

FF 000102

INTER STATE EXPRESS, INC.

1979

1

FF000102

ORIGINAL

Freight Forwarders  
(Class A)Annual Report Form  
F-1

1979

Due: March 31, 1980

Approved by GAO  
B-180230 (R0254)  
Expires

121018

1. CORRECT NAME AND ADDRESS IF DIFFERENT THAN  
SHOWN. (See instructions)NAME AND ADDRESS OF REPORTING CARRIER (Attach  
label from front cover or original, copy in full on  
duplicate)FF000102 INTER STAT AOA 1300  
ISXP INTER STATE EXPRESS, INC.  
120 APOLLO STREET  
BROOKLYN, NEW YORK 11222

ICC - P.O. 2040

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

NOT APPLICABLE

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

(a) Dates and States of incorporation or organization: October 23, 1953 California

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

Name	Address	Term Expires
Robert R. Reuter	Brooklyn, New York 11222	Perpetual
John F. Caturano	Brooklyn, New York 11222	Perpetual
Frank A. Livoti	Brooklyn, New York 11222	Perpetual

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

Name	Title
Robert R. Reuter	President
John F. Caturano	Vice-President
Frank A. Livoti	Secretary-Treasurer

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

A. Total voting securities outstanding:

	shares	votes
(1) Common 33	33	
(2) 1st Preferred		
(3) 2nd Preferred		
(4) Other securities		

B. Does any class of securities carry any special privileges in any elections or in the control of corporate action?  
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 11 (2) 1st Preferred \_\_\_\_\_ (3) 2nd Preferred \_\_\_\_\_  
 (4) Other \_\_\_\_\_ (5) Date of closing stock book December 31, 1979

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)
Robert R. Reuter	Little Falls, New York	.99	.99			
John F. Caturano	Freeport, New York	.33	.33			
Frank A. Livoti	Bethpage, New York	.33	.33			
Marvin Rosenberg	Wantagh, New York	.1650	.1650			
Bill Miller	Bethpage, New York	.1650	.1650			
David Aubele	Jackson Heights, NY	.1650	.1650			
Gloria Collins	Jackson Heights, NY	.1650	.1650			
Joseph DiChiara	New York, New York	.4950	.4950			
Leon Gray	Bronx, New York	.1650	.1650			
Pratt Williams	Jersey City, New Jersey	.0990	.0990			

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 May 30, 1980  
 (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.

"not applicable"

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.

"not applicable"

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

A. Date of receivership "not applicable"

B. Court of jurisdiction under which operations were conducted \_\_\_\_\_

C. Date when possession under it was required \_\_\_\_\_

D. Name of receiver, receivers, or trustee \_\_\_\_\_



## 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 (b)	Balance at close of year (c)
		<b>I. CURRENT ASSETS</b>	
1	100,508	(100) Cash	161,000
2		(101) Special cash deposits (Sec. 18)	
3	500	(102) Temporary cash investments	500
4	XXXXXX	1. Pledged \$	XXXXXX
5		2. Unpledged \$	
6	XXXXXX	(103) Working advances	XXXXXX
7	XXXXXX	(104) Notes receivable	XXXXXX
8	1,078,646	(105) Accounts receivable	1,527,906
9	187,201	(106) Less: Reserve for doubtful accounts	161,382
10		(107) Accrued accounts receivable	1,366,614
11		(108) Materials and supplies	145,867
12	41,665	(109) Other current assets	41,665
13	1,408,520	(110) Deferred income tax charges (Sec. 19)	1,715,646
		Total current assets	
		<b>II. SPECIAL FUNDS AND DEPOSITS</b>	
14	XXXXXX	(120) Sinking and other funds	XXXXXX
15		Less: Nominally outstanding	
16	XXXXXX	(121) Special deposits	XXXXXX
17	42,057	Less: Nominally outstanding	38,697
18	42,057	Total special funds	38,697
		<b>III. INVESTMENT SECURITIES AND ADVANCES</b>	
19	1	(130) Investments in affiliated companies (Sec. 20)	1
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 \$	XXXXXX
25		2. Unpledged \$	
26	1	(132) Less: Reserve for adjustment of investments in securities	
		(133) Allowance for net unrealized loss on noncurrent marketable equity securities	
		Total investment securities and advances	1
		<b>IV. TANGIBLE PROPERTY</b>	
27	XXXXXX	(140) Transportation property (Sec. 22-A)	327,949
28	163,207	(149) Less: Depreciation and amortization reserve	XXXXXX
		Transportation property (Sec. 22-B)	98,814
29	XXXXXX	(160) Nontransportation property (Sec. 23)	229,135
30		(161) Less: Depreciation reserve	XXXXXX
		Nontransportation property (Sec. 23)	
31	163,207	Total tangible property	229,135
		<b>V. INTANGIBLE PROPERTY</b>	
32	6,750	(165) Organization	6,000
33	450,000	(166) Other intangible property	400,000
34	456,750	Total intangible property	406,000
		<b>VI. DEFERRED DEBITS AND PREPAID EXPENSES</b>	
35	65,895	(170) Prepayments	90,883
36		(172) Other deferred debits	
37		(173) Accumulated deferred income tax charges (Sec. 19)	
38		Total deferred debits and prepaid expenses	90,883
		<b>VII. REACQUIRED AND NOMINALLY ISSUED SECURITIES</b>	
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	2,136,090	2. Unpledged \$	
		TOTAL ASSETS	2,480,362
47		Contingent assets (not included above)	

