

**UNITED STATES DEPARTMENT OF TRANSPORTATION  
FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION**

	)	
	)	<b>Order No.: KS-2013-9001-ROOSC</b>
<b>ROYAL TRANSPORT, INC.</b>	)	
<b>USDOT 993232</b>	)	<b>Service</b>
	)	<b>Date:</b> _____
<b>NATIONWIDE, INC.</b>	)	
<b>USDOT 1425997</b>	)	<b>Time:</b> _____
	)	
<b>FREIGHT, INC.</b>	)	
<b>USDOT 1898128</b>	)	<b>Person</b>
	)	<b>Served:</b> _____
<b>MIDWEST A, INC.</b>	)	
<b>USDOT 2199237</b>	)	

**OPERATIONS OUT-OF-SERVICE**

**AND**

**RECORD CONSOLIDATION ORDER**

The United States Department of Transportation (USDOT), Federal Motor Carrier Safety Administration (FMCSA), issues this **Operations Out-of-Service Order and Record Consolidation Order (ORDER)** pursuant to 49 C.F.R. § 386.73.<sup>1</sup>

**IT IS ORDERED** that Royal Transport, Inc. (USDOT# 993232), Nationwide, Inc.(USDOT# 1425997), Freight, Inc. (USDOT# 1898128) and Midwest A, Inc. (USDOT# 2199237) (hereinafter collectively referred to as "You", "Your" and "RESPONDENTS") will **CEASE ALL OPERATION OF ANY COMMERCIAL MOTOR VEHICLES IN INTERSTATE AND INTRASTATE COMMERCE IN THE UNITED STATES.**

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<sup>1</sup> A copy of 49 C.F.R. Part 386 is enclosed with this ORDER.

**IT IS FURTHER ORDERED** that all records maintained by FMCSA, including safety, performance, compliance and enforcement records, related to the motor carrier operations of Royal Transport, Inc. (USDOT# 993232), Nationwide, Inc. (USDOT# 1425997), Freight, Inc. (USDOT# 1898128) and Midwest A, Inc. (USDOT# 2199237) (hereinafter collectively referred to as “You”, “Your” and/or “RESPONDENTS”) will be permanently consolidated into one record.

### **I. EFFECTIVE DATE OF ORDER**

This ORDER becomes a Final Agency Order and is effective on the twenty-first (21<sup>st</sup>) day after service of this ORDER, unless a request for administrative review is served and filed in accordance with the requirements of 49 C.F.R. § 386.73(g).

### **II. JURISDICTION**

RESPONDENTS operate or have operated as for-hire motor carriers as defined in 49 U.S.C. § 13102 transporting property in interstate commerce using commercial motor vehicles. Accordingly, RESPONDENTS are subject to the jurisdiction of the FMCSA and Federal motor carrier safety statutes and regulations, including the Federal Motor Carrier Safety Regulations ("FMCSRs"), 49 C.F.R. Parts 350-399, as well as the Orders of the USDOT and FMCSA. (*See* 49 U.S.C. §§ 506, 507, 13501, 31133, 31144, 31135 and 31336). RESPONDENTS are required to comply with, and ensure that their drivers comply with, applicable federal statutes and regulations including 49 C.F.R. Parts 40 and 350-399. (*See* 49 C.F.R. §§ 390.3 and 390.11).

### **III. BASIS FOR ORDER**

In issuing this ORDER, the Field Administrator for FMCSA's Midwestern Service Center, in accordance with 49 C.F.R. § 386.73, has determined that RESPONDENTS have operated or attempted to operate under a new identity or as affiliated entities to: (i) avoid complying with an FMCSA order; (ii) avoid complying with a statutory or regulatory

requirement; (iii) avoid paying a civil penalty; (iv) avoid responding to an enforcement action; and (v) to avoid a negative compliance enforcement history. Accordingly, the Field Administrator finds:

A. The motor carrier entities of Nationwide, Inc., Freight, Inc. and Midwest A, Inc. are merely continuations of Royal Transport, Inc. Royal Transport, Inc., Nationwide, Inc., Freight, Inc. and Midwest A, Inc. are the same motor carrier operation. Nationwide, Inc., Freight, Inc. and Midwest A, Inc. are simply the motor carrier operation of Royal Transport, Inc. under a different name.

