



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

October 20, 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-Z - Application of Application of Pitt-Ohio
Express, Inc.

Dear Mr. Lavelle:

In accordance with your request of October 20, 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 November 22, 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.

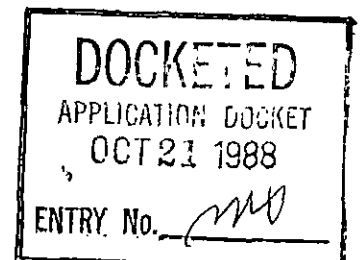
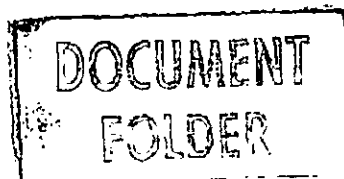
Very truly yours,

By Tim Zeigler
For Peter S. Marzolf, Supervisor
Technical Review Section
Bureau of Transportation

CERTIFIED MAIL

RETURN RECEIPT REQUESTED

TZ:rs



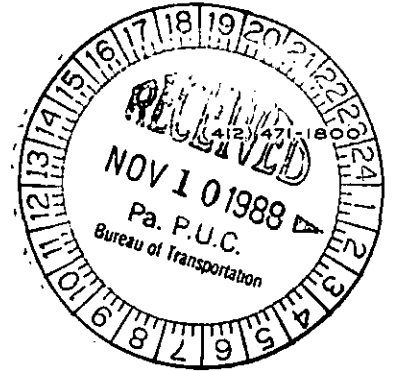
LAW OFFICES

VUONO, LAVELLE & GRAY

2310 GRANT BUILDING
PITTSBURGH, PA. 15219

November 8, 1988

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



Re: Pitt-Ohio Express, Inc.
Docket No. A-00102471, F. 1, Am-Z
Our File 2691-40

RECEIVED

NOV 10 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

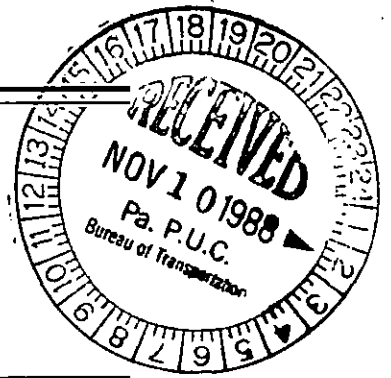
William J. Lavelle
William J. Lavelle

pz
Enclosures
cc: Pitt-Ohio Express, Inc.

**DOCUMENT
FOLDER**

DOCKETED
APPLICATION DOCKET
NOV 10 1988
ENTRY No. *111*

BEFORE THE
Pennsylvania Public Utility Commission



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

PITT-OHIO EXPRESS, INC.

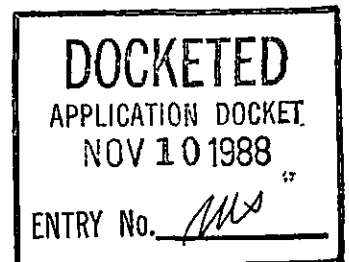
RECEIVED
NOV 10 1988
SECRETARY'S OFFICE
Public Utility Commission

APPLICANT'S VERIFIED STATEMENTS

WILLIAM J. LAVELLE, ESQ.
Attorney for Applicant

Of Counsel:
VUONO, LAVELLE & GRAY
2310 Grant Building
Pittsburgh, Pennsylvania 15219

Due Date: November 22, 1988



Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

APPLICANT'S VERIFIED STATEMENTS

I. STATEMENT OF THE CASE

By application published in the Pennsylvania Bulletin on July 9, 1988, Pitt-Ohio Express, Inc. (Applicant or Pitt-Ohio) seeks motor common carrier authority as follows:

To transport, as a Class D carrier, property for McConway & Torley Corporation, from its facilities located in the City of Pittsburgh, Allegheny County, and the Borough of Kutztown, Berks County, to points in Pennsylvania, and vice versa,

Subject to the following conditions:

