



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

April 19, 1991

IN REPLY PLEASE  
 REFER TO OUR FILE

Dean A. Bowman  
 Attorney at Law  
 P.O. Box 306  
 Somerset, PA 15501

In.re: A-00109693 - Application of Otto Brick & Tile Works, Inc.

Dear Mr. Bowman:

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 required 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 should be aware of the fact that the verified statements will be reviewed based on the Commission's decision in the Application of Bluebird Coach Lines, Inc. A-00088807, F. 2, Am-K, which indicates: (1) the supporting witnesses must give evidence which is probative and relevant to the application proceeding; (2) the supporting witnesses must identify Pennsylvania origin and destination points between which they require transportation and those points must correspond with the scope of the operating territory specified in the application including requests for vice versa authority; and (3) the number of witnesses which will represent a cross section of the public on the issue of need will vary with the breadth of the intended territory and commodity description.

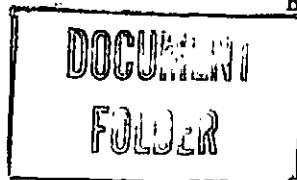
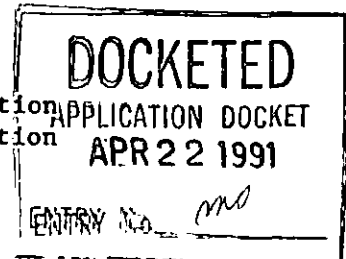
You are being granted an initial thirty (30) days to file verified statements. They will be due on or before May 20, 1991.

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

Questions about your application should be directed to Tim Zeigler at 717-783-5946.

Very truly yours,

Tim Zeigler  
 Technical Review Section  
 Bureau of Transportation



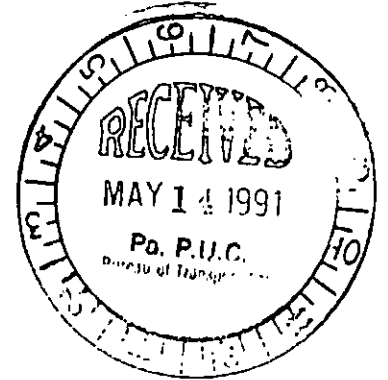
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DEAN A. BOWMAN  
ATTORNEY AT LAW  
LAW & FINANCE BUILDING  
133 WEST MAIN STREET  
SOMERSET, PENNSYLVANIA 15501

(814) 445-8543

May 13, 1991

MAILING ADDRESS  
P. O. BOX 306



Tim Zeigler  
Technical Review Section  
Bureau of Transportation  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17120

Re: A-00109693 - Application of Otto Brick & Tile Works, Inc.

Dear Mr. Zeigler:

In accordance with your letter of April 19, 1991, enclosed for filing you will find Verified Statement of Applicant and two Verified Statments in Support of Application.

Very truly yours,

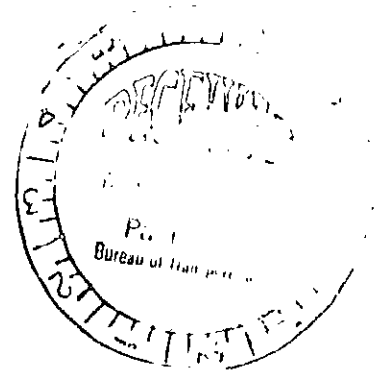
  
Dean A. Bowman

DAB:jz

Enclosures 3



BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY  
COMMISSION



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In Re: Application of OTTO BRICK & TILE WORKS, INC.  
A-00109693

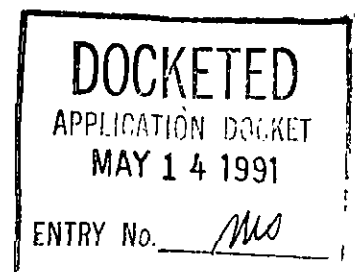
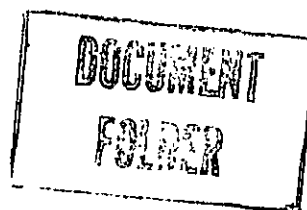
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VERIFIED STATEMENT ON BEHALF OF APPLICANT

---

DEAN A. BOWMAN, ESQUIRE  
133 West Main Street  
P.O. Box 306  
Somerset, Pennsylvania 15501

DUE DATE: May 20, 1991



VERIFIED STATEMENT OF BRADLEY C. OTTO

FOR

OTTO BRICK & TILE WORKS, INC.