B. FMCSA conducted a Compliance Review of Royal Transport, Inc. on September 10, 2004 that proposed a Conditional Safety Rating and resulted in a Notice of Claim. The proposed Conditional safety rating was not upgraded to Satisfactory until a subsequent compliance review was conducted on May 4, 2006. In the interim, Royal Transport, Inc. encountered difficulty finding steady business. Furthermore, by the terms of the Settlement Agreement executed between the Field Administrator and Royal Transport, Inc., the motor carrier admitted the violations and acknowledged the effect prior violations could have on future penalties and SafeStat rankings.

C. Nationwide, Inc. was created in 2005 to avoid and evade Royal Transport, Inc.'s Conditional safety rating and the negative effects of Royal Transport's settlement with FMCSA. Nationwide, Inc. was subsequently the subject of a 2008 compliance review and notice of claim. FMCSA served Nationwide, Inc. with a final Conditional safety rating. For the carrier's failure to pay a 2008 civil penalty, FMCSA served Nationwide, Inc. with an Order to Cease All Interstate Transportation and Revocation of Registration.

D. Freight, Inc. was created to avoid and evade the July 16, 2008 No Pay Order to Cease served on Nationwide, Inc., FMCSA debt collection efforts for the unpaid civil penalties and the effects of the motor carrier's Conditional safety rating that became final on March 8, 2008.

Freight, Inc. underwent a Focused Compliance Review in 2011 that was triggered by high BASIC scores for fatigued driving and vehicle maintenance. The Compliance Review discovered violations of driver hours of service and vehicle maintenance and inspection regulations.

E. Midwest A, Inc. was created to avoid and evade the above referenced Order to Cease, Conditional safety rating, and Agency debt collection efforts – as well as the additional reviews and potential enforcement action(s) suggested by the results of Freight, Inc.’s Focused Compliance Review.

#### **IV. FINDINGS OF FACT**

##### **A. Safety, Compliance, and Enforcement History**

1. FMCSA conducted a Compliance Review of Royal Transport, Inc. on September 10, 2004 that proposed a Conditional Safety Rating and resulted in issuance of a Notice of Claim for violations of 49 CFR Parts 391 and 382. The proposed Conditional safety rating became final on December 1, 2004. A Settlement Agreement for the violations of 49 CFR 391.51(a), 382.215, 382.301(a) and 382.305(b)(2) was executed by Royal Transport, Inc. and the Field Administrator on November 10, 2004. By the terms of the Agreement, Royal Transport, Inc. admitted the violations and the effect prior violations could have on future penalties and SafeStat rankings. The Conditional safety rating remained in effect until it was finally upgraded to Satisfactory through a compliance review conducted on May 4, 2006.

2. Nationwide, Inc. applied for and received FMCSA common carrier authority on or about December 7, 2005 – during the period Royal Transport, Inc.’s safety rating was Conditional and approximately 5 months before the safety rating was upgraded to Satisfactory. Nationwide, Inc. did so in order to avoid and evade Royal Transport, Inc.’s December 1, 2004 Conditional safety rating and future impacts of the November 10, 2004 Settlement Agreement. Nationwide, Inc. was subsequently subject to an FMCSA compliance review on January 8, 2008 and received a

proposed Conditional safety rating that became final on March 15, 2008. The same compliance review resulted in a March 5, 2008 Notice of Claim for failing to preserve driver's records of duty status in violation of 49 CFR 395.8(k)(1) and demand for \$4,840 in civil penalties. Nationwide, Inc. defaulted. On July 3, 2008, FMCSA served the carrier with an Order to Cease All Interstate Transportation and Revocation of Registration, effective July 16, 2008. On or about August 28, 2008, the unpaid civil penalty owed by Nationwide, Inc. was forwarded for collection to the FMCSA Office of Finance and from there to the United States Department of the Treasury. The current debt – including interest and penalties – has increased to more than \$7,000. The debt remains unpaid. Nationwide, Inc.'s Conditional safety rating was never upgraded.

