

00830

EMERY AIR FREIGHT CORP.

1978

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**Freight Forwarders
(Class A)**

**Annual Report Form
F-1**

1978

Due: March 31, 1979

Approved by GAO
B-180230 (R0254)
Expires 10-31-79

1. CORRECT NAME AND ADDRESS IF DIFFERENT THAN SHOWN. (See instructions)

INTERSTATE
COMMERCE COMMISSION
RECEIVED

APR 2 1979

NAME AND ADDRESS OF REPORTING CARRIER (Attach label from front cover on original, copy in full on duplicate)

EMERY AIR FREIGHT CORPORATION
PO BOX 7
Scranton, Pa. 18501

FF 383

2. State whether respondent is an individual owner, partnership, corporation, association, etc. Corporation

3. If a partnership, state the names and addresses of each partner including silent or limited, and their interests:

Name	Address	Proportion of Interest

4. If a corporation, association or other similar form of enterprise, give:

(a) Dates and States of incorporation or organization: April 1946 - Delaware

(b) Directors' names, addresses, and expiration dates of terms of office:

Name	Address	Term Expires
See Schedule Attached		

(c) The names and titles of principal general officers:

Name	Title
See Schedule Attached	

5. Give the voting power, elections, and stockholders, as follows:

A. Total voting securities outstanding: 15,737,430

(1) Common	shares	<u>15,737,430</u>	votes
(2) 1st Preferred	shares		votes
(3) 2nd Preferred	shares		votes
(4) Other securities	shares		votes

B. Does any class of securities carry any special privileges in any elections or in the control of corporate action?

NO

If so, describe each such class or issue, showing the character and extent of such privileges:

C. State for each class of stock the total number of stockholders of record at the latest date of closing of stock book or compilation of list of stockholders prior to date of submitting this report:

(1) Common 5562 (2) 1st Preferred _____ (3) 2nd Preferred _____
(4) Other _____ (5) Date of closing stock book _____

6. Give names of the ten security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him. If any such holder held securities in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such ten security holders as of the close of the year.

Name of security holder (a)	Address (b)	Number of votes, to which entitled (c)	Number of votes, classified			
			Common (d)	1st Preferred (e)	2nd Preferred (f)	Other securities (g)
Cede & Co.	New York, NY	3659.7	3659.7			
Dean & Davis	New York, NY	700.0	700.0			
Eye & Co.	Boston, Mass.	613.7	613.7			
Pace & Co.	Pittsburgh, Pa.	462.3	462.3			
Kray & Co.	Jersey City, NJ	349.1	349.1			
Harvey L. Rohde	New Canaan, Conn.	296.0	296.0			
Equitable Life Ins.	New York, NY	259.6	259.6			
Gilmet & Co.	New York, NY	176.2	176.2			
Horatio J. Snyder	Greenwich, Conn.	146.8	146.8			
Ellis D. Slater	Landrum, South Carolina	142.8	142.8			

7. The respondent is required to send to the Bureau of Accounts, immediately upon preparation two copies of its latest annual report to stockholders.

Check appropriate box:

☒ Two copies are attached to this report.

☐ Two copies will be submitted _____
(date)

☐ No annual report to stockholders is prepared.

8. If the respondent was formed as a result of consolidations or mergers during the year, name all constituent companies, and give specific references to charters or general laws governing each organization, date and authority for each consolidation and each merger received from a regulatory body, and date of consummation:

N / A

9. If the respondent was reorganized during the year, give name of original corporation and the laws under which it was organized, or the name of owner or partners, the reason for the reorganization, and date of reorganization:

N / A

10. If the respondent was subject to a receivership during the year, state—

N / A

A. Date of receivership _____

B. Court of jurisdiction under which operations were conducted _____

C. Date when possession under it was required _____

D. Name of receiver, receivers, or trustee _____

EMERY AIR FREIGHT CORPORATION
DIRECTORS

<u>Name</u>	<u>Office</u>	<u>Address</u>
James J. McNulty	Chairman of the Board	Old Danbury Road Wilton, Conn. 06897
John C. Emery, Jr.	President & Director	Old Danbury Road Wilton, Conn. 06897
Joseph D. Ardleigh	Director	Research Institute of America, Inc. 589 - Fifth Avenue New York, N. Y. 10017
Richard P. Bond	Director	Executive Vice President Stauffer Chemical Company Westport, Conn. 06880
Walter G. Corcoran	Director & Sr. Vice Pres. Finance & Administration	Old Danbury Road Wilton, Conn. 06897
William B. Durcan	Director	Deputy Chairman Imperial Chemical Industries, Ltd. Imperial Chemical House Millbank, London SW1 P3JF England
Harvey L. Rohde	Director	Old Danbury Road Wilton, Conn. 06897
Ellis D. Slater	Director	Old Danbury Road Wilton, Conn. 06897
Horatio J. Snyder	Director	Old Danbury Road Wilton, Conn. 06897
John T. Thompson	Director	c/o Jesup and LaMont 25 Broadway New York, N. Y. 10004

EMERY AIR FREIGHT CORPORATION
OFFICERS

Name	Office	Address
John C. Emery, Jr.	President and Director	Old Danbury Road Wilton, CT. 06897
Walter G. Corcoran	Sr. Vice Pres. - Finance & Admin.	Old Danbury Road Wilton, CT. 06897
James B. Brown	Sr. Vice Pres. & General Manager	Old Danbury Road Wilton, CT. 06897
Leslie N. Bittenson	Vice Pres. - Western Division	15910 Ventura Boulevard, Ste. 1031 Encino, California 91436
Brian E. Bullless	Vice Pres. - Pacific Division	71-73 Archer Street Chatswood, N.S.W. Australia 2067
Edward J. Crane	Vice Pres. - Marketing	Old Danbury Road Wilton, CT. 06897
Ambrose G. Charnogursky	Vice Pres. - Accounting	Keystone Industrial Park Scranton, Pennsylvania 18501
James J. Doyle	Vice Pres. - Southern Division	Heritage Square 4835 LBJ Freeway, Ste. 845 Dallas, Texas 75234
Arthur C. French, Jr.	Vice Pres. - Service	Old Danbury Road Wilton, CT. 06897
John W. Grieger	Vice Pres. - Midwest Division	4333 Transworld Road Schiller Park, Illinois 60176
Harold L. Mead	Vice Pres. - Canadian Division	12 Lakeside Office Park 607 North Avenue Wakefield, Massachusetts 01880

4.(c) continued

EMERY AIR FREIGHT CORPORATION
OFFICERS (continued)