1. LEGAL NAME AND DOMICILE OF CARRIER

Otto Brick & Tile Works, Inc.  
Route 669, Box 217  
Springs, PA 15562

2. IDENTITY AND QUALIFICATIONS OF TESTIFYING WITNESS

My name is Bradley C. Otto and I am Secretary/Treasurer of Otto Brick & Tile Works, Inc. As such, I am familiar with the facilities and operations of the company and I actively manage the affairs along with other officers on a day to day basis and I am a proper person to give this statement on its behalf.

3. AUTHORITY SOUGHT

To transport, as a Class D carrier, lumber from lumber mills situate in Somerset County, Pennsylvania, to points in Pennsylvania.

4. (a) GENERAL SCOPE OF PRESENTLY AUTHORIZED OPERATIONS

Our company possesses no authority as issued by the Pennsylvania Public Utility Commission.

(b) DUPLICATING AUTHORITY RESULTING FROM GRANT OF APPLICATION

None.

(c) DUAL OPERATIONS RESULTING FROM GRANT OF APPLICATION

None.

5. PERTINENT TERMINAL FACILITIES AND COMMUNICATIONS NETWORK

Our terminal facilities are located at our place of business on Route 669, one mile North of Springs, Somerset County, Pennsylvania. We have the usual storage and garage; we have telephone facilities at the garage and storage facilities, as well as in our

office; we have garage facilities which carries on daily repair work. Our garage is equipped and tooled and manned by personnel sufficient to do all mechanical and body work, with the exception of major overhauls.

6. PERTINENT EQUIPMENT

I have attached as Exhibit A a list of our equipment from which you will note there are five trucks, two tri-axles, three tractors and five trailers to be pulled by the tractors. We would require no additional equipment to provide the services intended; however, in the event additional equipment would be needed, we have the wherewithal to provide the same.

7. SAFETY PROGRAM

We maintain public liability and property damage insurance in excess of the Commission's requirements.

All of our equipment is checked in official Pennsylvania inspection stations as required by Pennsylvania law, and, in addition, we maintain our own safety program through daily checks on the equipment each morning.

All of our drivers are familiar with the Department of Transportation safety regulations and are fully qualified and are familiar with our company rules.

Our safety record has been good and we are not under safety investigation or suspension at this time.

8. SERVICE NOW PROVIDED TO SUPPORTING WITNESSES

We do not have the authority which is set forth in this application, and accordingly, have not been able to provide the services requested. We have provided services to and around our own corporate needs as our corporate needs deal in building materials and at times lumber can be a part.

9. TYPE OF SERVICE OFFERED

We will offer the following service.

Lumber from lumber yards and sawmills in the County of Somerset to points in Pennsylvania as requested by suppliers on an as needed basis.

10. FINANCIAL DATA

I have attached as Exhibit B our latest Balance Sheet and Income Statements. These are the latest ones prepared by our accountant as the previous years are incomplete.

11. FEASIBILITY OF OPERATIONS

It is believed that this additional ability to haul lumber as a common carrier will be an asset to our operation in that it will create back-haul for our company, thus reducing unprofitable miles being run by our vehicles.

12. OTHER PERTINENT INFORMATION

We would require no additional equipment, personnel or facilities to provide the services intended. In fact, it would assist us and enable us to better utilize our equipment, personnel and facilities we now have.

13. ARGUMENT

A finding of fitness is in order for the following reasons:

1. We have experience in hauling for ourselves.
2. We have transported lumber when it was our lumber and fit properly within the confines of our ownership and business.
3. We have adequate equipment both in number and condition and other facilities to broaden the scope of our business activities.