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



## 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 (b)	Balance at close of year (c)
	\$	<b>I. CURRENT ASSETS</b>	\$
1	100,508	(100) Cash	161,000
2		(101) Special cash deposits (Sec. 18)	
3	500	(102) Temporary cash investments	500
4	XXXXXX	1. Pledged \$	XXXXXX
5		2. Unpledged \$	
6	XXXXXX	(103) Working advances	XXXXXX
7	XXXXXX	(104) Notes receivable	XXXXXX
8	1,072,646	(105) Accounts receivable	1,527,996
9	187,201	(106) Less: Reserve for doubtful accounts	161,382
10		(107) Accrued accounts receivable	1,366,614
11		(108) Materials and supplies	145,867
12	41,665	(109) Other current assets	41,665
13	1,408,520	(110) Deferred income tax charges (Sec. 19)	41,665
		Total current assets	1,715,646
		<b>II. SPECIAL FUNDS AND DEPOSITS</b>	
14	XXXXXX	(120) Sinking and other funds	XXXXXX
15		Less: Nominally outstanding	
16	XXXXXX	(121) Special deposits	XXXXXX
17	42,057	Less: Nominally outstanding	38,697
18	42,057	Total special funds	38,697
		<b>III. INVESTMENT SECURITIES AND ADVANCES</b>	
19	1	(130) Investments in affiliated companies (Sec. 20)	1
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	1	(132) Less: Reserve for adjustment of investments in securities	
		(133) Allowance for net unrealized loss on noncurrent marketable equity securities	
		Total investment securities and advances	1
		<b>IV. TANGIBLE PROPERTY</b>	
27	XXXXXX	(140) Transportation property (Sec. 22-A)	327,949
28	163,207	(149) Less: Depreciation and amortization reserve	
		Transportation property (Sec. 22-B)	98,814
29	XXXXXX	(160) Nontransportation property (Sec. 23)	229,135
30		(161) Less: Depreciation reserve	XXXXXX
		Nontransportation property (Sec. 23)	
31	163,207	Total tangible property	229,135
		<b>V. INTANGIBLE PROPERTY</b>	
32	6,750	(165) Organization	6,000
33	450,000	(166) Other intangible property	400,000
34	456,750	Total intangible property	406,000
		<b>VI. DEFERRED DEBITS AND PREPAID EXPENSES</b>	
35	65,895	(170) Prepayments	90,883
36		(172) Other deferred debits	
37		(173) Accumulated deferred income tax charges (Sec. 19)	
38		Total deferred debits and prepaid expenses	90,883
		<b>VII. REACQUIRED AND NOMINALLY ISSUED SECURITIES</b>	
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	2,136,030	2. Unpledged \$	
		TOTAL ASSETS	2,480,362
47		Contingent assets (not included above)	

