

PENNSYLVANIA PUBLIC UTILITY COMMISSION  
Uniform Cover and Calendar Sheets

1. <u>REPORT DATE:</u>	February 11, 1988	2. <u>BUREAU AGENDA NO.</u>	
3. <u>BUREAU:</u>	Transportation		MAR-88-T-261*
4. <u>SECTION</u>	Technical Review	5. <u>PUBLIC MEETING DATE:</u>	
6. <u>APPROVED BY:</u>			March 10, 1988
	Director: Ernst 7-2154		
	Supervisor: Bigelow/Marzolf 3-5945		
7. <u>MONITOR:</u>			
8. <u>PERSON IN CHARGE:</u>	White 7-4387		
9. <u>DOCKET NO.:</u>	A-00107838		
10. (a) <u>CAPTION</u> (abbreviate if more than 4 lines)			
(b) Short summary of history & facts, documents & briefs			
(c) Recommendation			

**DOCKETED**  
  
**MAR 22 1988**

(a) Application of James Broderick, Philadelphia, Philadelphia County, for the right to begin to transport, as a common carrier, by motor vehicle, (1) as a Class B carrier, household goods and office furniture in use, between points in the city and county of Philadelphia; and (2) as a Class D carrier, household goods and office furniture in use, from points in the city and county of Philadelphia, to points within thirty (30) miles by the usually traveled highways of the limits of said city, and vice versa; which is to be a transfer of part of the rights authorized under the certificate issued at A-00103577, F. 3, to Intercept Delivery Service, Inc., a corporation of the State of California, subject to the same limitations and conditions.

(b) The application is unopposed. The applicant proposes to purchase a portion of the transferor's operating authority for the sum of \$5,000. No other assets are involved. We find that a continuing public need for the service does exist and the applicant is fit, ready, willing and able to render same.

(c) The Bureau of Transportation recommends that the Commission adopt the proposed order approving the application and that the rights to be retained by Intercept Delivery Service, Inc., at A-00103577, Folders 2 and 3, be changed so that they shall now read as described in the Supplemental Order.

RW:11

II. <u>MOTION BY:</u>	Commissioner Chm. Shane	Commissioner Taliaferro - Yes
		Commissioner Smith - Yes
<u>SECONDED:</u>	Commissioner Fischl	Commissioner
<u>CONTENT OF MOTION:</u>	Staff recommendation adopted.	

**DOCUMENT**  
**FOLDER**



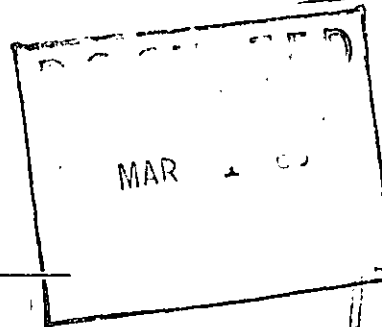
COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P. O. BOX 3265, HARRISBURG, Pa. 17120

March 17, 1988

IN REPLY PLEASE  
REFER TO OUR FILE

A-00107838

Raymond A. Thistle, Jr., Esq.  
206B Benson East  
100 Old York Road  
Jenkintown, PA 19046



Application of James Broderick

Dear Sir:

Enclosed is the compliance order issued by the Commission in this proceeding.

A Certificate of Public Convenience evidencing the Commission's approval of the right to operate will not be issued until the applicant has complied with the following insurance and tariff requirements:

- I. Arrange through an insurance agent to have an insurance company file the following forms with the Commission.
  - a. A Form E as evidence of minimum public liability and property damage insurance coverage as shown on the back of this sheet.
  - b. A Form H or Form UCPC-31 as evidence of cargo insurance coverage in an amount not less than \$5,000 per vehicle. Under certain circumstances, exemption from the cargo insurance requirement may be secured by filing the enclosed Form PUC-288.
- II. Prepare and file a tariff according to the enclosed instructions except applicants for transfer of authority must file a tariff adoption supplement which will be forwarded by separate cover at a later date.