4. Approval will permit us to utilize our trucks and other equipment more efficiently.

5. We have a proper safety program and maintain our vehicles in a manner required by law.

6. We have adequate terminal facilities.

7. We are financially sound.

8. The operation is feasible in that it will create back-haul for our company and thus make our company more efficient.

9. Neither dual operations nor duplicate authority is involved.

COMMONWEALTH OF PENNSYLVANIA X

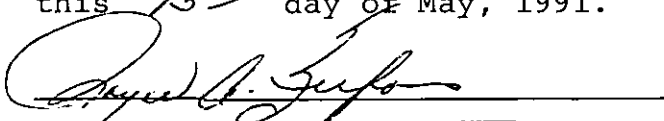
SS:

COUNTY OF SOMERSET X

Personally appeared before me, a Notary Public in and for the Commonwealth of Pennsylvania, BRADLEY C. OTTO, who, being duly sworn according to law, deposes and says that he is Secretary/Treasurer of Applicant; is authorized to and does make this affidavit for and on its behalf; and that the facts set forth in the foregoing Application are true and correct to the best of his knowledge, information and belief.

  
Bradley C. Otto

Sworn to and subscribed before me  
this 13<sup>th</sup> day of May, 1991.



Notarial Seal  
Joyce A. Zerfoss, Notary Public  
Somerset Boro, Somerset County  
My Commission Expires March 25, 1994  
Member, Pennsylvania Association of Notaries



*Young, Oakes, Brown & Company, P.C.*  
*Certified Public Accountants*

*1210 Thirteenth Street*  
*Allcoona, Pennsylvania 16603*  
*(814) 944-6191*

MEMBERS:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

PENNSYLVANIA INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

ASSOCIATED REGIONAL  
ACCOUNTING FIRMS (ARAF)

ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors  
Otto Brick and Tile Works, Inc.  
Star Route  
Springs, Pennsylvania 15562

We have compiled the accompanying balance sheet of Otto Brick and Tile Works, Inc., as of December 31, 1989 and 1988, and the related statements of income, retained earnings and cash flows for the years then ended, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*Young, Oakes, Brown & Company, P.C.*

August 13, 1990

OTTO BRICK AND TILE WORKS, INC.  
 BALANCE SHEETS  
 AS OF DECEMBER 31, 1989 AND 1988  
 (UNAUDITED)

	<u>1989</u>	<u>1988</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash	\$100,448	\$187,740
Accounts Receivable (Less: Allowance for Doubtful Accounts of \$2,967 and \$5,935)	192,055	228,863
Inventory	249,003	183,030
Employee Advances	713	713
Prepaid Taxes	<u>27,973</u>	<u>-0-</u>
 Total Current Assets	 <u>\$570,192</u>	 <u>\$600,346</u>
 <u>Property and Equipment</u>		
Land	\$ 8,809	\$ 8,809
Building and Improvements	109,539	109,539
Machinery and Equipment	<u>372,108</u>	<u>351,656</u>
	\$490,456	\$470,004
Less: Accumulated Depreciation	( <u>440,591</u> )	( <u>415,051</u> )
 Net Property and Equipment	 <u>\$ 49,865</u>	 <u>\$ 54,953</u>
 <u>Other Assets</u>		
Cash Surrender Value (Net)	<u>\$ 12,038</u>	<u>\$ 9,433</u>
 TOTAL ASSETS	 <u>\$632,095</u> =====	 <u>\$664,732</u> =====

SEE ACCOUNTANTS' COMPILATION REPORT

The Notes to Financial Statements are an integral part of these statements.