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

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--

A. Date of trusteeship "not applicable"  
 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:

"not applicable"

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:

"not applicable"

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:

Inter State Express, Inc. 100%

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

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



## COMPARATIVE BALANCE SHEET STATEMENT—LIABILITY SIDE

Line No.	Balance at beginning of year (a)	Item (b)	Balance at close of year (c)
	\$	<b>VIII. CURRENT LIABILITIES</b>	\$
48	34,072	(200) Notes payable	54,138
49		(201) Accounts payable	
50		(202) Accrued interest	
51		(203) Dividends payable	
52		(204) Accrued taxes	
53		(205) Accrued accounts payable	
54		(208) Deferred income tax credits (Sec. 19)	740,784
55	672,163	(209) Other current liabilities	803,922
56	713,235	Total current liabilities	
		<b>IX. LONG-TERM DEBT</b>	
		(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	980,322	(212) Amounts payable to affiliated companies (Sec. 30)	955,300
61		(213) Long-term debt in default (Sec. 29)	
62		(218) Discount on long-term debt	
63		(219) Premium on long-term debt	
64	980,322	Total long-term debt	955,300
		<b>X. RESERVES</b>	
65		(220) Insurance reserves	
66		(221) Provident reserves	
67	234,217	(222) Other reserves	324,799
68	234,217	Total reserves	324,799
		<b>XI. DEFERRED CREDITS</b>	
69		(231) Other deferred credits	
70		(232) Accumulated deferred income tax credits (Sec. 19)	
71		Total deferred credits	
		<b>XII. CAPITAL AND SURPLUS</b>	
72	3,300	(240) Capital stock (Sec. 31)	3,300
73		(241) Premiums and assessments on capital stock	
74	3,300	Total (Lines 70 and 71)	3,300
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)	3,300
79		(243) Proprietorial capital	
80		(250) Unearned surplus	
81	XXXXXXXX	1. Paid in \$ 2. Other \$	XXXXXXXX
82		(260) Earned surplus—Appropriated	
83	719,521	(270) Earned surplus—Unappropriated (Deficit in paren.) (Sec. 32)	907,606
84	XXXXXXXX	1. Distributed \$ 2. Undistributed \$	XXXXXXXX
85		(279) Net unrealized loss on noncurrent marketable equity securities	
86	514,565	(280) Less: Treasury stock	514,565
87	XXXXXXXX	1. Pledged \$ 2. Unpledged \$	XXXXXXXX
88	236,256	Total capital and surplus	330,541
89	2,136,030	TOTAL LIABILITIES	2,480,362
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 \$

Estimated accumulated savings in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below \$

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.

(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 \$

Add investment tax credits applied to reduction of current year's tax liability but deferred for accounting purposes \$ 10,908

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) \$ 10,908

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 \$

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 \$

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 ☒

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

## 1. Changes in Valuation Accounts

"None"

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

	Gains	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.

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:

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.

"not applicable"



## 18.—SPECIAL CASH DEPOSITS

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)
	Interest special deposits:	\$
1		
2		
3		
4		
5	NONE	
6		
	Total	
	Dividend special deposits:	
7		
8		
9		
10	NONE	
11		
12		
	Total	
	Miscellaneous special deposits:	
13		
14		
15		
16		
17	NONE	
18		
	Total	
	Compensating balances legally restricted:	
19	Held on behalf of respondent	
20	Held on behalf of others	
21	Total	

NONE





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 (c) the amount necessary to retroactively adjust those investments qualifying for the equity method of accounting in accordance with instruction 28(b)(11) 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	Polyeast Tech Corporation						
3	Common Stock	1					1
4	457 shares						
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18	Total						
19	Noncarriers (Show totals only for each column)						
20	Total (lines 18 and 19)						



22. Give details as called for of investment in transportation property, and reserve for depreciation and amortization for balances as stated for accounts (140) and (149) in section 16.