Name	Office	Address
Daniel J. McCauley	Vice Pres. and Secretary	Old Danbury Road Wilton, CT. 06897
Frederick M. Robison	Vice Pres. and Treasurer	Old Danbury Road Wilton, CT. 06897
Johannes Schenkels	Vice Pres. - International	Old Danbury Road Wilton, CT. 06897
Clifford J. Stueck	Vice Pres. - EMCON Computer Systems	Old Danbury Road Wilton, CT. 06897
Ronald A. Van Marter	Vice Pres. - Customer Service	4333 Transworld Road Schiller Park, Illinois 60176

11. If any individual, individuals, association, or corporation held control, as trustee, other than receivership, over the respondent at the close of the year, state--

N / A

- A. Date of trusteeship _____
 B. Authority for trusteeship _____
 C. Name of trustee _____
 D. Name of beneficiary or beneficiaries _____
 E. Purpose of trust _____

12. Give a list of companies under common control with respondent:

N / A

13. Furnish a complete list of all companies controlled by the respondent, either directly or indirectly, at the close of the year. List under each directly controlled company the companies controlled by it and under each company any others of more remote control. Each step of control should be appropriately indented from the left margin. After each company state the percentage, if any, of the voting power represented by securities owned by the immediately controlling company:

SEE SCHEDULE ATTACHED

14. Give a complete list showing companies controlling the respondent, as of the close of the year. Commence with the company which is the most remote and list under each such company the company immediately controlled by it. Each step of control should be appropriately indented from the left margin. After each company state the percentage, if any, of the voting power represented by securities owned by the immediately controlling company. When any company listed is immediately controlled by or through two or more companies jointly, list all such companies and list the controlled company under each of them, indicating its status by appropriate cross references:

N / A

15. States in which traffic is originated and/or terminated: (check appropriate boxes)

Alabama	<input checked="" type="checkbox"/>	Georgia	<input checked="" type="checkbox"/>	Maryland	<input checked="" type="checkbox"/>	New Jersey	<input checked="" type="checkbox"/>	South Carolina	<input checked="" type="checkbox"/>
Alaska	<input checked="" type="checkbox"/>	Hawaii	<input checked="" type="checkbox"/>	Massachusetts	<input checked="" type="checkbox"/>	New Mexico	<input checked="" type="checkbox"/>	South Dakota	<input checked="" type="checkbox"/>
Arizona	<input checked="" type="checkbox"/>	Idaho	<input checked="" type="checkbox"/>	Michigan	<input checked="" type="checkbox"/>	New York	<input checked="" type="checkbox"/>	Tennessee	<input checked="" type="checkbox"/>
Arkansas	<input checked="" type="checkbox"/>	Illinois	<input checked="" type="checkbox"/>	Minnesota	<input checked="" type="checkbox"/>	North Carolina	<input checked="" type="checkbox"/>	Texas	<input checked="" type="checkbox"/>
California	<input checked="" type="checkbox"/>	Indiana	<input checked="" type="checkbox"/>	Mississippi	<input checked="" type="checkbox"/>	North Dakota	<input checked="" type="checkbox"/>	Utah	<input checked="" type="checkbox"/>
Colorado	<input checked="" type="checkbox"/>	Iowa	<input checked="" type="checkbox"/>	Missouri	<input checked="" type="checkbox"/>	Ohio	<input checked="" type="checkbox"/>	Vermont	<input checked="" type="checkbox"/>
Connecticut	<input checked="" type="checkbox"/>	Kansas	<input checked="" type="checkbox"/>	Montana	<input checked="" type="checkbox"/>	Oklahoma	<input checked="" type="checkbox"/>	Virginia	<input checked="" type="checkbox"/>
Delaware	<input checked="" type="checkbox"/>	Kentucky	<input checked="" type="checkbox"/>	Nebraska	<input checked="" type="checkbox"/>	Oregon	<input checked="" type="checkbox"/>	Washington	<input checked="" type="checkbox"/>
District of Columbia	<input checked="" type="checkbox"/>	Louisiana	<input checked="" type="checkbox"/>	Nevada	<input checked="" type="checkbox"/>	Pennsylvania	<input checked="" type="checkbox"/>	West Virginia	<input checked="" type="checkbox"/>
Florida	<input checked="" type="checkbox"/>	Maine	<input checked="" type="checkbox"/>	New Hampshire	<input checked="" type="checkbox"/>	Rhode Island	<input checked="" type="checkbox"/>	Wisconsin	<input checked="" type="checkbox"/>
								Wyoming	

16. COMPARATIVE BALANCE SHEET STATEMENT - ASSET SIDE

Give the following financial data at the beginning of the year and at the close of the year (omit cents):

Line No.	Balance at beginning of year (a)	Item 000 OMITTED (b)	Balance at close of year (c)
		I. CURRENT ASSETS	
1	2,434	(100) Cash	2,977,000
2		(101) Special cash deposits (Sec. 18)	
3	1,579	(102) Temporary cash investments	--
4	XXXXXX	1. Pledged \$	XXXXXX
5	22	2. Unpledged \$	27,000
6	XXXXXX	(103) Working advances	XXXXXX
7	XXXXXX	(104) Notes receivable	XXXXXX
8	39,901	(105) Accounts receivable	47,850,000
9	5	(106) Less: Reserve for doubtful accounts	1,200,000
10	159	(107) Accrued accounts receivable	46,650,000
11	123	(108) Materials and supplies	14,000
12		(109) Other current assets	220,000
13	44,223	(110) Deferred income tax charges (Sec. 19)	72,000
		Total current assets	49,960,000
		II. SPECIAL FUNDS AND DEPOSITS	
14	XXXXXX	(120) Sinking and other funds	XXXXXX
15		Less: Nominally outstanding	
16	XXXXXX	(121) Special deposits	XXXXXX
17	155	Less: Nominally outstanding	155,000
18	155	Total special funds	155,000
		III. INVESTMENT SECURITIES AND ADVANCES	
19	28,875	(130) Investments in affiliated companies (Sec. 20)	26,068,000
20	XXXXXX	1. Pledged \$	XXXXXX
21		2. Unpledged \$	
22		Undistributed earnings from certain investments in affiliated companies (Sec. 21)	
23	XXXXXX	(131) Other investments (Sec. 20)	XXXXXX
24		1. Pledged \$	
25		2. Unpledged \$	
26	28,875	(132) Less: Reserve for adjustment of investments in securities	
		(133) Allowance for net unrealized loss on noncurrent marketable equity securities	26,068,000
		Total investment securities and advances	
		IV. TANGIBLE PROPERTY	
27	XXXXXX	(140) Transportation property (Sec. 22-A)	24,285,000
28	12,195	(149) Less: Depreciation and amortization reserve	9,103,000
		Transportation property (Sec. 22-B)	15,182,000
29	XXXXXX	(160) Nontransportation property (Sec. 23)	XXXXXX
30		(161) Less: Depreciation reserve	
		Nontransportation property (Sec. 23)	
31	12,195	Total tangible property	15,182,000
		V. INTANGIBLE PROPERTY	
32		(165) Organization	
33		(166) Other intangible property	
34		Total intangible property	
		VI. DEFERRED DEBITS AND PREPAID EXPENSES	
35	2,366	(170) Prepayments	3,477,000
36		(172) Other deferred debits	
37	2,366	(173) Accumulated deferred income tax charges (Sec. 19)	3,477,000
38		Total deferred debits and prepaid expenses	
		VII. REACQUIRED AND NOMINALLY ISSUED SECURITIES	
39	XXXXXX	(190) Reacquired and nominally issued long-term debt	XXXXXX
40	XXXXXX	Reacquired: 1. Pledged	XXXXXX
41	XXXXXX	2. Unpledged	XXXXXX
42	XXXXXX	Nominally issued: 1. Pledged	XXXXXX
43	XXXXXX	2. Unpledged	XXXXXX
44	XXXXXX	(191) Nominally issued capital stock	XXXXXX
45	XXXXXX	1. Pledged \$	
46		2. Unpledged \$	
		TOTAL ASSETS	94,842,000
47	87,814	Contingent assets (not included above)	94,842