O'DD BRICK AND TILE WORKS, INC.  
 BALANCE SHEETS  
 AS OF DECEMBER 31, 1989 AND 1988  
 (UNAUDITED)

	<u>1989</u>	<u>1988</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
<u>Current Liabilities</u>		
Accounts Payable	\$ 89,684	\$ 86,131
Notes Payable	14,500	10,000
Mortgage Payable	1,599	15,000
Accrued Taxes	<u>-0-</u>	<u>13,681</u>
Total Current Liabilities	<u>\$105,783</u>	<u>\$124,812</u>
 <u>Long-Term Liabilities</u>		
Notes Payable	\$ 21,706	\$ 34,667
Mortgage Payable	-0-	1,139
Notes Payable - Stockholders	<u>4,233</u>	<u>12,633</u>
Total Long-Term Liabilities	<u>\$ 25,939</u>	<u>\$ 48,439</u>
Total Liabilities	<u>\$131,722</u>	<u>\$173,251</u>
 <u>Stockholders' Equity</u>		
Capital Stock (220 Shares Authorized and Issued at \$100 Par)	\$ 22,000	\$ 22,000
Retained Earnings	<u>478,373</u>	<u>469,481</u>
Total Stockholders' Equity	<u>\$500,373</u>	<u>\$491,481</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$632,095</u>	<u>\$664,732</u>
	=====	=====

SEE ACCOUNTANTS' COMPILATION REPORT

The Notes to Financial Statements are an integral part of these statements.

OTTO BRICK AND TILE WORKS, INC.  
 STATEMENTS OF INCOME AND RETAINED EARNINGS  
 FOR THE YEARS ENDED DECEMBER 31, 1989 AND 1988  
 (UNAUDITED)

	<u>1989</u>	<u>1988</u>
<u>SALES - Net</u>	\$1,608,154	\$1,944,504
<u>COST OF SALES</u>	<u>1,159,071</u>	<u>1,440,277</u>
Gross Profit	\$ 449,083	\$ 504,227
 <u>EXPENSES</u>		
Officer's Salaries	\$ 41,727	\$ 36,915
Delivery Expense	203,576	193,105
PA Capital Stock & Loans Tax	5,034	3,596
Other Taxes	39,485	13,839
Repairs	4,001	3,565
Contributions	110	157
Advertising	27,702	26,547
Accounting and Legal Fees	4,863	2,462
Insurance	31,635	27,190
Office Expense and Postage	5,848	3,563
Shop Expense	2,512	2,116
Telephone and Utilities	11,235	10,472
Travel and Entertainment	-0-	742
Selling Expense	3,032	2,885
Miscellaneous	2,897	1,602
Depreciation	33,948	45,499
Bad Debts	<u>15,415</u>	<u>22,239</u>
Total Expenses	\$ 433,020	\$ 396,494
Net Income from Operations	\$ 16,063	\$ 107,733
<u>OTHER INCOME</u>	<u>2,425</u>	<u>12,610</u>
<u>OTHER EXPENSE - Interest</u>	<u>\$ 18,488</u>	<u>\$ 120,343</u>
<u>INCOME TAXES</u>	<u>6,379</u>	<u>6,555</u>
Net Income to Retained Earnings	\$ 12,109	\$ 113,788
	<u>3,217</u>	<u>113,788</u>
<u>RETAINED EARNINGS - January 1,</u>	<u>469,481</u>	<u>389,713</u>
<u>RETAINED EARNINGS - December 31,</u>	<u>\$ 478,373</u>	<u>\$ 469,481</u>
	=====	=====

SEE ACCOUNTANTS' COMPILATION REPORT

The Notes to Financial Statements are an integral part of these statements.

OTTO BRICK AND TILE WORKS, INC.  
 STATEMENTS OF CASH FLOWS  
 FOR THE YEARS ENDED DECEMBER 31, 1989 AND 1988  
 (UNAUDITED)