## A. INVESTMENT

Property accounts	Balance at beginning of year	Charges	Credits	Adjustments Dr. - Debit Cr. - Credit	Balance at close of year
141. Furniture and office equipment	\$ 49,982	\$ 8,231	\$ 3,610		\$ 54,640
142. Motor and other highway vehicles	119,282	73,008	4,947		184,343
143. Land and public improvements	77,014	18,231	1,410		44,535
144. Terminal and platform equipment	11,027	933	250		11,710
145. Other property account charges		32,721			32,721
Total	204,282	133,874	10,217		327,949

## B. DEPRECIATION AND AMORTIZATION RESERVE

Property accounts	Balance at beginning of year	Charges	Credits	Adjustments Dr. - Debit Cr. - Credit	Balance at close of year
141. Furniture and office equipment	\$ 9,101	\$ 4,446			\$ 13,547
142. Motor and other highway vehicles	37,889	32,363	1,394		58,858
143. Land and public improvements (depreciable property)	3,819	5,173			8,992
144. Terminal and platform equipment	276	1,270			1,546
145. Other property account charges (depreciable property)		15,871			15,871
Total	41,085	59,123	1,394		98,914

23. Give details of investment in nontransportation property, and depreciation reserve for balances at close of the year, as stated for accounts (160) and (161) in section 16.

Description of property	Book cost of property	Depreciation reserve
	\$	\$
"not applicable"		
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	x	x
2	Contingent rentals	"not applicable"	
3	Sublease rentals		
4	Total financing leases		
	Other leases:		
5	Minimum rentals		
6	Contingent rentals	"not applicable"	
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.

## 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)

1

2

3

4

5

"not applicable"

6

7

8

(b)

9

10

11

12

13

14

15

16

(c)

17

18

19

20

21

22

23

24

(d)

25

26

27

28

29

30

31

32

(e)

33

34

35

36

37

38

39

40



### 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 ended  (a)	A			B	
		Financing leases  (b)	Other leases  (c)	Total  (d)	Sublease rentals*	
					Financing leases (e)	Other leases (f)
1	Next year	x	x	x	x	x
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.



### 27.—LEASE COMMITMENTS—PRESENT VALUE

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						

"not applicable"

**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 <sup>13</sup> not applicable <sup>13</sup>		
3	Rent expense		
4	Income tax expense		
5	Impact (reduction) on net income		





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 (a)	Retained earnings accounts (b)	Equity in undistributed earnings of affiliated companies (c)
1	(270) Earned surplus (or deficit) at beginning of year	\$ 719,521 xxx	xxx
2	(300) Equity in undistributed earnings (losses) of affiliated companies at beginning of year		
3	(300) Income balance (Sec. 33)	188,085	
4	(301) Miscellaneous credits		
5	(302) Prior period adjustments to beginning earned surplus account		
6	(310) Miscellaneous debits		xxx
7	(311) Miscellaneous reservations of earned surplus		xxx
8	(312) Dividend appropriations of earned surplus		xxx
9	(270) Earned surplus (or deficit) at close of year	907,606 xxx	
10	Equity in undistributed earnings (losses) of affiliated companies at end of year		xxx
11	Balance from line 10(c)		
12	Total unappropriated earned surplus and equity in undistributed earnings (losses) of affiliated companies at end of year (lines 9 and 11)	907,606	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 (a)	Amount (b)
<b>ORDINARY ITEMS</b>		
<b>FORWARDER OPERATING INCOME</b>		
1	(400) Operating revenues (Sec. 34) _____	\$ 3,884,488
2	(410) Operating expenses (Sec. 35) _____	3,404,970
3	*Net revenue from forwarder operations (line 1, line 2) _____	479,518
4	(411) Transportation tax accruals (Sec. 36) _____	
5	*Net revenue, less taxes, from forwarder operations (line 3, line 4) _____	479,518
<b>OTHER INCOME</b>		
6	(401) Dividend (other than from affiliates) and interest income _____	24,038
7	(402) Release of premium on long-term debt _____	
8	(403) Miscellaneous income _____	
9	Income from affiliated companies _____	
10	Dividends _____	
11	<del>Gain on sale of asset</del> loss on sale of asset _____	(1,552)
12	Total other income _____	22,536
12	*Total income (line 5, line 11) _____	502,054
<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>		
13	(412) Provision for uncollectible accounts _____	67,305
14	(413) Miscellaneous tax accruals _____	
15	(414) Miscellaneous income charges _____	22,367
16	Total income deductions _____	89,672
17	*Income from continuing operations before fixed charges (Lines 12, 16) _____	412,382
<b>FIXED CHARGES</b>		
18	(420) <del>Organization expense</del> organization expense _____	750
19	(421) <del>Amortization of restrictive covenant</del> amortization-restrictive covenant _____	5 0000
20	(422) Amortization of discount on long-term debt _____	
21	Total fixed charges _____	50,750
22	(423) Unusual or infrequent items _____	
23	*Income from continuing operations before income taxes (lines 17, 21, 22) _____	362,232
<b>PROVISION FOR INCOME TAXES</b>		
24	(431) Income taxes on income from continuing operations (Sec. 36) _____	174,147
25	(432) Provision for deferred taxes _____	
26	Income (loss) from continuing operations (lines 23-25) _____	188,085
<b>DISCONTINUED OPERATIONS</b>		
27	(433) Income (loss) from operations of discontinued segments** _____	
28	(434) Gain (loss) on disposal of discontinued segments** _____	
29	Total income (loss) from discontinued operations (lines 27, 28) _____	
30	*Income before extraordinary items (lines 26, 29) _____	188,085
<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>		
31	(435) Extraordinary items-Net Credit (Debit) (p. 20) _____	
32	(450) Income taxes on extraordinary and prior period items-Debit (Credit) (p. 20) _____	
33	(451) Provision for deferred taxes-Extraordinary and prior period items _____	
34	Total extraordinary items _____	
35	(452) Cumulative effect of changes in accounting principles** _____	
36	Total extraordinary items and accounting changes (lines 34, 35) _____	
37	*Net income transferred to earned surplus (lines 30, 36) _____	188,085
*If a loss or debit, show the amount in parentheses. **Less applicable income taxes of: (433) Income (loss) from operations of discontinued segments _____ (434) Gain (loss) on disposal of discontinued segments _____ (452) Cumulative effect of changes in accounting principles _____		