For compensating balances not legally restricted, see Sec. 17.

EMERY AIR FREIGHT CORPORATION

Emery Distribution System Inc.	100%
Emery Customs Brokerage Pty Ltd	100%
Emery Customs Brokerage Ltd	100%
Emery Customs Brokers-GMBH (Germany)	100%
Emery Customs Brokers-Holland BV	100%
Emery Customs Brokers-Belgium NV	100%
Emery Customs Brokers-(NZ) Pty Ltd	100%
Emery Agence En Douane Sarl	100%
Emery Asset Management Corp.	100%
Blue Ribbon Insurance Ltd	100%
Japan Emery Air Freight	100%
Emery Air Freight SPA	100%
Cargo Facilities Inc.	100%
Emery Facilities Inc.	100%
Mitchel Facilities Inc.	100%
Roberts Cartage Inc.	100%
100 Port St.	100%
Bradley Facilities Inc.	40%

COMPARATIVE BALANCE SHEET STATEMENT—LIABILITY SIDE

Line No.	Balance at beginning of year (a)	Item 000 Omitted (b)	Balance at close of year (c)
	\$	VIII. CURRENT LIABILITIES	\$
48		(200) Notes payable	
49	25,942	(201) Accounts payable	30,985,000
50		(202) Accrued interest	
51		(203) Dividends payable	
52	6,593	(204) Accrued taxes	3,764,000
53	1,840	(205) Accrued accounts payable	2,752,000
54		(208) Deferred income tax credits (Sec. 19)	
55		(209) Other current liabilities	
56	34,375	Total current liabilities	37,501,000
		IX. LONG-TERM DEBT	
		(b1) Less—Nominally outstanding, (b2) Less—Nominally issued	
57		(210) Funded debt (Sec. 29)	\$ \$
58		(210.5) Capitalized leased obligations	
59		(211) Receivers' and trustees' securities (Sec. 29)	
60		(212) Amounts payable to affiliated companies (Sec. 30)	
61		(213) Long-term debt in default (Sec. 29)	
62		(218) Discount on long-term debt	
63		(219) Premium on long-term debt	
64		Total long-term debt	
		X. RESERVES	
65	941	(220) Insurance reserves	1,585,000
66	2,250	(221) Provident reserves	--
67		(222) Other reserves	
68	3,191	Total reserves	1,585,000
		XI. DEFERRED CREDITS	
69		(231) Other deferred credits	
70		(232) Accumulated deferred income tax credits (Sec. 19)	
71		Total deferred credits	
		XII. CAPITAL AND SURPLUS	
72	1,574	(240) Capital stock (Sec. 31)	3,147,000
73		(241) Premiums and assessments on capital stock	
74		Total (Lines 70 and 71)	3,147,000
75		Less—Nominally issued capital stock	
76		(242) Discount, commission and expense on capital stock	
77		Total (Lines 73 and 74)	
78		Total (Lines 72 and 75)	3,147,000
79		(243) Proprietorial capital	
80	10,347	(250) Unearned surplus	8,713,000
81	xxxxxxx	1. Paid in \$ 2. Other \$	xxxxxxx
82		(260) Earned surplus—Appropriated	
83	43,488	(270) Earned surplus—Unappropriated (Deficit in paren.) (Sec. 32)	49,878,000
84	xxxxxxx	1. Distributed \$ 2. Undistributed \$	xxxxxxx
85		(279) Net unrealized loss on noncurrent marketable equity securities	
86	5,161	(280) Less: Treasury stock	5,986,000
87	xxxxxxx	1. Pledged \$ 2. Unpledged \$	xxxxxxx
88	50,248	Total capital and surplus	55,756,000
89	87,814	TOTAL LIABILITIES	94,842,000
90		Contingent liabilities (not included above)	

COMPARATIVE BALANCE SHEET STATEMENT—EXPLANATORY NOTES

Estimated accumulated net Federal income tax reduction realized since December 31, 1949, under section 168 (formerly section 124-A) of the Internal Revenue Code because of accelerated amortization of emergency facilities in excess of recorded depreciation \$ NONE

Estimated accumulated savings in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below \$ NONE

Accelerated depreciation since December 31, 1953, under section 167 of the Internal Revenue Code.

Guideline lives since December 31, 1961, pursuant to Revenue Procedure 62-21.

Guideline lives under Class Life System (Asset Depreciation Range) since December 31, 1970, as provided in the Revenue Act of 1971.

(1) Estimated accumulated net income tax reduction utilized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962, as amended \$1,294,000

(2) If carrier elected, as provided in the Revenue Act of 1971, to account for the investment tax credit under the deferral method, indicate the total deferred investment tax credit at beginning of year \$ N/A

Add investment tax credits applied to reduction of current year's tax liability but deferred for accounting purposes \$

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual \$

Other adjustments (indicate nature such as recapture on early disposition) \$

Total deferred investment tax credit at close of year \$

Investment tax credit carryover at year end \$

Cost of pension plan:

Past service costs determined by actuaries at year end \$

Total pension costs for year:

Normal costs \$ 1,804,247

Amortization of past service costs \$ --

Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made \$ NONE

State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). YES — NO — X —

Marketable Equity Securities—to be completed by companies with \$10.0 million or more in gross operating revenues:

1. Changes in Valuation Accounts N/A

		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
Current year	Current Portfolio	\$	\$	\$	x x x x
as of / /	Noncurrent Portfolio			x x x x	\$
Previous year	Current Portfolio			x x x x	x x x x
as of / /	Noncurrent Portfolio			x x x x	x x x x

2. At / / , gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gain	Losses
Current	\$	\$
Noncurrent		

3. A net unrealized gain (loss) of \$ on the sale of marketable equity securities was included in net income for (year). The cost of securities sold was based on the (method) cost of all the shares of each security held at time of sale.