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

SECOND: That no right, power or privilege is granted to transport shipments on flatbed trailers, except (a) from the borough of St. Mary's and the township of Bensinger, Elk County; (b) from points in the townships of Bensalem, Bristol, Lower Southampton, Middletown, Upper Southampton and Warminster, and the boroughs of Bristol, Hulmeville, Ivyland, Langhorne, Langhorne Manor, Morrisville, Penndel and Tullytown, all in Bucks County; (c) refractories, refractory products or materials, equipment and supplies used in the manufacture and installation of refractories and refractory products to or from the city of Pittsburgh, Allegheny County; (d) property from or to the

Pennsylvania facilities of Reynolds Manufacturing Company; Amsat Corporation, MonCo Products, Inc.; Freeport Brick Company; Associated Ceramics and Technology; Solar Refractories; Dlubak Studios, Inc.; Hussey Metal Division, Copper Range Company; A. P. Green Refractories Company; Jones and Laughlin Steel Corporation; Bethlehem Steel Corporation; H. H. Robertson Company; Amax, Inc.; Climax Molybdenum Corp.; Molycorp, Inc.; General Electric Corporation; Sperry-New Holland Division of Rand Corp.; Zurn Industry Corp.; Copes Vulcan Company; Thalheimer Bros., Inc.; and Owens Corning Fiberglass Corporation; (e) property having a prior or subsequent movement by water from points in Allegheny County; and (f) property from or to points in the counties of Adams, Cambria, Cumberland, Dauphin, Franklin, Lancaster, Lebanon, and Somerset.

A protest was filed to the application by Butler Trucking Company, but that protest was withdrawn on September 9, 1988 as a result of a restrictive amendment. Accordingly, the application is unopposed. Applicant now submits its verified statements in support of the application and requests that it be granted as amended.

II. VERIFIED STATEMENT OF ROBERT F. HAMMEL
ON BEHALF OF APPLICANT

1. Legal Name and Domicile of Supporting Shipper.

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-Z.

3. Authority Sought.

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

Property (except commodities in bulk and household goods and office furniture in use), for McConway & Torley Corporation, from its facilities located in the city of Pittsburgh, Allegheny County, and the Borough of Kutztown, Berks County, to points in Pennsylvania, and vice versa.

The application has been amended to read, in its entirety, as follows:

To transport, as a Class D carrier, property for McConway & Torley Corporation, from its facilities located in the City of Pittsburgh, Allegheny County, and the Borough of Kutztown, Berks County, to points in Pennsylvania, and vice versa,

Subject to the following conditions:

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

SECOND: That no right, power or privilege is granted to transport shipments on flatbed trailers, except (a) from the borough of St. Mary's and the township of Bensinger, Elk County; (b) from points in the townships of Bensalem, Bristol, Lower Southampton, Middletown, Upper Southampton and Warminster, and the boroughs of Bristol, Hulmeville, Ivyland, Langhorne, Langhorne Manor, Morrisville, Pennel and Tullytown, all in Bucks County; (c) refractories, refractory products or materials, equipment and supplies used in the manufacture and installation of refractories and refractory products to or from the city of Pittsburgh, Allegheny County; (d) property from or to the Pennsylvania facilities of Reynolds Manufacturing Company; Amsat Corporation, MonCo Products, Inc.; Freeport Brick Company; Associated Ceramics and Technology; Solar Refractories; Dlubak Studios, Inc.; Hussey Metal Division, Copper Range Company; A. P. Green Refractories Company; Jones and Laughlin Steel Corporation; Bethlehem Steel Corporation; H. H. Robertson Company; Amax, Inc.; Climax Molybdenum Corp.; Molycorp, Inc.; General Electric Corporation; Sperry-New Holland Division of Rand Corp.; Zurn Industry Corp.; Copes Vulcan Company; Thalheimer Bros., Inc.; and Owens Corning Fiberglass Corporation; (e) property having a prior or subsequent movement by water from points in Allegheny County; and (f) property from or to points in the counties of Adams, Cambria, Cumberland, Dauphin, Franklin, Lancaster, Lebanon, and Somerset.