## 33.—INCOME STATEMENT - EXPLANATORY NOTES

1. (a) Indicate method 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----- \$-----

(c) If deferral method was elected, indicate amount of investment tax credit utilized as reduction of tax liability for current year----- \$ 10,908

Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes----- (\$ 0)

Balance of current year's investment tax credit used to reduce current year's tax accrual----- \$ 10,908

Add amount of prior years' deferred investment tax credits being amortized and used to reduce current year's tax accrual----- \$ 0

Total decrease in current year's tax accrual resulting from use of investment tax credits----- \$ 10,908

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.)

## 34.—OPERATING REVENUES

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

Line No.	Account (a)	Amount (b)
	<b>I. TRANSPORTATION REVENUE</b>	\$
1	501. Forwarder revenue-----	<u>11,158,576</u>
	<b>II. TRANSPORTATION PURCHASED—DR.</b>	
2	511. Railroad transportation-----	<u>2,474,313</u>
3	512. Motor transportation-----	<u>2,130,747</u>
4	513. Water transportation-----	
5	514. Pick-up, delivery, and transfer service-----	<u>2,605,090</u>
6	515. Other transportation purchased*-----	<u>63,938</u>
7	Total transportation purchased-----	<u>7,274,088</u>
8	Revenue from transportation (line 1 minus line 7)-----	<u>3,884,488</u>
	<b>III. INCIDENTAL REVENUE</b>	
9	521. Storage—Freight-----	
10	522. Rent revenue-----	
11	523. Miscellaneous-----	
12	Total incidental revenues-----	
13	Total operating revenues (line 8 plus line 12)-----	<u>3,884,488</u>