N/A

Significant net realized and net unrealized gains and losses arising after date of the financial statements but prior to their filing, applicable to marketable equity securities owned at balance sheet date shall be disclosed below:

N/A

NOTE: / / - date - Balance sheet date date of the current year unless specified as previous year.

17.—COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

Using the following notes as a guideline, show the requirements of compensating balances and short-term borrowing arrangements if operating revenues are \$10 million or more. Footnote disclosure is required even though the arrangement is not reduced to writing.

1. Disclose compensating balances not legally restricted, lines of credit used and unused, average interest rate of short-term borrowings outstanding at balance sheet date, maximum amount of outstanding borrowings during the period and the weighted average rate of those borrowings.
2. Time deposits and certificates of deposit constituting compensating balances not legally restricted should be disclosed.
3. Compensating balance arrangements need only be disclosed for the latest fiscal year.
4. Compensating balances under an agreement which legally restricts the use of such funds, and which constitute support for short-term borrowing arrangements, should be included in section 18, account 101, Special cash deposits.
5. Compensating balances under an agreement which legally restricts the use of such funds and which constitute support for long-term borrowing arrangements and are reported in account 121, Special deposits, should also be separately disclosed below.
6. Compensating balance arrangements are sufficiently material to require disclosure in footnotes when the aggregate of written and oral agreement balances amount to 15 percent or more of liquid assets (current cash balances, restricted and unrestricted plus marketable securities).
7. When a carrier is not in compliance with a compensating balance requirement, that fact should be disclosed along with stated and possible sanctions whenever such possible sanctions may be immediate (not vague or unpredictable) and material.

1 - Chemical Bank	
Line of Credit	5,000,000.00
Line of Credit Used	- 0 -
Maximum Amount of Borrowing in 1978	- 0 -
2 - None	
3 - None	
4 - None	
5 - None	
6 - N/A	
7 - N/A	

18.—SPECIAL CASH DEPOSITS

NONE

For other than compensating balances, state separately each item of \$10,000 or more reflected in account 101, Special cash deposits, at the close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items less than \$10,000". For compensating balances, state separately the total amounts held on behalf of respondent and held on behalf of others.

Line No.	Purpose of deposit (a)	Balance at close of year (b)
1	Interest special deposits:	\$
2		
3		
4		
5		
6	Total	
7	Dividend special deposits:	
8		
9		
10		
11		
12	Total	
13	Miscellaneous special deposits:	
14		
15		
16		
17		
18	Total	
19	Compensating balances legally restricted:	
20	Held on behalf of respondent	
21	Held on behalf of others	
22	Total	

Indicate in column (c) the net change in accounts 110, 173, 208 and 232 for the net tax effect of timing difference originating and reversing in the current accounting period.

Indicate in column (d) any adjustment as appropriate, including adjustments to eliminate or reinstate deferred tax effect (credits *in* debits) due to applying or recognizing a loss carryforward or a loss carryback.

Indicate in column (e) the cumulative total of columns (b), (c) and (d). The total of column (e) must agree with the balances in accounts 110, 173, 208 and 232 in Section 16.

N / A

Line No.	Particulars	Beginning of Year Balance (b)	Net credits (Charges) for Current Year (c)	Adjustments (d)	End of Year Balance (e)
1	Accelerated depreciation, Sec. 167 I.R.C.: Guideline lives pursuant to Rev. Proc. 62-21 _____	\$ _____	\$ _____	\$ _____	\$ _____
2	Accelerated amortization of facilities Sec. 168 I.R.C. _____	_____	_____	_____	_____
3	Other (Specify) _____	_____	_____	_____	_____
4	_____	_____	_____	_____	_____
5	_____	_____	_____	_____	_____
6	_____	_____	_____	_____	_____
7	Investment tax credit _____	_____	_____	_____	_____
8	TOTALS _____	_____	_____	_____	_____

20. Give the details called for of investments in securities and advances held at the close of the year as stated for accounts (130) and (131) in section 16.

[illegible]

21. Report below the details of all investments in common stocks included in account 130 Investments in affiliated companies, which qualify for the equity method under instruction 28 in the Uniform System of Accounts for Freight Forwarders.
Enter in column (a) the amount necessary to retroactively adjust those investments qualifying for the equity method of accounting in accordance with instruction 28(b) (1) of the Uniform System of Accounts.

Enter in column (d) the share of undistributed earnings (i.e., less dividends) or losses.
Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost at date of acquisition. See instruction 28(b)(4)).
The total of column (g) must agree with column (b), line 21, Section 16.

UNDISTRIBUTED EARNINGS FROM CERTAIN INVESTMENTS IN AFFILIATED COMPANIES

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustment for investments qualifying for equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)
1	Carriers (List specifics for each company)	\$	\$	\$	\$	\$	\$
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18	Total	70,441	- 0 -	24,308			46,133
19	Noncarriers (Show totals only for each column)	70,441	- 0 -	24,308			46,133
20	Total (lines 18 and 19)						

Names of Issuing Company and Description of Security Held *	Par Value	No. of Shares	Book Cost	INCOME EARNED DURING YEAR	
				KIND	AMOUNT
Roberts Cartage Inc.	No Par	695	386,453	Ordinary	9,135
Blue Ribbon Inc. Ltd.	No Par	119,992	122,014		715,522
Emery Asset Mgt Corp	\$100.00	200	23,448,327		1,020,423
Cargo Facilities Inc.	1.00	750	1,000		3,703
Emery Facilities Inc.	1.00	500	287,658		6,102
Mitchell Facilities Inc.	No Par	250	33,904		13,454
Emery Air Freight, SPA	Lire 1,000	--	1,720		51,443
Japan Emery Air Freight	Yen 500	100,000	229,114		44,313
100 Port St. Inc.	.10	100	1,737,105		25,606
Bradley Facilities, Inc.	5.00	805	46,133		70,392
Emery Distribution Sys Inc.	No Par	1,000	1,713,076		325,609
Emery Customs Brokers Pty.	A\$1.00	10,000	11,148		111,518
Emery Customs Brokers Ltd.	No Par	400	85,000		207,764
Emery Agence En Douane Sarl	FF 100	2,500	50,780		230,936
Emery Customs Brokers-NV	No Par	1,000	40,125		13,589
Emery Customs Brokers-BV	No Par	125	15,803		18,300
Emery Customs Brokers-(NZ) Pty	No Par	1,000	10,525		31
Emery Customs Brokers-GMBH	No Par	1,000	10,540		--
Advance to Subsidiaries			1,149,175		--
TOTAL			29,379,600		2,867,840

