

**Testimony**

Of

**Mrs. Ruth B. Dietz & Jeffrey L. Bohn**

On Behalf of

**The Pennsylvania Truck Transportation Alliance**

Before the

**Pennsylvania House of Representatives**

**Commerce and Economic Development Committee**

And

**Transportation Committee**

Concerning

**Transportation and Economic Development in Pennsylvania**

September 16, 1999

Thank you Chairman Hasay, Chairman Geist and members of the House Commerce and Economic Development and Transportation Committees for this opportunity to talk about transportation and economic development in the Commonwealth. I am Mrs. Ruth B. Dietz. I am the CEO and Owner of J.P. Donmoyer, Inc. which provides regional trucking services from terminals in Ono and York, Pennsylvania. I have with me my son Jeff Bohn, President of J.P. Donmoyer, Inc. and President of the Pennsylvania Truck Transportation Alliance (PTTA).

Please allow me to provide some background on my company and myself. J. P. Donmoyer is one of two dry bulk carriers ISO 9002 companies certified in North America. We provide truckload dry bulk deliveries of Pennsylvania products, such as limestone, coal, grains and fertilizers, to water and sewer plants, power plants, cogenerators, steel mills and feed mills throughout Pennsylvania, west as far as Chicago, north to New York and Boston, and south as far as Atlanta. We have about 100 tractors on the road daily and employ approximately 150 people full time. We are a state-of-the-art company that has been successful in keeping our customers and ourselves competitive in today's global economy. I am here today because I care deeply about the Pennsylvania we will give to our children and grandchildren. The transportation and trucking industries are just as important in keeping jobs in Pennsylvania as any other part of our business and community infrastructures. Pennsylvania businesses must have reliable and efficient access to the materials they need to make the many products they sell. They must also be able to transport their products as efficiently as possible to stay competitive. In the end, what we are all working for is a healthy and robust economy for all Pennsylvanians.

PTTA was formed in 1997 to provide a pro-active public policy voice for Pennsylvania truckers. We are a resource for the General Assembly regarding trucking and transportation issues. Today's hearing is an opportunity for us to work together for the advancement of

trucking and transportation and economic development in the Commonwealth. It's important for public and private leaders to always be promoting good jobs for Pennsylvanians. We appreciate today's hearing which indicates your understanding of the critical role played by transportation and trucking in the well-being of commerce, economic development and jobs in the Commonwealth.

We are the Keystone State. Geography makes Pennsylvania a key crossroad in the movement of commerce. Pennsylvania exports many products that must be transported to national and international markets. Many products from other places also travel through Pennsylvania on their way to their destination. We can view the movement of commerce through our state as an opportunity or we can erect barriers to this economic opportunity. We need to provide leadership rather than assuming a defensive posture. We have repeatedly found that our customers who buy Pennsylvania limestone, coal, and grain can easily switch to producers from other states, and in fact other countries. More specifically, margins are very narrow and often the cost and ease of transportation is the difference. Only with all partners, business, government, labor, etc. Working together can we stay competitive.

Pennsylvania exports many products which must be transported to national and international markets. As a result, today's shippers benefit from brisk competition for their business. My company must compete not only with other truckers but rail as well. We have no problem competing fairly with rail because both modes have their strengths.

We are also committed to development of intermodal services because we understand that Pennsylvania products must be transported as efficiently as possible. However, if the Commonwealth invests in intermodal infrastructure we believe Pennsylvania carriers should be able to participate in the business.

We are aware of your concerns over the use of secondary roads by motor carriers. We believe it makes a lot more sense to encourage trucks to use interstates and the Pennsylvania Turnpike whenever possible. However, the toll rates and fuel taxes on the Turnpike make it too expensive in many cases to economically justify using this road instead of secondary roads.

We have followed the many current "Growing Green" and land preservation proposals. We believe these issues are ripe for resolution and fully support revitalization of brown fields and existing infrastructure. We also agree that transportation facilities need to be operated as good neighbors in the community and in compliance with environmental standards. As we work to competitively transport Pennsylvania products to market we must keep this in mind. When transportation is needed to move Pennsylvania products we must all work together to make sure we have the infrastructure required to keep Pennsylvanians working.

I have lived in Lebanon County all my life. Because of the road infrastructure and the work ethics of the local people, we have recently been able to attract such business giants as Sid Tool, Ingraham Micro, Sherwin Williams, Amp, and Swift Transportation.

As an active member of the local school board and a leader in various community organizations I was fortunate enough to play a role in structuring a plan that was appealing to the budgets of the businesses in search of a fertile business climate. The net effect of this hard work has been the creation of over 2,000 good paying jobs and millions of dollars injected into the local economy.

Transportation and related industries remain one the biggest employers in Pennsylvania. Competition and transportation technology has increased efficiency and safety, but we must always strive to do better. Computers not only allow us to constantly monitor and record operation of our equipment but also helps keep customers' inventories as efficient as

possible due to "just in time" delivery services. Logistics--which is basically movement of products from point A to point B-- has become a true science and we have some of the best operations right here in Pennsylvania.

My company offers wages and benefits to raise a family. Our current average annual wage is \$43-45,000., plus benefits such as health insurance, a 401K pension plan and an Employee Assistance Program. We have worked with the commonwealth to provide job opportunities, training, and upward mobility for Pennsylvanians. Several examples of people who have dramatically improved their job situation through training and employment at J.P. Donmoyer, Inc are attached. Recent trends indicate that our industry is better at providing excellent opportunities for people to move up the economic ladder, thereby opening positions for other industries to employ those currently unemployed.

We are constantly concerned about putting the best-trained drivers on the road. We have found it difficult and expensive to attract and retain the kind of driver we want and you want on the road. We are encouraged by the discussions we have had with Chairman Geist and look forward to working with you as partners to ensure the Commonwealth has the efficient and safe transportation infrastructure necessary to maintain and develop the Pennsylvania we will give to our children and grandchildren.

Again, thank you for this opportunity and we look forward to working with you and will be happy to try to respond to your questions.

## Job Opportunities and Upward Mobility for Pennsylvanians in the Trucking Industry

Here are several examples of people who dramatically improved their job situation through training and employment at J.P. Donmoyer, Inc.

<u>Person</u>	<u>Prior Earnings</u>	<u>Training</u>	<u>1997 Earnings</u>	<u>Hire Date</u>
25 year old mother	<i>\$4.20/hour</i>	4 weeks school 4 weeks OJT	<b>\$32,513</b>	12/96
44 year old male	<i>\$11,440/year</i>	4 weeks school 4 weeks OJT	<b>\$37,489</b>	3/93
42 year old male	<i>\$20,800/year</i>	4 weeks school 4 weeks OJT	<b>\$32,690</b>	6/96
57 year old male	<i>\$20,800/year</i>	4 weeks school 4 weeks OJT	<b>\$39,455</b>	11/91
58 year old male	<i>\$20,020/year</i>	4 weeks school 4 weeks OJT	<b>\$39,118</b>	8/92

Four of the above were provided with JTPA funds through SETCO for their schooling. cost - \$3,500 each

All 5 went through J.P. Donmoyer, Inc.'s training program, paid by J.P. Donmoyer, Inc. cost - \$2,000 each

*Approximately 50% of the drivers currently employed by J.P. Donmoyer, Inc. were hired directly from driver training schools.*

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