\*Report separately hereunder, by type of transport (air, express, forwarder, or any other type), the amounts included in Account 515, "Other 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 (a)	Amount (b)
1	601. General office salaries	\$ 497,019
2	602. Traffic department salaries	95,915
3	603. <del>Law department salaries</del> salesmen	98,640
4	604. Station salaries and wages* dock and drivers	853,143
5	605. <del>Loading and unloading dockers</del> mechanics	44,324
6	606. Operating rents	101,850
7	607. Traveling and other personal expense	67,144
8	608. Communications	70,427
9	609. Postage	43,282
10	610. Stationery and office supplies	35,853
11	611. Tariffs	26,242
12	612. Loss and damage—Freight	250,241
13	613. Advertising	13,487
14	614. Heat, light, and water	22,393
15	615. Maintenance	142,036
16	616. Depreciation and amortization	59,123
17	617. Insurance	231,474
18	618. Payroll taxes (Sec. 36)	267,440
19	619. Commissions and brokerage	29,579
20	620. Vehicle operation (Sec. 36)	75,503
21	621. Law expenses	23,137
22	622. Depreciation adjustment	
23	630. Other expenses	356,112
24	Total operating expenses	3,404,370

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

## 36.—TAXES

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 (a)	(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	\$	\$	\$ 88,095	\$	\$ 88,095
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					
8	Federal excess profits taxes					
9	Federal income taxes		147,377			147,377
10	State income taxes		26,770			26,770
11	<del>Other taxes and licenses</del> (a) Pension			109,464		109,464
12	(b) Welfare			41,751		41,751
13	(c) Fed Unemployment			4,193		4,193
14	(d) State Unemployment			23,937		23,937
15	(e) Miscellaneous				75,503	75,503
16	Total		174,147	267,440	75,503	517,090

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	Accrued depreciation included in account (149) of sec. 16
	Make, kind and capacity (a)	Number of (b)		
			(c)	(d)
1	Clark Forklift	1	0	83.52
2	Probanf. Tractors	2	0	8.00
3	Yard Tractors	1	300	47.00
4	White Tractors	5	5635	4135
5	Mack Tractors	3	9056	6694
6	White Tractors	2	4313	3137
7	Kenworth Tractors 1974	2	21330	5670
8	Ford Tractor 1970	2	25370	3910
9	Ford Van 1970	2	21542	2938
	Miscellaneous Autos		37939	18392

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 such 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	3	3	3	3	121,438
2	Clerks and attendants	33	34	34	38	375,581
3	Total	36	37	37	41	497,019
	Traffic department employees:					
4	Officers					
5	Managers	1	1	1	1	20,230
6	Solicitors					
7	Clerks and attendants	5	5	5	5	75,670
8	Total	6	6	6	6	95,915
	Lay department employees, salesmen:					
9	Officers					
10	Solicitors	6	6	6	6	98,640
11	Attorneys					
12	Clerks and attendants					
13	Total	6	6	6	6	98,640
	Shop and warehouse employees:					
14	Superintendents					
15	Foremen	2	2	2	2	46,140
16	Clerks and attendants	34	37	38	39	307,003
17	Laborers					
18	Total	36	39	40	41	353,143
	All other employees (specify):					
19	mechanics	2	2	2	2	44,324
20						
21						
22						
23	Total	2	2	2	2	44,324
24	Grand total	36	39	40	41	1,580,041

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	33,754
2	Number of shipments received from shippers	121,343

#### 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	Robert R. Reuter	President	\$ 40,187	\$ 14,500
2	John F. Caturano	Vice-President	32,170	9,000
3	Frank A. Livoti	Sec-Treasurer	26,618	6,500
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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.

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							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

"Not applicable"



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

NAME Robert R. Reuter TITLE President

TELEPHONE NUMBER 212 387-8700  
(Area code) (Telephone number)

OFFICE ADDRESS 120 Apollo Street Brooklyn, New York 11222  
(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 NEW YORK

COUNTY OF KINGS

ss:

EDWARD J. ZELINSKI makes oath and says that he is  
CONTROLLER

(Insert here the official title of the affiant)

of INTER STATE EXPRESS INC.

(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, 1979, to and including DECEMBER 31, 1979

Edward J. Zelinski  
(Signature of affiant)

Subscribed and sworn to before me, a NOTARY PUBLIC, in and for the State and County above named, this FIFTEEN day of MAY, 1980.

My commission expires MARCH 30, 1981

USE AN L. S.  
IMPRESSION  
SEAL

FRANK W. DVOYI  
Notary Public, State of New York  
No. 30-4695767  
Qualified in Nassau County  
Commission Expires March 30, 1981

Frank W. Dvoyi  
(Signature of officer authorized to administer oaths)