my testimony will pertain, is a multi-level facility which stores all types of merchandise sold in the retail department stores. It normally operates five days per week and ships and receives freight between the hours of 6:00 a.m. and 4:30 p.m.

The inbound and outbound commodities are basically the same. Kaufmann's is a full line department store and therefore carries thousands of different items. The Pittsburgh telephone directory listing for the main store has more than two columns of individual departments. Appendix A to my statement is a list of those departments and illustrates the wide range of products involved.

About 95% of all outbound shipments are less-than-truckload in size, ranging in weight from 100 pounds to 2,000 pounds. The truckload shipments will weigh approximately 15,000 pounds each.

About 90% of all inbound shipments are less-than-truckload in size. They range in weight from 100 pounds to 5,000 pounds. The 10% of the shipments that are truckload weigh 15,000 pounds to 20,000 pounds each.

Kaufmann's selects the carrier for all inbound and out-bound transportation.

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

There are hundreds of shipments annually inbound to and outbound from the distribution center in Pittsburgh. For example, we make about two shipments a week or 100 shipments annually to Altoona, Blair County; two or three shipments every other week or about 50 shipments a year to Johnstown, Cambria County; and about one shipment every other week or 30 shipments a year to Somerset, Somerset County. We also have outbound

shipments on a less frequent basis to central and eastern Pennsylvania points such as Harrisburg, York, Lancaster, and Philadelphia.

The volume of traffic inbound to the distribution center is much heavier. There are about six shipments a week or 300 shipments a year from Johnstown; two shipments a week or 105 shipments a year from Altoona; and three shipments a month or about 36 shipments a year from Somerset. In addition, from the eastern Pennsylvania points of Philadelphia, Harrisburg, etc. we receive in excess of 1,800 shipments a year, which is an average of about 35 shipments a month.

Upon approval of this application, it is our intention to use Pitt-Ohio Express to transport all of this inbound and out-bound Pennsylvania freight.

5. Type of Service Required.

Time in transit is very critical on all of our shipments, particularly the inbound shipments. Kaufmann's continually has sales on certain merchandise which is advertised in newspapers, on radio and television, and by means of direct mailings to customers. The advertisements specify particular days on which the sale will run and Kaufmann's must have the merchandise in the stores and distribution center on those days. Very often our manufacturers are behind in their production and as a result the merchandise is ready to be shipped to Kaufmann's at the last minute. We therefore must have available to us a totally reliable motor carrier that can provide a same day or next day delivery service.

Since our vendors in many cases have limited hours for shipping, we must have a carrier that will be able to schedule its trucks into the vendor's location at a specific time so as to make the pickup and then transport it in the shortest possible time to our distribution center in Pittsburgh. We unload trailers by appointment only and in order to have the unloading crews available, those appointments must be strictly observed. The carrier therefore must be able to provide a scheduled delivery service on inbound shipments to the distribution center.

On occasion, we must have the trailer spotted so that the unloading can be performed at our convenience. In certain instances, protective service in the way of insulated and heated trailers is necessary in order to protect certain products from freezing such as cosmetics.

On our outbound shipments, because of our scheduling of labor crews at the distribution center, we again require scheduled pickup service by a carrier so that our operations are not interrupted.

6. Similar Applications Supported.

Kaufmann's supported a limited scope application within the last two years by Genco.

7. Other Pertinent Information.

Kaufmann's has had difficulty in obtaining satisfactory service from other carriers. The two primary carriers hereto-

fore have been Suwak Trucking Company and Evans Delivery Company. We have had situations where pickups were delayed for up to 72 hours beyond the scheduled time, and shipments were in transit for up to seven days. Merchandise has not been delivered in time to meet our advertised sale dates. We have had complaints from various vendors about the late pickups and otherwise unsatisfactory service. Neither of those carriers have been able to provide us with the broad coverage needed for split pickup service on inbound shipments and multiple stop-off service on outbound shipments. They have also failed to provide adequate tracing of shipments when there have been these excessive delays.

Kaufmann's has been using the service of the applicant for about six months to handle both interstate shipments and those Pennsylvania intrastate shipments which are within the scope of Pitt-Ohio's present authority. I would characterize that service as excellent and that is the reason why Kaufmann's would tender to the applicant all of its intrastate freight in the future. It would provide Kaufmann's with a safe, timely and economical method of moving its intrastate freight.

Pitt-Ohio has outstanding support people which have never let Kaufmann's down when it comes to service. It has been able to meet special needs when they have arisen and has provided outstanding service in terms of short transit times. There are no claims and based on its record, we would not expect any in the future. Pitt-Ohio appears to be a very service oriented

company and it would be very advantageous for Kaufmann's to have its service available to and from all points in the Commonwealth of Pennsylvania.

For the reasons set forth in this statement, Kaufmann's requests that the Pennsylvania Public Utility Commission grant the application of Pitt-Ohio Express, Inc.

APPENDIX A

Partial List of Departments in the Pittsburgh Store

Accessories--Fashions

Gloves

Handbags

Hosiery

Adrien Arpel

Art Needlework

Bake Shop

Bath Shop

B Dalton Bookseller

B Dalton Software, Etc.

Bed Linens

Blouses

Boys Clothing

Bridal Shop

Candy

Carpeting

Childrens Wear

China

Coats

Coins

Cosmetics

Curtains

Draperies

Dresses

Fabrics--Piece Goods

Trimmings

Flower Shop

Foundations

Furniture

Furs

Glassware

Housewares--Cookware

Cutlery

Dinnerware

Gadgets

Small Electrics

Vacuum Cleaners

Infants Apparel

Jewelry--Fashion

Fine

Watches

Junior Wear

Lamps

Linens--Table

Towels

Lingerie

Luggage

Mattresses

Mens Wear

Suits

Sweaters

Top Coats

Patterns

Pictures

Picture Framing

Pillows

Radios

Rugs--Domestic

Oriental

Shoes

Silverware

Sportswear--Misses & Womens

Stamps--Collectors

Stationery

Stereos-Radios

Televisions

IV. CONCLUSION

For the reasons set forth in the preceding verified statements of the applicant and supporting shipper, it is respectfully requested that the Commission grant 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: August 3, 1987



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

August 12, 1987

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-S - 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