*All investments above are in common stock

Property accounts	Balance at beginning of year	Charges	Credits	Adjustments Dr. - Debit Cr. - Credit	Balance at close of year
	\$	\$	\$	\$	\$
141. Furniture and office equipment		SEE ATTACHED SCHEDULE			
142. Motor and other highway vehicles					
143. Land and public improvements					
144. Terminal and platform equipment					
145. Other property account charges					
Total	19950	6616	2281	--	24285

Property accounts	Balance at beginning of year	Charges	Credits	Adjustments Dr. - Debit Cr. - Credit	Balance at close of year
141. Furniture and office equipment	\$	\$	\$	\$	\$
142. Motor and other highway vehicles					
143. Land and public improvements (depreciable property)		SEE ATTACHED SCHEDULE			
144. Terminal and platform equipment					
145. Other property account charges (depreciable property)					
Total	7755	1794	446	--	9103

N / A

Description of property	Book cost of property	Depreciation reserve
	\$	\$
Total		

24.—RENTAL EXPENSE OF LESSEE

Complete this schedule only if (a) carrier operating revenues are \$10 million or more and (b) if gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Otherwise, show total rental expense (reduced by rentals from subleases) entering into the determination of results of operations for each period for which an income statement is presented. Rental payments under short-term leases for a month or less which are not expected to be renewed need not be included. Contingent rentals, such as those based on usage or sales, shall be reported separately from the basic or minimum rentals.

Line No.	Type of lease (a)	Current year (b)	Prior year (c)
	Financing leases:	\$	\$
1	Minimum rentals		
2	Contingent rentals		
3	Sublease rentals	() (
4	Total financing leases		
	Other leases:		
5	Minimum rentals		
6	Contingent rentals		
7	Sublease rentals) () (
8	Total other leases		
9	Total rental expense of lessee		

NOTE: As used in sections 24 through 28, a "financing lease" is defined as a lease which, during the noncancellable lease period, either (a) covers 75% or more of the economic life of the property; or (b) has terms which assure the lessor a full recovery of the fair market value (which would normally be represented by his investment) of the property at the inception of the lease plus a reasonable return on the use of the assets invested subject only to limited risk in the realization of the residual interest in the property and the credit risks generally associated with secured loans.

See Note 7 To Consolidated Financial
Statement For Disclosure Of Lease Commitments.

A. Investment

Property Accounts	Balance at Beginning of Year	Charges	Credits	Adjustments Dr-Debit Cr-Credit	Balance at Close of Year
Land	2,588	1	426	--	2,163
Buildings	1,881	1,212	1,494	--	1,599
Furniture & Equip	8,383	3,952	253	--	12,082
Leasehold Improv.	7,098	1,451	108	--	8,441
TOTAL	19,950	6,616	2,281	--	24,285

B. Depreciation & Amortization Reserve

Property Accounts	Balance at Beginning of Year	Charges	Credits	Adjustments Dr-Debit Cr-Credit	Balance at Close of Year
Buildings	204	58	186	--	76
Furniture & Equip	4,944	1,204	151	--	5,997
Leasehold Improv.	2,607	532	109	--	3,030
TOTAL	7,755	1,794	446	--	9,103

25.—MINIMUM RENTAL COMMITMENTS

Complete this schedule only if (a) carrier operating revenues are \$10 million or more and (b) gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Show the minimum rental commitments under all noncancellable leases, as of the date of the latest balance sheet presented, in the aggregate (with disclosure of the amounts applicable to noncapitalized financing leases) for (a) each of the five succeeding fiscal years; (b) each of the next three five-year periods; and, (c) the remainder as a single amount. The amounts so determined should be reduced by rentals to be received from existing noncancellable subleases (with disclosure of the amounts of such rentals). For purposes of this rule, a noncancellable lease is defined as one that has an initial or remaining term of more than one year and is noncancellable, or is cancellable only upon the occurrence of some remote contingency or upon the payment of a substantial penalty.

Line No.	Year coded (a)	A			B	
		Financing leases (b)	Other Leases (c)	Total (d)	Sublease rentals*	
					Financing leases (e)	Other leases (f)
		\$	\$	\$	\$	\$
1	Next year	SEE NOTE 7 TO CONSOLIDATED FINANCIAL STATEMENT FOR DISCLOSURE OF LEASE COMMITMENTS				
2	In 2 years					
3	In 3 years					
4	In 4 years					
5	In 5 years					
6	In 6 to 10 years					
7	In 11 to 15 years					
8	In 16 to 20 years					
9	Subsequent					

* The rental commitments reported in Part A of this schedule have been reduced by these amounts.

26.—LESSEE DISCLOSURE

Complete this schedule only if carrier operating revenues are \$10 million or more.

Relate in general terms: (a) the basis for calculating rental payments if dependent upon factors other than the lapse of time; (b) existence and terms of renewal or purchase options, escalation clauses, etc.; (c) the nature and amount of related guarantees made or obligations assumed; (d) restrictions on paying dividends, incurring additional debt, further leasing, etc.; and, (e) any other information necessary to assess the effect of lease commitments upon the financial position, results of operations, and changes in financial position of the lessee.

Line
No.

(a)

SEE NOTE 7 TO CONSOLIDATED FINANCIAL STATEMENTS
FOR DISCLOSURE TO LEASE AGREEMENTS

(b)

(c)

(d)

(e)

27.—LEASE COMMITMENTS—PRESENT VALUE

N/A

Complete this schedule only if (a) carrier operating revenues are \$10 million or more and (b) if the present value of the minimum lease commitments are more than five percent of the sum of the long-term debt, stockholders' equity and the present value of the minimum lease commitments, or if the impact on net income (as computed in section 28, Income impact—Lessee) is three percent or more of the average net income for the most recent three years.

Show all noncapitalized financing leases, the present value of the minimum lease commitments in the aggregate and by major categories of properties. Present values shall be computed by discounting net lease payments (after subtracting, if practicable, estimated, or actual amounts, if any, applicable to taxes, insurance, maintenance and other operating expenses) at the interest rate implicit in the terms of each lease at the time of entering into the lease.

Show either: the weighted average interest rate (based on present value) and range of rates or specific interest rates for all lease commitments.

Line No.	Asset category (a)	Present value		Range		Weighted average	
		Current year (b)	Prior year (c)	Current year (d)	Prior year (e)	Current year (f)	Prior year (g)
		\$	\$	%	%	%	%
1	Structures						
2	Revenue equipment						
3	Shop and garage equipment						
4	Service cars and equipment						
5	Noncarrier operating property						
	Other (Specify):						
6							
7							
8							
9							
10	Total						

28.—INCOME IMPACT—LESSEE

Complete this schedule only if carrier operating revenues are \$10 million or more.