Effective date: Aug 1, 1987

Minimum Limits for PA Public Utility Commission Authorized Service

Passenger Carriers:

- 15 passengers or less: \$35,000 combined single limit per accident per vehicle to cover liability because of bodily injury, death or property damage.
- \$25,000 first party medical benefits, \$10,000 first party wage loss benefits and \$1,500 first party funeral benefits for all passengers and pedestrians.
- \$10,000 first party medical benefits, \$5,000 first party wage loss benefits, and \$1,500 first party funeral benefits for drivers (PA registered vehicles only).
- 16 passengers or more: \$5,000,000 combined single limit per accident per vehicle to cover liability because of bodily injury, death or property damage.

Property Carriers:

- Common or Contract: \$300,000 combined single limit per accident per vehicle to cover liability because of bodily injury, death or property damage.
- \$10,000 first party medical benefits, \$5,000 first party wage loss benefits, and \$1,500 first party funeral benefits (PA registered vehicles only).
- Common only: \$5,000 per accident per vehicle for loss or damage to cargo.

No motor carrier shall operate or engage in any transportation until compliance with all of the above requirements and a certificate has been issued authorizing actual operations. A motor carrier operating without complying with the above requirements will be subject to the penalty provisions of the Public Utility Code.

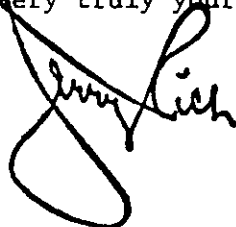
Commission regulations require compliance with all of the above requirements within sixty days of the date of this letter. Failure to comply within the sixty day period will cause the Commission to rescind the action of March 10, 1988, and dismiss the application without further proceedings.

If you foresee problems in meeting these requirements, please direct your questions to the following contact persons:

Insurance Filings: Mr. James McCarthy-Insurance Section  
(717) 783-5933

Tariff Filings: Mr. Joseph Machulsky-Tariff Section  
(717) 787-5521

Very truly yours,

A handwritten signature in black ink, appearing to read "Jerry Rich". The signature is written in a cursive style with a large loop at the end.

Jerry Rich, Secretary

jr  
Enclosures  
Certified Mail  
Receipt Requested  
cc: Applicant  
525 Lawler Street  
Philadelphia, PA 19116

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA 17120

Public Meeting held March 10, 1988

Commissioners Present:

Bill Shane, Chairman  
William H. Smith, Vice-Chairman  
Linda C. Taliaferro  
Frank Fischl

Application of James Broderick, for the right to begin to transport, as a common carrier, by motor vehicle, (1) as a Class B carrier, household goods and office furniture in use, between points in the city and county of Philadelphia; and (2) as a Class D carrier, household goods and office furniture in use, from points in the city and county of Philadelphia, to points within thirty (30) miles by the usually traveled highways of the limits of said city, and vice versa; which is to be a transfer of part of the rights authorized under the certificate issued at A-00103577, F. 3, to Intercept Delivery Service, Inc., a corporation of the State of California, subject to the same limitations and conditions.

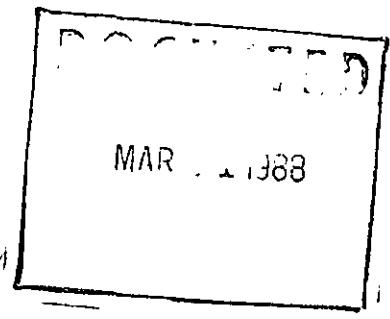
A-00107838

\_\_\_\_\_  
Raymond A. Thistle, Jr., for the applicant.  
\_\_\_\_\_

O R D E R

BY THE COMMISSION:

This matter comes before the Commission by an application filed on November 12, 1987, and published in the Pennsylvania Bulletin of December 19, 1987. There are no protests and the record is now certified to the Commission for its decision without oral hearing.



James Broderick (or applicant) seeks to enter the field of transportation in Pennsylvania through the acquisition of a portion of the operating authority now held by Intercept Delivery Service, Inc. (transferor) at A-00103577, F. 3. The transfer involves a fractionalization of authority. For purposes of clarification, we find it fitting to list all of the operating authority presently held by Intercept, not only at Folder 3 which is involved here, but also the other authority it holds at Folder 2:

Docket A-00103577, F. 2

1. To transport, as a Class B carrier, property, excluding household goods in use, between points in the city and county of Philadelphia.
2. To transport, as a Class D carrier, whole blood, blood plasma and related articles, from the facilities of the American Red Cross in the city and county of Philadelphia, to points in the counties of Bucks, Montgomery, Delaware and Chester, and vice versa.