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.

Pitt-Ohio can now provide a certain amount of the service requested in this application. It can provide service from Pittsburgh to all points in Pennsylvania, and vice versa, with the exception of Indiana, Clearfield, Cambria, Blair, Huntingdon, Somerset and Bedford Counties under a combination of the authority set forth in Folder 1, Am-B, Am-I and Am-J (paragraph 2). It can also provide service from Kutztown to points in Pennsylvania on and west of U.S. Highway 219, and vice versa under paragraphs 1 and 2 of Folder 1, Am-J. 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 line-haul 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 Pittsburgh terminal would be used to serve the shipper's facilities in Pittsburgh. The shipper's facilities in the Borough of Kutztown, Berks County, would ordinarily be served by the Allentown terminal. That is a 12-door terminal which has 14 employees, including nine drivers. It is open for business five days a week.

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 concerning 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 leases from an affiliated company, Freight Equipment Leasing, Inc. The equipment consists of 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 also leases equipment from Martera, Inc., an equipment leasing company which is owned by other members of my immediate family. The equipment leased from Martera is set forth on Appendix 3 and consists of 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.

The officers and directors of Applicant also have an interest 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 Hammel Enterprises, Inc. Hammel Enterprises, Inc. is the sole shareholder of Pitt-Ohio Express, Inc., the Applicant. Charles L. Hammel, III is the President and a director of both Hammel Enterprises and Pitt-Ohio Express, Inc. Kenneth W. Hammel is a Vice President and director of both companies. I am a Vice President and director of Hammel Enterprises and the Secretary-Treasurer and a director of Pitt-Ohio Express. Robert E. Taylor, who is not a shareholder, is the Secretary-Treasurer and a director of Hammel Enterprises and the Assistant Secretary of Pitt-Ohio Express.

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 are officers and directors of both the Applicant and Hammel's Express, Inc. In

addition, we each have a direct minority ownership interest in Hammel's Express and we each have an indirect one-third ownership interest in the Applicant.

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 4 the financial statements of Pitt-Ohio for the twelve months ended December 31, 1987. The balance sheet portion of the financial statement shows that the total shareholders' equity at the end of 1987 was \$1,814,381. The total current assets exceed total current liabilities by almost \$1,342,023. The company is able to meet all of its obligations as they come due.

By comparison with 1986, the company's revenues increased by \$3,245,363. On a gross revenue of \$16,850,228, the company had a net income after provision for federal and state income taxes of \$572,165. It is apparent that the financial condition of the company is steadily increasing at a rapid rate. Pitt-Ohio is financially able to provide the proposed additional service for the supporting shipper without any difficulty.

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

Pitt-Ohio is currently handling traffic for the account of McConway & Torley Corporation within the scope of its present authority, as defined in Section 4 above, as well as in connection with interstate shipments moving to or from points beyond Pennsylvania. During the first nine months of 1988,

Pitt-Ohio handled 48 intrastate shipments for McConway. The shipments ranged in weight from 286 pounds to 41,160 pounds. 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 representatives assigned to the other terminals.

Less-than-truckload shipments are transported in the usual fashion from the origin to the destination utilizing intermediate terminals when necessary. 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 the supporting shipper 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.

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 County, 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.

FOLDER 1, AM-V

To transport, as a Class D carrier, property, for S.L. Abrasives, Inc., from its facilities in the township of North Middleton, Cumberland County and the borough of Parkesburg, Chester 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 Leased by Pitt-Ohio Express, Inc.
From Freight Equipment Leasing, Inc.