If the impact on net income is less than three percent of the average net income for the most recent three years, a statement to that effect will suffice to complete this schedule. Otherwise, show the impact on net income for each period for which an income statement is presented if all noncapitalized financing leases were capitalized, related assets were amortized on a straight-line basis and interest cost was accrued on the basis of the outstanding lease liability. The amounts of amortization and interest cost shall be separately identified.

In calculating average net income, loss-years should be excluded. If losses were incurred in each of the most recent three years, the average loss shall be used for purposes of this test.

Line No.	Item (a)	Current year (b)	Prior year (c)
1	Amortization of lease rights	\$	\$
2	Interest		
3	Rent expense		
4	Income tax expense		
5	Impact (reduction) on net income		

We are accounting for all financial leases in accordance with Financial Statements Board Statement No. 13. Thus all financial leases are capitalized.

32. Show items of Earned surplus—Unappropriated for the year, classified in accordance with the Uniform System of Accounts for Freight Forwarders. All contra entries hereunder should be indicated in parentheses. Include in column (b) only amounts applicable to earned surplus exclusive of any amounts included in column (c). Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting. See account (270) in section 16.

Line No.	Item 000 Omitted (a)	Retained earnings accounts (b)	Equity in undistributed earnings of affiliated companies (c)
1	(270) Earned surplus (or deficit) at beginning of year	\$ 43,488	xxx
2	(300) Equity in undistributed earnings (losses) of affiliated companies at beginning of year	xxx	
3	(300) Income balance (Sec. 33)	19,989	
4	(301) Miscellaneous credits		
5	(302) Prior period adjustments to beginning earned surplus account		
6	(310) Miscellaneous debits	54	
7	(311) Miscellaneous reservations of earned surplus		xxx
8	(312) Dividend appropriations of earned surplus	13,535	xxx
9	(270) Earned surplus (or deficit) at close of year		xxx
10	Equity in undistributed earnings (losses) of affiliated companies at end of year	xxx	
11	Balance from line 10(c)		xxx
12	Total unappropriated earned surplus and equity in undistributed earnings (losses) of affiliated companies at end of year (lines 9 and 11)	49,878	xxx

'Net of assigned income taxes: account 301 \$ _____ (explain)
account 310 _____ (explain)

33.—INCOME STATEMENT FOR THE YEAR

Give the following income account for the year (omit cents):

Line No.	Item 000 Omitted (a)	Amount (b)
ORDINARY ITEMS		
FORWARDER OPERATING INCOME		
1	(400) Operating revenues (Sec. 34) _____	\$ 166,896,000
2	(410) Operating expenses (Sec. 35) _____	129,479,000
3	*Net revenue from forwarder operations (line 1; line 2) _____	37,417,000
4	(411) Transportation tax accruals (Sec. 36) _____	--
5	*Net revenue, less taxes, from forwarder operations (line 3; line 4) _____	37,417,000
OTHER INCOME		
6	(401) Dividend (other than from affiliates) and interest income _____	286,000
7	(402) Release of premium on long-term debt _____	673,000
8	(403) Miscellaneous income _____	
9	Income from affiliated companies _____	
10	Dividends _____	
11	Equity in undistributed earnings (losses) _____	950,000
12	Total other income _____	38,376,000
13	*Total income (line 5; line 11) _____	
MISCELLANEOUS DEDUCTIONS FROM INCOME		
14	(412) Provision for uncollectible accounts _____	1,254,000
15	(413) Miscellaneous tax accruals _____	
16	(414) Miscellaneous income charges _____	1,254,000
17	Total income deductions _____	37,122,000
18	*Income from continuing operations before fixed charges (Lines 12, 16) _____	
FIXED CHARGES		
19	(420) Interest on long-term debt _____	
20	(421) Other interest deductions _____	
21	(422) Amortization of discount on long-term debt _____	- 0 -
22	Total fixed charges _____	- 0 -
23	(423) Unusual or infrequent items _____	37,122,000
24	*Income from continuing operations before income taxes (lines 17, 21, 22) _____	
PROVISION FOR INCOME TAXES		
25	(431) Income taxes on income from continuing operations (Sec. 36) _____	17,133,000
26	(432) Provision for deferred taxes _____	19,989,000
27	Income (loss) from continuing operations (lines 23-25) _____	
DISCONTINUED OPERATIONS		
28	(433) Income (loss) from operations of discontinued segments** _____	
29	(434) Gain (loss) on disposal of discontinued segments** _____	- 0 -
30	Total income (loss) from discontinued operations (lines 27, 28) _____	19,989,000
31	*Income before extraordinary items (lines 26, 29) _____	
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
32	(435) Extraordinary items Net Credit (Debit) (p. 20) _____	
33	(450) Income taxes on extraordinary and prior period items-Debit (Credit) (p. 20) _____	
34	(431) Provision for deferred taxes-Extraordinary and prior period items _____	- 0 -
35	Total extraordinary items _____	
36	(452) Cumulative effect of changes in accounting principles** _____	- 0 -
37	Total extraordinary items and accounting changes (lines 34, 35) _____	19,989,000
38	*Net income transferred to earned surplus (lines 30, 36) _____	
<p>*If a loss or debit, show the amount in parentheses</p> <p>**Less applicable income taxes of</p> <p>(433) Income (loss) from operations of discontinued segments _____</p> <p>(434) Gain (loss) on disposal of discontinued segments _____</p> <p>(452) Cumulative effect of changes in accounting principles _____</p>		

33.—INCOME STATEMENT - EXPLANATORY NOTES

1. (a) Indicate method ^X elected by carrier, as provided in the Revenue Act of 1971, to account for the investment tax credit:
 Flow-through----- Deferral-----
- (b) If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit----- \$ 319,000
- (c) If deferral method was elected, indicate amount of investment tax credit utilized as reduction of tax liability for current year----- \$ N/A
- Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes----- (\$ -----)
- Balance of current year's investment tax credit used to reduce current year's tax accrual----- \$ -----
- Add amount of prior years' deferred investment tax credits being amortized and used to reduce current year's tax accrual----- \$ -----
- Total decrease in current year's tax accrual resulting from use of investment tax credits----- \$ -----
2. An explanation of all items included in accounts 435, "Extraordinary items," and 450, "Income taxes on extraordinary items" should be made in the space below. (See instruction 540.0-4, *Uniform System of Accounts for Freight Forwarders*.) N/A

34.—OPERATING REVENUES

Show the forwarder operating revenues of the respondent for the year, classified by accounts as follows (omit cents):