3. In February 2011 Freight, Inc. had Safety Measurement System ("SMS") scores of 87.8% in the Unsafe Driving BASIC and 85.2% in the Vehicle Maintenance BASIC. On February 23, 2011, an onsite focused review was initiated with Freight, Inc. at 14445 West 140<sup>th</sup> Terrace, Olathe, Kansas. The Kansas Division Investigator interviewed Binder Singh who represented himself as the vice president of the company and co-owner along with his father. Based on roadside inspection and other data compiled by FMCSA, in September 2012 Freight, Inc. had Safety Measurement System ("SMS") scores of 97.6% in the Unsafe Driving BASIC, 83.1% in the Vehicle Maintenance BASIC and 96.9% in the Vehicle Maintenance BASIC. The carrier had SMS scores above the FMCSA intervention threshold in all three BASICS for 18 consecutive months prior to October 2012. (On or about October 16, 2012, Freight, Inc. was the subject of a second FMCSA compliance review. Prior to the final close-out, the Investigator found evidence that Freight, Inc. bore the same identifying characteristics, address, management and ownership as Royal Transport and Nationwide, Inc.)

4. On October 5, 2011, Midwest A, Inc. filed a new carrier MCS-150. While preparing to conduct the New Entrant Safety Audit in 2012, the assigned Inspector discovered the same identifying characteristics, address, management and ownership information on file with

FMCSA for Royal Transport, Nationwide, Inc., and Freight, Inc. Because of the discovered connections, the safety audit was not completed. The identifying information was transferred to FMCSA.

**B. Comparison of Company Organizational Structures, Operations, and Other Data**

1. On August 9, 2001, Binder Singh filed Articles of Incorporation with the State of Kansas to create Royal Transport, Inc. - with an address of 14445 W. 140<sup>th</sup> Terr., Olathe, Kansas. On October 16, 2001, Binder Singh submitted a Form OP-1 for common carrier authority. In the application Binder Singh is identified as the managing director. On December 12, 2001, the carrier was assigned USDOT #993232. During the September 10, 2004 Compliance Review, Binder Singh represented the carrier and signed the report in his capacity as “president.” Singh represented himself to be the company president when he signed the 2004 Settlement Agreement with the FMCSA. On February 14, 2007, Royal Transport, Inc. filed a Form MCS-150 (for a biennial update) with FMCSA and identified the principal address as 14445 W. 140<sup>th</sup> Terrace, Olathe, Kansas. The president for the company was identified as Harjit Kaur. The 14445 W. 140<sup>th</sup> Terrace, Olathe, Kansas address is also the home address for Binder Singh.

2. In December 2005, in anticipation that Royal Transport, Inc.’s Conditional safety rating status would not improve, Nationwide, Inc. applied for and was assigned USDOT# 1425997. On June 26, 2007, Nationwide, Inc. filed a Form MCS-150 (for a biennial update) with FMCSA and identified the principal address as 14445 W. 140<sup>th</sup> Terrace, Olathe, Kansas. The president for the company was identified as Harjit Kaur. Binder Singh identified himself as the company owner and vice-president for Nationwide, Inc. during the 2008 Compliance Review. On August 17, 2011, Binder Singh ultimately filed Articles of Incorporation with the State of Kansas, to create Nationwide, Inc. - with an address of 14445 W. 140<sup>th</sup> Terrace, Olathe, Kansas.

3. On May 15, 2009, Avtar Singh filed Articles of Incorporation with the State of Kansas to create Freight, Inc. - with an address of 14445 W. 140<sup>th</sup> Terrace, Olathe, Kansas. On June 4, 2009, Avtar Singh filed a Form MCS-150 (new application) for Freight, Inc., DOT# 1898128. Avtar Singh was identified as company president. FMCSA granted common carrier authority on June 25, 2009. On October 12, 2012, Binder Singh filed a Form MCS-150 (biennial update) for Freight, Inc., DOT# 1898128. Both Avtar Singh and Binder Singh were identified as the carrier's president. Binder Singh was also listed as the safety officer.