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	07715	41,000
D21	1983	MACK	EA088386	44,800
D22	1984	MACK	EA088387	44,800
D23	1984	MACK	U6855T13613	15,500
D24	1977	MACK	U6855T13623	15,500
D25	1977	MACK	R6855T72680	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

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		

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	1HEV0482XDH046601	12,849
T481	1980	STRICK	230821	8,500
T482	1980	STRICK	7120232753	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

STRAIGHT TRUCKS

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
41	1978	MERCEDES BENZ	34403012394996	\$ 8,30
42	1978	MERCEDES BENZ	34403012396620	8,30
62	1978	MERCEDES BENZ	34403012394623	7,50
63	1978	MERCEDES BENZ	34403012395301	7,50
64	1978	MERCEDES BENZ	34403012395113	7,50
65	1980	MERCEDES BENZ	1MBZA24B2AN512225	8,00
66	1978	MERCEDES BENZ	34403012394911	7,50
67	1978	MERCEDES BENZ	34403012395302	7,50
68	1978	MERCEDES BENZ	34403012394460	7,50
69	1979	MERCEDES BENZ	34403312441274	7,50
70	1979	MERCEDES BENZ	34530012453141	11,50
71	1978	MERCEDES BENZ	34403012394900	8,50
72	1978	MERCEDES BENZ	34500312356643	9,50
76	1985	MERCEDES BENZ	1MBZB77A1FN676070	28,13
77	1985	MERCEDES BENZ	1MBZB77A3FN676071	28,13
78	1985	MERCEDES BENZ	1MBZB77A7FN676073	28,13
79	1985	MERCEDES BENZ	1MBZB77A9FN676074	28,13
80	1985	MERCEDES BENZ	1MBZB77A5FN676072	28,13
100	1981	GMC	1GDL7D1F1BV555625	27,78
101	1981	GMC	1GDL7D1G2BV557196	22,50
102	1981	GMC	1GDL7D1F6BV568273	27,78
200	1982	MACK	VG6M111B5CB015361	24,50
201	1982	MACK	VG6M111B0CB015591	24,50
202	1982	MACK	VG6M111B0CB015381	24,50
203	1983	MACK	VG6M111B1CB015406	24,50
204	1982	MACK	VG6M111B9CB015413	24,50
205	1984	MACK	19692	22,80
206	1984	MACK	19723	22,80
204	1984	MACK	VG6M111B5EB019509	30,10
208	1982	MACK	VG6M111B2CB014104	13,50
209	1982	MACK	014104	13,50
210	1982	MACK	VG6M111B7CB013918	13,50

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.

APPENDIX 3

PITT-OHIO EXPRESS, INC.

Equipment Leased by Pitt-Ohio Express, Inc.
From Martera, Inc.

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

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
T327	8/85	1979	STRICK	233338	4,600
T328	8/85	1979	STRICK	233336	4,600
T329	8/85	1979	STRICK	233333	4,700
T330	8/85	1979	STRICK	233339	4,600
T331	8/85	1979	STRICK	233332	4,600
T332	8/85	1979	STRICK	233337	4,700
T450	1/74	1974	STRICK	177947	6,455
T453	1/74	1974	STRICK	7450533NSW177948	6,455
T456	4/74	1974	STRICK	177949	6,495
T457	11/85	1978	BUDD	157767E	6,950
T506	8/69	1969	TRAILMOBILE	E32979	5,076
T507	5/71	1971	FRUEHAUF	MAN297546	4,342
T508	5/71	1971	FRUEHAUF	MAN297545	4,343
T509	9/72	1972	FRUEHAUF	MAP362979	4,808
T510	5/73	1973	TRAILMOBILE	K30269	5,500
T514	10/74	1974	STRICK	194096	7,200
T516	10/74	1974	STRICK	194097	7,200
T518	2/78	1977	STRICK	213423	8,950
T520	9/79	1979	FRUEHAUF	665410	10,941
T522	9/79	1979	FRUEHAUF	HPV665404	10,600
T524	9/79	1979	FRUEHAUF	HPV665403	10,600
T526	9/79	1979	FRUEHAUF	665406	10,941
T528	11/79	1980	STRICK	235927	10,645
T530	11/79	1980	STRICK	235928	10,645
T536	2/80	1968	STRICK	990309	3,205
T540	7/83	1971	FRUEHAUF	SWN1356505	5,915
T600	4/82	1982	FRUEHAUF	1H2V0452XBH056708	12,895
T601	4/82	1982	FRUEHAUF	1H2V04521BH056709	12,895
T602	2/80	1982	FRUEHAUF	1H2V0452BBH056710	12,420
T603	4/82	1982	FRUEHAUF	1H2V0452XBH056711	12,895
T604	2/80	1982	FRUEHAUF	1H2V04521BH056712	12,420
T611	3/84	1978	FRUEHAUF	MAY521347	5,500
T612	3/84	1978	FRUEHAUF	MAY521327	5,500
T613	3/84	1978	FRUEHAUF	MAY521350	5,500
T614	3/84	1978	FRUEHAUF	MAY521341	5,500
T615	5/84	1977	HOBBS	BLY77949	7,170
T616	5/84	1977	HOBBS	BLY779850	7,170
T617	5/84	1978	STRICK	223559	7,900
T618	5/84	1979	STRICK	210855	7,500
T619	5/84	1979	STRICK	215849	7,500
T620	5/84	1979	STRICK	222668	7,500
T621	6/84	1977	HOBBS	BLY779841	7,120
T622	6/84	1980	STRICK	244013	6,200
T627	10/84	1979	FRUEHAUF	HPV670137	6,750
T628	10/84	1979	FRUEHAUF	HPV670115	6,750
T629	10/84	1977	FRUEHAUF	HPY582874	3,750
T630	10/84	1977	FRUEHAUF	HPY582848	3,750
T631	10/84	1977	FRUEHAUF	HPY582801	3,750
T632	10/84	1974	FRUEHAUF	MES430874	3,000
T633	10/84	1979	FRUEHAUF	HPV670064	6,750