	<u>1989</u>	<u>1988</u>
<u>Cash Flow from Operating Activities</u>		
Net Income	\$ 8,892	\$ 79,768
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	33,948	45,499
(Increase) Decrease in Inventory	( 65,973)	18,375
(Increase) Decrease in Accounts Receivable	36,808	( 35,606)
(Increase) Decrease in Prepaid Expense	( 27,973)	1,505
(Increase) in Other Assets	( 2,605)	( 4,006)
Increase (Decrease) in Accounts Payable	3,553	( 7,334)
Increase (Decrease) in Accrued Expenses	( 13,681)	13,681
	(\$ 27,031)	\$111,882
<u>Cash Flow from Investing Activities</u>		
Purchase of Fixed Assets	( 28,860)	( 14,409)
	(\$ 55,891)	\$ 97,473
<u>Cash Flow from Financing Activities</u>		
(Decrease) in Notes Payable	( 31,401)	( 26,767)
Net Increase (Decrease) in Cash	(\$ 87,292)	\$ 70,706
<u>Cash Balance - Beginning</u>	<u>187,740</u>	<u>117,034</u>
<u>Cash Balance - Ending</u>	<u>\$100,448</u>	<u>\$187,740</u>
	=====	=====
<u>Supplemental Disclosure of Cash Flow Information</u>		
Cash Paid During the Year For:		
Interest	\$ 6,379	\$ 6,555
	=====	=====
Income Taxes	\$ 43,870	\$ 23,427
	=====	=====

SEE ACCOUNTANTS' COMPILATION REPORT

The Notes to Financial Statements are an integral part of these statements.

VERIFIED STATEMENT OF DANIEL L. FISHER

FOR

FISHER'S SAWMILL

1. LEGAL NAME AND DOMICILE OF SUPPORTING PARTY OF FIRM

Daniel L. Fisher, t/d/b/a  
Fisher's Sawmill  
Springs, PA 15562

2. IDENTITY AND QUALIFICATIONS OF TESTIFYING WITNESS

My name is Daniel L. Fisher. I am the owner of Fisher's Sawmill and I am familiar with all the aspects of the company's business, including transportation of the goods produced and as such I am familiar with the application and I support it.

3. GENERAL DESCRIPTION OF SUPPORTING PARTY AND/OR OPERATIONS

My company is engaged in the sawing and manufacturing of lumber and lumber products which is all done at my sawmill located near Springs, a few miles from the applicant's business. It is necessary in my business to produce the lumber and lumber products and transport the same to the users.

4. SPECIFIC DESCRIPTION OF COMMODITIES APPLIED FOR

Lumber and lumber products in bulk.

4. VOLUME AND FREQUENCY OF TRAFFIC

Within the area of the application of Otto Brick & Tile Works, Inc., I ship the major portion of my lumber to points in the Commonwealth of Pennsylvania. The transportation needed by my company is on an as needed basis, with at some times very little notice to be given.

6. AMOUNT OF TRAFFIC TO BE TENDERED APPLICANT

It would be possible for me to call upon Otto Brick & Tile

Works, Inc. on an as needed basis and provide a proportionate share of my hauling to them as I am familiar with the company and the personnel in the company.

7. SPECIFIC AND/OR REPRESENTATIVE ORIGINS AND DESTINATIONS

The point of origin for my product would be my sawmill near Springs, Pennsylvania, a few miles from the applicant's place of business.

The destinations vary from day to day. A good portion of those destinations are in the Commonwealth of Pennsylvania.

8. HOW THE TRAFFIC NOW MOVES

Lumber cut from my mill is moved entirely by truck. My sawmill has no rail siding for the manufactured product to be placed upon and therefore all traffic is done by truck.

9. EXISTING SERVICE AND DEFICIENCIES

There are not always trucks available when I have the absolute need. There are times that I must delay shipment until those who I am familiar with have trucks available for service. I believe that Otto Brick & Tile Works, Inc. would be a valuable asset to me in that it would be one reliable source to turn to for shipping when needed.

10. TYPE OF SERVICE REQUIRED

Heavy trucks to enter my sawmill near Springs and take a load size proper for my customers, primarily in a flatbed size vehicle.

11. SIMILAR APPLICATIONS SUPPORTED

None.

12. OTHER PERTINENT INFORMATION

None.

13. ARGUMENT

I believe that Otto Brick & Tile Works, Inc. will improve my service to my customers.