Docket A-00103577, F. 3

1. To transport, as a Class B carrier, household goods and office furniture, new and in use, and general merchandise, excluding freight, between points in the city and county of Philadelphia.
2. To transport, as a Class D carrier, household goods and office furniture, new and in use, and general merchandise, excluding freight, from points in the city and county of Philadelphia to points within thirty (30) miles by the usually traveled highways of the limits of said city, and vice versa.
3. To transport, as a Class D carrier, property, between points in the city and county of Philadelphia.
4. To transport, as a Class D carrier, property, from points in the city and county of Philadelphia, to points within thirty (30) miles by the usually traveled highways of the limits of the said city, and vice versa.

James Broderick seeks to extract and have transferred to him, that portion of Intercept's authority at Rights 1 and 2 of Folder 3, which permit the transportation of household goods and office furniture

in use. Intercept would retain the right to transport new household goods and office furniture.

We have a policy of long standing under which we look with disfavor upon the creation of duplicate authority by means of a carrier selling a portion of its authority and at the same time, retaining authority which in the end result, would enable both the buyer and seller to transport the same commodities in the same territory. Such a situation would exist in abundance in this application. In order to avoid the obvious duplications, we will condition all of the rights retained by the transferor in order to eliminate any conflict of authority.

At first glance, it appears that the transfer of the authority is simple enough. However, upon closer scrutiny, complexities arise which deserve clarification. We are first concerned with the language contained in Rights 1 and 2 of Folder 3 which are the subject of the transfer we have here.

Both rights are structured to permit the transportation of household goods and office furniture, new and in use, and general merchandise, excluding freight . . . We are particularly concerned with (a), the intent and meaning of "general merchandise", (b) the intent and meaning of "freight" and, (c) what type of service was being provided and what type of shipper was being served under the "household goods and office furniture in use" segment of the authority.

Our records reveal that Rights 1 and 2 now held by the transferor at Folder 3, were first granted to Morris S. Pincus at A-00032713 on October 13, 1936. In a succession of transfers, the authority was held by Morris S. Pincus, Inc. (A-00032713, F. 2), White's Delivery Service, Inc. (A-00086790, F. 2) and finally to Intercept Delivery Service, Inc. (A-00103577, F. 3).

An examination of the transcript of the oral hearing of Morris S. Pincus in 1936, discloses that the application was supported by new and used furniture dealers, furniture warehouses, and secondhand furniture dealers. The applicant himself bought and sold secondhand furniture on a part time basis, and testified to a strong desire to render household moves from one private residence to another.

The only reference to "general merchandise" and "freight" was made in a question posed to the applicant witness by counsel for one of the protestants. The meaning of "general merchandise" in the context used here, was inserted for the sole purpose of making sure that the applicant could transport the entire contents of a household when performing a moving service. The term "excluding freight" was inserted to assure that in no event would the applicant attempt to transport commodities of a general nature which are usually handled by other general commodity haulers.

It is our opinion that the language pertaining to "general merchandise and freight" is archaic, and the removal thereof from the

authority to be retained by the transferor will not diminish the service or deter the transferor in any way, from meeting the needs of the public in the hauling of new household goods and office furniture.

The authority as it was initially granted to Morris S. Pincus, was issued with the full intent to permit him to not only engage in the moving of household goods or office furniture from one place of residence or business location to another, but to also allow him to transport the commodities from the facilities of auction houses, secondhand furniture dealers, furniture warehouses, etc. We believe that intent should follow with the rights as they are subject to transfer here.

James Broderick (applicant) will operate as an individual from a facility located at 525 Lawler Street in the city of Philadelphia. He holds no other authority from this Commission or the ICC, and he is not affiliated with any other carrier.

The applicant owns a 1978 Ford, a 1979 Chevrolet and a 1986 Mercedes, all of which are closed van straight trucks with bodies ranging from 18 to 26 feet in length. All are especially suitable for providing the type of service involved here. The vehicles are kept in safe operating condition at all times. A statement of financial condition shows that he has total assets of \$89,300 and total liabilities of \$32,375, leaving a net worth of \$56,925. The assets include the vehicles valued at \$50,000, and the liabilities include equipment obligations of \$25,136.