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

TRAILERS - ADDED

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
7668	1986	FRUEHAUF	1H2V04526GB011601	13,145.
7669	1986	FRUEHAUF	1H2V04525GB011606	13,145.
7670	1986	FRUEHAUF	1H2V04528GB011602	13,145.
7671	1986	FRUEHAUF	1H2V04527GB011607	13,145.
7672	1986	FRUEHAUF	1H2V04527GB011610	13,145.
7673	1986	FRUEHAUF	1H2V04520GB011609	13,145.
7674	1986	FRUEHAUF	1H2V04521GB011604	13,145.
7675	1986	FRUEHAUF	1H2V04523GB011605	13,145.
7676	1986	FRUEHAUF	1H2V04529GB011608	13,145.
7677	1986	FRUEHAUF	1H2V0452XGB011603	13,145.

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	\$18,19
44	7/85	1979	MERCEDES BENZ	34403012454829	7,60
45	7/85	1981	MERCEDES BENZ	1MBZA24BXBN559276	6,00
47	5/78	1978	MERCEDES BENZ	34403012381014	15,68
48	8/79	1979	MERCEDES BENZ	34403012442447	19,36
49	8/79	1979	MERCEDES BENZ	34403012409764	19,36
54	8/79	1979	MERCEDES BENZ	34403012432368	19,36
55	8/79	1979	MERCEDES BENZ	34403012432735	19,36
56	8/79	1979	MERCEDES BENZ	34403012432744	19,36
57	8/79	1979	MERCEDES BENZ	34403012442456	19,36
58	8/79	1979	MERCEDES BENZ	34403012427573	19,36
59	8/79	1979	MERCEDES BENZ	34403012450581	19,36
60	8/79	1979	MERCEDES BENZ	34403012450638	19,36
73	7/85	1980	MERCEDES BENZ	37602412513030	7,50
74	7/85	1980	MERCEDES BENZ	37602412513056	7,50
75	7/85	1980	MERCEDES BENZ	37602412516260	7,50
84	9/77	1977	INTERNATIONAL	D0522GCA25203	12,78
90	9/77	1977	INTERANTIONAL	D0522GCA25246	12,78

APPENDIX 4

PITT-OHIO EXPRESS, INC.