Line No.	Account 000 Omitted (a)	Amount (b)
	I. TRANSPORTATION REVENUE	
1	501. Forwarder revenue	\$ 395,841,000
	II. TRANSPORTATION PURCHASED—DR.	
2	511. Railroad transportation	--
3	512. Motor transportation	2,178,000
4	513. Water transportation	--
5	514. Pick-up, delivery, and transfer service	27,785,000
6	515. Other transportation purchased*	200,970,000
7	Total transportation purchased	230,933,000
8	Revenue from transportation (line 1 minus line 7)	164,908,000
	III. INCIDENTAL REVENUE	
9	521. Storage—Freight	= 0 =
10	522. Rent revenue	273,000
11	523. Miscellaneous	1,715,000
12	Total incidental revenues	1,988,000
13	Total operating revenues (line 8 plus line 12)	166,896,000

*Report separately hereunder, by type of transport (air, express, forwarder, or any other type), the amounts included in Account 515, "Other transportation purchased":

AIR TRANSPORTATION PURCHASED

35.—OPERATING EXPENSES

Show the forwarder operating expenses of the respondent for the year, classified by accounts as follows (omit cents):

Line No.	Account 000 Omitted (a)	Amount (b)
1	601. General office salaries	\$ 7,161,000
2	602. Traffic department salaries	11,244,000
3	603. Law department salaries	--
4	604. Station salaries and wages*	49,089,000
5	605. Loading and unloading by others	3,160,000
6	606. Operating rents	7,045,000
7	607. Traveling and other personal expense	1,287,000
8	608. Communications	4,917,000
9	609. Postage	1,196,000
10	610. Stationery and office supplies	2,395,000
11	611. Tariffs	122,000
12	612. Loss and damage—Freight	3,548,000
13	613. Advertising	6,139,000
14	614. Heat, light, and water	1,366,000
15	615. Maintenance	2,562,000
16	616. Depreciation and amortization	1,295,000
17	617. Insurance	431,000
18	618. Payroll taxes (Sec. 36)	4,626,000
19	619. Commissions and brokerage	1,684,000
20	620. Vehicle operation (Sec. 36)	4,874,000
21	621. Law expenses	293,000
22	622. Depreciation adjustment	--
23	630. Other expenses	15,045,000
24	Total operating expenses	129,479,000

*Includes debits totaling \$_____ for the pay of employees engaged in handling freight over platforms.

36.—TAXES

000 Omitted

Give particulars called for with respect to taxes and licenses accrued to accounts (411) and (431) in Section 33, and accounts (618) and (620) in Section 35.

Line No.	Kind of tax	(411) Transportation tax accruals (b)	(431) Income taxes on income from continuing operations (c)	(618) Payroll taxes (d)	(620) Vehicle operation (e)	Total (f)
1	Social security taxes	\$	\$	\$ 3,726	\$	\$
2	Real estate and personal property taxes					
3	Gasoline, other fuel and oil taxes					
4	Vehicle licenses and registration fees					
5	Corporation taxes					
6	Capital stock taxes					
7	Federal excise taxes		15,524			
8	Federal excess profits taxes		1,609			
9	Federal income taxes					
10	State income taxes					
11	Other taxes (describe): Intl Payroll Taxes			768		
12	(a) Fed & St. Unemployment			132		
13	(b)					
14	(c)					
15	(d)					
16	(e)					
16	Total		17,133	4,626		

37. Give particulars as called for with respect to motor vehicles owned outright and held under purchase obligations at the close of the year:

Line No.	Vehicle		Book value included in account (140) of sec. 16 (c)	Accrued depreciation included in account (149) of sec. 16 (d)
	Make, kind and capacity (a)	Number of (b)		
1			\$	\$
2	Automobile-Various Years			
3	Makes & Models		334,606	120,078
4				
5	Trucks-Various Years			
6	Makes & Models		110,684	39,093
7				
8	Total		445,290	159,171

38. Give the particulars as called for concerning the respondent's employees and their compensation for the year. The data on number of employees shall be based on the number of employees on the payroll at close of pay period containing the 12th day of the months specified. If operations were interrupted during each period due to strikes, fires, floods, etc., the data should be reported for the nearest representative payroll period. Enter the total number of employees in each class on the payrolls covered by this report who worked full or part time or received pay for any part of the period reported.

Line No.	Class	Number of employees on payroll at close of the pay period containing the 12th day of				Total compensation during year
		February	May	August	November	
	General office employees:					
1	Officers	10	10	10	10	\$ 1,353,000
2	Clerks and attendants	447	461	476	487	5,808,000
3	Total	457	471	486	497	7,161,000
	Traffic department employees:					
4	Officers					
5	Managers	50	52	53	54	1,439,000
6	Solicitors	298	312	315	322	9,805,000
7	Clerks and attendants					
8	Total	348	364	368	376	11,244,000
	Law department employees:					
9	Officers					
10	Solicitors					
11	Attorneys					
12	Clerks and attendants					
13	Total					
	Station and warehouse employees:					
14	Superintendents	362	365	379	391	9,228,000
15	Foremen	5	5	6	6	149,000
16	Clerks and attendants	1,265	1,287	1,337	1,351	24,004,000
17	Laborers	875	889	922	1,009	15,708,000
18	Total	2,507	2,546	2,644	2,757	49,089,000
	All other employees (specify):					
19						
20						
21						
22						
23	Total					
24	Grand total	3,312	3,381	3,498	3,630	67,494,000

Length of payroll period: (Check one) ☐ one week; ☐ two weeks; ☐ other (specify):

39. Give the various statistical items called for concerning the forwarders' operations of the respondent during the year. State tons of 2,000 pounds.

Line No.	Item (a)	Number (b)
1	Tons of freight received from shippers	231,510
2	Number of shipments received from shippers	5,241,000

40.—COMPENSATION OF OFFICERS, DIRECTORS, ETC.

Give the name, position, salary, and other compensation, such as bonus, commission, gift, reward, or fee, of each of the five persons named in Section 5, item (b) and (c) of this report to whom the respondent paid the largest amount during the year covered by this report as compensation for current or past service over and above necessary expenses incurred in discharge of duties and in addition, all other officers, directors, pensioners or employees, if any, to whom the respondent similarly paid \$40,000 or more. If more convenient, this schedule may be filled out for a group of companies considered as one system and shown only in the report of the principal company in the system, with references thereto in the reports of the other companies. Any large "Other compensation" should be explained in a footnote. If an officer, director, etc., receives compensation from another transportation company (whether a subsidiary or not), reference to this fact should be made if his aggregate compensation amounts to \$40,000 or more, and the details as to division of the salary should be stated. By salary column (c) is meant the annual rate at which an employee is paid, rather than the amount actually paid. If salary of an individual was changed during the year, show salary before each change as well as at close of year.