Intercept Delivery Service, Inc. (transferor) has held the pertinent Rights at Folder 3 since November 7, 1984. It has held authority at Folder 2 since September 27, 1982. The corporation was organized under the laws of the State of California and it is qualified to conduct business in Pennsylvania as a foreign corporation. It has a registered office in Pennsylvania at 7300 City Line Avenue, Philadelphia. Malcom Weiser, a resident of Norristown, Pennsylvania, is president, and Robert Weiser, a resident of Sherman Oaks, California is vice president.

The transferor is in good standing with this Commission. It has paid all due assessments and we have evidence of current insurance coverage on file. It has been actively providing service, having generated Pennsylvania PUC revenues of \$155,000 in 1984; \$149,000 in 1985; \$165,000 in 1986.

Under the terms of an agreement of sale made between the two parties on September 30, 1987, the applicant will pay the transferor the sum of \$5,000 for the operating rights. No other tangible assets are involved. A down payment of \$1,000 was made at the execution of the agreement which is to be held in an interest bearing account. Full settlement will be made within 35 days after receipt of our order approving the application.

We find:



1. That a continuing public need for service under the authority to be transferred does exist.

2. That the applicant is fit, ready, willing and able to render the service.

3. That approval of the application is necessary for the accommodation and convenience of the public; THEREFORE,

IT IS ORDERED: That the application for transfer of a portion of the authority held by Intercept Delivery Service, Inc., at A-00103577, F. 3, be and is hereby approved, and that a certificate be issued to the applicant granting the right to operate as follows:

1. To transport, as a Class B carrier, household goods and office furniture, used or in use, between points in the city and county of Philadelphia.
2. To transport, as a Class D carrier, household goods and office furniture, used or in use, from points in the city and county of Philadelphia, to points within thirty (30) miles by the usually travelled highways of the limits of said city, and vice versa;

subject to the following general conditions:

1. That the approval hereby given is not to be understood as committing the Commission, in any proceedings that may be brought before it for any purpose, to fix a valuation on the rights to be acquired by applicant from the present certificate holder equal to the consideration to be paid therefor, or equal to any value that may be placed thereon by applicant, or to approve or prescribe rates sufficient to yield a return thereon.
2. That applicant shall not record in his utility accounts any amount representing the rights herein granted in excess of the actual cost of such rights to the original holder thereof.
3. That the \$5,000 consideration paid by applicant for the rights and/or going concern value of the business be capitalized by applicant in Account 1550 - Other Intangible Property or in the alternative be charged off against applicant's ownership equity less any amount recorded under condition 2 above; provided the latter

is sufficient in amount to absorb said charge off.

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


IT IS FURTHER ORDERED: That issuance of the certificate be withheld pending receipt of the 1987 Annual Report of the transferor.

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

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

IT IS FURTHER ORDERED: That upon compliance with this order, the rights currently held by the transferor, Intercept Delivery Service, Inc., at A-00103577, Folders 2 and 3, be changed so that they shall now read as contained in the Supplemental Order at A-00103577, Folder 2 and Folder 3.

BY THE COMMISSION,

  
Jerry Rich  
Secretary

(SEAL)

ORDER ADOPTED: March 10, 1988

ORDER ENTERED: MAR 17 1988

A-107838

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**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

- 1.  Show to whom delivered, date, and addressee's address.
- 2.  Restricted Delivery.

3. Article Addressed to: <i>Intercept Delivery Service, Inc.</i>	4. Article Number <b>44073</b> Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail
Always obtain signature of addressee or agent and <b>DATE DELIVERED.</b>	
5. Signature - Addressee X <i>[Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery <i>3-21-88</i>	

PS Form 3811, Feb. 1986

DOMESTIC RETURN RECEIPT

A-107838

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**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

- 1.  Show to whom delivered, date, and addressee's address.
- 2.  Restricted Delivery.

3. Article Addressed to: <i>Raymond A. Thistle, Jr., Esq.</i>	4. Article Number <b>44074</b> Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail
Always obtain signature of addressee or agent and <b>DATE DELIVERED.</b>	
5. Signature - Addressee X <i>[Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery <i>3-21-88</i>	

PS Form 3811, Feb. 1986

DOMESTIC RETURN RECEIPT