BALANCE SHEET - UNAUDITED

AS OF DECEMBER 31, 1987

ASSETS

CURRENT ASSETS

Cash In Bank	\$ 202,239
Temporary Cash Investments	255,405
Notes Receivable	88,365
Accounts Receivable - Customers	1,635,430
Accounts Receivable - Other	154,514
Accounts Receivable - Intercompany	4,760
Material & Supplies	112,117
Prepaid Items	<u>168,881</u>

TOTAL CURRENT ASSETS

\$ 2,621,711

FIXED ASSETS AT COST

Revenue Equipment	None
Service Cars	106,692
Leasehold Improvements & Office Equipment	<u>497,912</u>
	604,604
Less: Depreciation Taken	<u>164,439</u>

TOTAL FIXED ASSETS

440,165

OTHER ASSETS

Note Receivable	122,145
Intangible Property	93,771
Franchises & Organization Costs	<u>214,443</u>
	430,359
Less: Allowance for Amortization	<u>124,418</u>

TOTAL OTHER ASSETS

305,941

TOTAL ASSETS

\$ 3,367,817

PITT-OHIO EXPRESS, INC.

BALANCE SHEET - UNAUDITED

AS OF DECEMBER 31, 1987

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES

Notes Payable - Bank	\$	None
Notes Payable - Other		35,564
Equipment Obligations		None
Accounts Payable - Intercompany		185,795
Accounts Payable		621,820
Interline Accounts Payable		282
Payroll Deductions		32,575
Accrued Salaries & Wages		174,209
Accrued Profit Sharing		155,442
C.O.D.'s Payable		149
Accrued Taxes		117,126
Other Accrued Liabilities		55,308
Federal & State Income Taxes		<u>(98,582)</u>

TOTAL CURRENT LIABILITIES

\$ 1,279,688

LONG-TERM DEBT

Notes Payable	50,904
Equipment Obligations	<u>None</u>

TOTAL LONG-TERM DEBT

50,904

DEFERRED INCOME TAXES

172,844

SHAREHOLDERS' EQUITY

Common Stock - 1,000 Shares	1,000
Paid In Capital	49,000
Retained Earnings	<u>1,814,381</u>

TOTAL SHAREHOLDERS' EQUITY

1,864,381

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY

\$ 3,367,817

PITT-OHIO EXPRESS, INC.

STATEMENT OF INCOME AND RETAINED EARNINGS - UNAUDITED

YEAR ENDED DECEMBER 31, 1987

INCOME

Freight Revenue	\$ 16,662,563
Other Fees & Charges	<u>187,665</u>

TOTAL REVENUE

\$ 16,850,228

EXPENSES

Salaries - Officers	585,000
Salaries & Wages	6,086,078
Other Fringes	1,448,194
Operating Supplies & Expenses	2,073,633
General Supplies & Expenses	534,921
Operating Taxes & Licenses	469,585
Insurance	727,775
Communications & Utilities	293,644
Depreciation & Amortization	615,957
Equipment Rents & Purchased Transportation	2,522,900
Building & Office Equipment Rents	344,012
Miscellaneous Expenses	<u>171,421</u>

TOTAL EXPENSES

15,873,120

NET OPERATING REVENUE

977,108

OTHER INCOME & EXPENSE

Dividend Income	20,738
Rental Income	6,000
Interest Income	33,174
Interest Expense	<u>(94,971)</u>

TOTAL OTHER INCOME & EXPENSE

(35,059)

NET PROFIT BEFORE INCOME TAXES

942,049

Federal & State Income Taxes

369,884

NET INCOME

572,165

RETAINED EARNINGS - BEGINNING OF YEAR

2,070,912

Stock Dividend	(787,381)
Officers' Life Insurance Premiums	(17,045)
Prior Period Adjustment	679
Non-deductible Expense	<u>(24,949)</u>

RETAINED EARNINGS - END OF YEAR

\$ 1,814,381

III. VERIFIED STATEMENT OF HENRY J. LIVINGSTON
FOR MCCONWAY & TORLEY CORP.

1. Legal Name and Domicile of Supporting Shipper.

McConway & Torley Corp. has its main office in Pittsburgh, Allegheny County, PA. The address is 109 48th Street, Pittsburgh, PA 15201.