Line No.	Name of person (a)	Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1	Leslie Bittenson	Vice President	\$ 45,000	\$ 11,450
2	James B. Brown	Vice President	54,000	13,650
3	Brian E. Bulless	Vice President	39,100	8,759
4	Ambrose G. Charnogursky	Vice President	47,000	10,925
5	Walter G. Corcoran	Sr. Vice President	90,000	24,575
6	Edward J. Crane	Vice President	61,000	15,550
7	James J. Doyle	Vice President	45,000	11,450
8	John C. Emery, Jr.	President	150,000	49,675
9	Arthur C. French, Jr.	Vice President	61,000	15,550
10	John W. Grieger	Vice President	54,000	13,650
11	John V. Healy	Sr. Vice President	90,000	24,575
12	Daniel J. McCauley	Vice President	61,000	12,000
13	Harold L. Mead	Vice President	46,000	11,750
14	Frederick M. Robison	Vice President	54,000	11,450
15	Jan Schenkels	Vice President	65,600	14,127
16	Clifford J. Stueck	Vice President	46,000	11,450
17	Ronald A. Van Marter	Vice President	42,000	5,050
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				

41.—COMPETITIVE BIDDING — CLAYTON ANTITRUST ACT

Section 10 of the Clayton Antitrust Act (15 U.S.C. 20) states that "no common carrier engaged in commerce shall have any dealings in securities, supplies or other articles of commerce, or shall make or have any contracts for construction or maintenance of any kind, to the amount of more than \$50,000, in the aggregate, in any one year, with another corporation, firm, partnership or association when the said common carrier shall have upon its board of directors or as its president, manager or as its purchasing or selling officer, or agent in the particular transaction, any person who is at the same time a director, manager, or purchasing or selling officer of, or who has any substantial interest in, such other corporation, firm, partnership or association, unless and except such purchases shall be made from, or such

dealings shall be made with, the bidder whose bid is the most favorable to such common carrier, to be ascertained by competitive bidding under regulations to be prescribed by rule or otherwise by the Interstate Commerce Commission." The specification for competitive bids is found in the Code of Federal Regulations, Part 1010-Competitive Bids through Part 1010.7-Carriers Subject to the Interstate Commerce Act.

In column (g), identify the company awarded the bid by including company name and address, name and title of respondent officers, directors, selling officer, purchasing officer and/or general manager that has an affiliation with the seller.

N/A

Line No.	Nature of bid (a)	Date Published (b)	Contract number (c)	No. of bidders (d)	Method of awarding bid (e)	Date filed with the Commission (f)	Company awarded bid (g)
1							
2							
3							
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30							

Schedule 42.—SUMMARY OF FREIGHT LOSS AND DAMAGE CLAIMS

This schedule was adopted by the Commission in No. 35345 (Sub-No. 2) July 1, 1977

Approved by GAO Effective 12-23-77

Exclude from this schedule the revenues and claims incurred in connection with freight forwarder services and shipments which have a prior or subsequent movement by air. Line 1 should show all freight forwarder revenue in Account 501. Line 2 should show the number of claims paid during the year for robbery, theft and pilferage, and other shortage as defined below:

Robbery - Failure to deliver all or part of a shipment as the result of stealing, including hijacking, with the use of force or threat of force against a person or persons. Claims for physical damage to freight in the same or other shipments resulting from robbery should be reported under Robbery.

Theft and Pilferage - Failure to deliver all or part of a shipment as the result of known stealing, or under circumstances indicating the probable cause was stealing, without use of force or threat of force against a person or persons, when it is known the freight was in the carrier's custody.

Claims for physical damage to freight in the same or other shipments resulting directly from theft or pilferage should be reported under Theft and Pilferage.

Other Shortage - Failure to deliver all or part of a shipment for unknown reasons. This includes the unexplained disappearance of all or part of a shipment for reasons other than robbery or theft and pilferage, as defined above.

Line 3 should show the number of all other claims paid in full or in part during the year not reported on line 2.

Line 4 should include the *net* dollar amount of claims paid during the year. This includes claims paid in full or paid in part, less amounts recovered from underlying carriers, salvage, insurance, and claim refund cancellations.

Line 5 should show the ratio in percentage form (two decimal places).

Line	Item	N/A
1	Freight revenue (Account 501) _____	\$ _____
2	Number of theft related claims paid _____	_____
3	Number of other claims paid _____	_____
4	<i>Net</i> dollars paid (See instructions) _____	\$ _____
5	Claims expense/revenue ratio (line 4 ÷ 1) _____	_____ %

All shipments have a prior or subsequent move by air.

NOTES AND REMARKS

* Name, title, telephone number and address of the person to be contacted concerning this report:

NAME Ambrose G. Charnogursky TITLE Vice President-Accounting
TELEPHONE NUMBER 717-346-4663
(Area code) (Telephone number)
OFFICE ADDRESS PO Box 7 Scranton, Pa. 18501
(Street and number) (City, State, and ZIP Code)

OATH

(To be made by the officer having control of the accounting of the respondent)

STATE OF Pennsylvania)

COUNTY OF Lackawanna) ss:

Ambrose G. Charnogursky

makes oath and says that he is

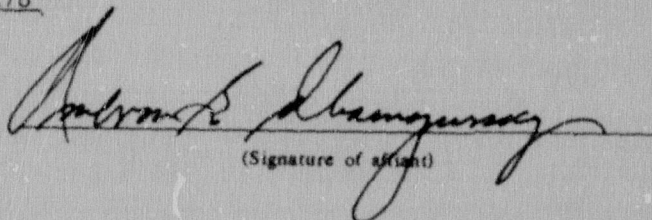
Vice President-Accounting

(Insert here the official title of the affiant)

of Emery Air Freight Corporation

(Insert here the exact legal title or name of the respondent)

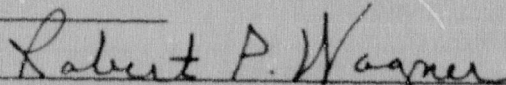
that it is his duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he has carefully examined the said report and to the best of his knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he believes that all other statements of fact contained in the said report are true, and that the said reports is a correct and complete statement of the business and affairs of the above-named respondent during the period of the time from and including January 1, 1978, to and including December 31, 1978.


(Signature of affiant)

Subscribed and sworn to before me, a Notary, in and for the State and County above named,
this 30 day of March, 1979.

My commission expires _____

[USE AN L. S.
IMPRESSION
SEAL]



(Signature of officer authorized to administer oaths)

Robert P. Wagner, Notary Public
Towamogoch, Lackawanna County
My Commission Expires Feb. 12, 1983
Member, Pennsylvania Association of Notaries