COMMONWEALTH OF PENNSYLVANIA

X

ss:

COUNTY OF SOMERSET

X

Personally appeared before me, a Notary Public in and for the Commonwealth and County aforesaid, DANIEL L. FISHER, who, being duly sworn according to law, deposes and says taht he is the owner of Fisher's Sawmill and as such is authorized to and does make this affidavit for and on its behalf; and that the facts set forth in the foregoing Statement are true and correct to the best of his knowledge, information and belief.

*Daniel L. Fisher*

Daniel L. Fisher

Sworn to and subscribed before me  
this 10th day of May, 1991.

*Margaret J. Otto*

NOTARIAL SEAL  
MARGARET J. OTTO, NOTARY PUBLIC  
ELK LICK TWP., SOMERSET COUNTY  
MY COMMISSION EXPIRES JULY 29, 1991

Member, Pennsylvania Association of Notaries

VERIFIED STATEMENT OF JOHN MILLER

FOR

MILLER'S SAWMILL

1. LEGAL NAME AND DOMICILE OF SUPPORTING PARTY OF FIRM

John Miller, t/d/b/a  
Miller's Sawmill  
Salisbury, PA 15558

2. IDENTITY AND QUALIFICATIONS OF TESTIFYING WITNESS

My name is John Miller. I am the owner of Miller's Sawmill and I am familiar with all the aspects of the company's business, including transportation of the goods produced and as such I am familiar with the application and I support it.

3. GENERAL DESCRIPTION OF SUPPORTING PARTY AND/OR OPERATIONS

My company is engaged in the sawing and manufacturing of lumber and lumber products which is all done at my sawmill located near Salisbury, approximately three miles North of the applicant's place of business. It is necessary in my business to produce the lumber and lumber products and transport the same to the users.

4. SPECIFIC DESCRIPTION OF COMMODITIES APPLIED FOR

Lumber and lumber products in bulk.

5. VOLUME AND FREQUENCY OF TRAFFIC

Within the area of the application of Otto Brick & Tile Works, Inc., I ship the major portion of my lumber to points in the Commonwealth of Pennsylvania. The transportation needed by my company is on an as needed basis, with at some times very little notice to be given.

6. AMOUNT OF TRAFFIC TO BE TENDERED APPLICANT

It would be possible for me to call upon Otto Brick & Tile

Works, Inc. on an as needed basis and provide a proportionate share of my hauling to them as I am familiar with the company and the personnel in the company.

7. SPECIFIC AND/OR REPRESENTATIVE ORIGINS AND DESTINATIONS

The point of origin for my product would be my sawmill near Salisbury, Pennsylvania, three miles from the headquarters of the applicant.

The destinations vary from day to day. A good portion of those destinations are in the Commonwealth of Pennsylvania.

8. HOW THE TRAFFIC NOW MOVES

Lumber cut from my mill is moved entirely by truck. My sawmill has no rail siding for the manufactured product to be placed upon and therefore all traffic is done by truck.

9. EXISTING SERVICE AND DEFICIENCIES

There are not always trucks available when I have the absolute need. There are times that I must delay shipment until those who I am familiar with have trucks available for service. I believe that Otto Brick & Tile Works, Inc. would be a valuable asset to me in that it would be one reliable source to turn to for shipping when needed.

10. TYPE OF SERVICE REQUIRED

(1) Heavy trucks to enter my sawmill near Salisbury and take a load size proper for my customers, primarily in a flatbed size vehicle.

11. SIMILAR APPLICATIONS SUPPORTED

None.

12. OTHER PERTINENT INFORMATION

None.

13. ARGUMENT

I believe that Otto Brick & Tile Works, Inc. will improve my service to my customers.





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

May 15, 1991

IN REPLY PLEASE  
REFER TO OUR FILE

Dean A. Bowman  
Attorney at Law  
P.O. Box 306  
Somerset, PA 15501

In re: A-00109693 - Application of Otto Brick & Tile Works, Inc.

Dear Mr. Bowman:

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