2. Identity and Qualifications of Witness.

My name is Henry J. Livingston. My business address is 109 48th Street, Pittsburgh, PA 15201. I am the Manager of Customer Relations for McConway & Torley Corp. I have held my position for ten years and have been employed by the company for a total of 22 years. My duties include supervising all transportation related matters. I am familiar with the company's transportation requirements in Pennsylvania and I have been authorized 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-2.

3. General Description of Supporting Shipper.

McConway has its office and a plant in Pittsburgh, Allegheny County, and a second plant in Kutztown, Berks County. The Pittsburgh plant finishes steel castings which are shipped primarily to the Kutztown plant. The Kutztown facility produces railway car castings which are more fully described on the bill of lading attached to this statement as Appendix 1.

Most of the interplant shipments from Pittsburgh to Kutztown are truckload in nature and weigh approximately 42,000 pounds each. Only about 5% of that traffic moves in less than truckload shipments, with weights ranging from 150 pounds to 8,000 pounds.

The shipments moving outbound from Kutztown are about evenly divided between LTL and truckload shipments. The LTL shipments can weigh as little as 150 pounds and the average truckload weighs between 42,000 pounds and 45,000 pounds.

The Pittsburgh plant ships and receives on a five day per week schedule between 7:00 a.m. and 3:00 p.m. The Kutztown plant operates five or six days a week and is open for business between 7:00 a.m. and 6:00 p.m.

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

As indicated, the Pittsburgh plant essentially ships the steel castings to Kutztown for inventory or shipment to customers. There are daily interplant shipments resulting in approximately 250 shipments a year.

The outbound shipments from Kutztown move to railroads, railroad car builders and repair yards. The heaviest traffic currently is moving to Camp Hill. This amounts to about two million pounds a year or 100 shipments a year. Approximately 500,000 pounds a year moves to Pittsburgh via commercial carriers. There are about 14 such shipments a year. Monthly shipments are made to New Castle, Duquesne, Hollidaysburg, Milton, Leetsdale and Johnstown, Pa. The annual volume to each of these points is about 10,000 pounds.

In addition to the steel castings received from Pittsburgh, the Kutztown plant also receives various other commodities inbound including coupler parts, grinding wheels, steel shot, etc. which are used in the production of railway car castings. These items are received from manufacturers, scrap yards and some interplant movements from Pittsburgh.

5. Type of Service Required.

McConway is primarily interested in being able to call upon a dependable motor carrier to provide its intrastate Pennsylvania service. Our experience in the past with Pitt-Ohio under its somewhat limited intrastate authority and its interstate authority has been excellent. Pickups and deliveries are made in a timely manner and the delivery time to destination is within our guidelines. Ordinarily, on shipments within the state of Pennsylvania we expect next day or second day delivery, depending on the distance. On occasion, we must have shipments delivered at a scheduled time due to inventory shortages or other emergency situations that arise.

6. Similar Applications Supported.

Within the last two years, McConway has not supported any other similar application.

7. Other Pertinent Information.

McConway is supporting the application of Pitt-Ohio Express because of the excellent service it has received in the past from that carrier. Approval of the application would permit McConway

to use the applicant to and from the entire state rather than only within a part of the Commonwealth. It would also permit us to replace to a certain extent our private carriage operations and it should improve our overall motor carrier service by adding a needed element of competition into the market place.

For these reasons we request that the Commission grant this application.

IV. CONCLUSION

For the reasons set forth in the preceding verified statements, we request that the application be granted in its entirety.

Respectfully submitted,

William J. Lavelle

WILLIAM J. LAVELLE
Attorney for PITT-OHIO
EXPRESS, INC.

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Pittsburgh, PA 15219
(412) 471-1800

Due Date: November 22, 1988



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

November 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. I, Am-Z - 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 Tim Zeigler
For Peter S. Marzolf, Supervisor
Technical Review Section
Bureau of Transportation

TZ:rs