4. On September 14, 2011, Binder Singh filed Articles of Incorporation with the State of Kansas to create Midwest A. Inc. – with an address of 14445 W. 140<sup>th</sup> Terrace, Olathe, Kansas. On October 5, 2011, Binder Singh filed a new carrier MCS-150 for the same carrier and with an address of 14445 W. 140<sup>th</sup> Terrace, Olathe, Kansas and identified just one motor vehicle and driver. In FMCSA's experience, the MCS-150 served as a placeholder for the ultimate transfer of motor carrier operations from Freight, Inc. to Midwest A, Inc.

5. According to documents and information available to FMCSA, Avtar Singh, Binder Singh and Harjit Kaur are members of the same family – identified as father, son and wife.

6. Motor Carrier Identification Reports (MCS-150s) maintained by FMCSA demonstrate the 14445 W. 140<sup>th</sup> Terrace, Olathe, Kansas address is the business address common to Royal Transport, Nationwide, Inc., Freight, Inc. and Midwest A, Inc. The business address is also Binder Singh's home which serves the family residence for Avtar Singh, Binder Singh and Harjit Kaur .

7. Royal Transport, Inc., Nationwide, Inc. and Freight, Inc. have operated from the same 14445 W. 140<sup>th</sup> Terrace, Olathe, Kansas address. Midwest A, Inc. is poised to do the same. The business telephone is the same for Royal Transport, Inc., Nationwide, Inc. and Freight, Inc. Midwest A, Inc. listed a different number on the October 5, 2011 MCS-150.

8. According to the MCS-150s on file with FMCSA, each motor carrier is an authorized for-hire motor carrier transporting general freight that acquired or acquires loads from internet motor carrier bulletin boards, etc. Thus, there are no consistent customers across these motor carriers.

9. According to records available to FMCSA, commercial motor vehicles operated for Royal Transport, Inc. were also operated for Nationwide, Inc. and Freight, Inc. Drivers for Royal Transport, Inc. drove for Nationwide, Inc. and Freight, Inc.

10. No evidence has been presented to FMCSA which would demonstrate any purchase or asset transfer agreement between Royal Transport, Nationwide, Inc., Freight, Inc. and Midwest A, Inc.

## **V. RIGHT TO PETITION FOR ADMINISTRATIVE REVIEW**

You may petition for administrative review of this ORDER in accordance with 49 C.F.R. § 386.73(g).

Your petition for administrative review must be in writing and served on the Assistant Administrator, Federal Motor Carrier Safety Administration, 1200 New Jersey Ave., S.E., Washington, DC 20590-0001, Attention: Adjudications Counsel. You may also serve your petition for administrative review by electronic mail to “FMCSA.Adjudication@dot.gov.” You must also serve a copy of your petition for administrative review to the Midwestern Service Center Field Administrator at 4749 Lincoln Mall Drive, Suite 300A, Matteson, IL 60443.

Your request for administrative review must include a copy of this Order and a statement of all factual and procedural issues in dispute. If you serve the petition for administrative review within 15 days of the date the Order was served to you, you may supplement your petition by serving the Assistant Administrator and Field Administrator with documentary evidence and/or written argument

that supports your position regarding the procedural or factual issues in dispute, no later than 30 days from the date the Order was served to you.

Failure to timely serve a petition for administrative review, and supplementary evidence and argument, if any, constitutes a waiver of your right to do so and will result in the Order becoming a Final Agency Order 21 days after the Order was served.

## **VI. PETITION FOR RESCISSION OF ORDER**

In accordance with 49 C.F.R. § 386.73(h), you may petition to rescind the Operations Out-of-Service Order if you have taken action to correct the deficiencies that resulted in the Order. A petition for rescission must be made in writing to FMCSA's Field Administrator for the Midwestern Service Center. The petition for rescission must include a copy of this ORDER, a factual statement identifying all corrective action taken, and copies of supporting documentation. Any petition for rescission must be directed to the Field Administrator, Midwestern Service Center, at the following address:

Field Administrator, Midwestern Service Center  
Federal Motor Carrier Safety Administration  
4749 Lincoln Mall Drive, 300A  
Matteson, Illinois 60443

In accordance with 49 C.F.R. § 386.73(h)(4), the Field Administrator will issue a written decision on a petition for rescission within 60 days of the service date of the petition. If the Field Administrator grants the request for rescission, the written decision is the Final Agency Order. If the Field Administrator denies the request for rescission, you may file a petition for administrative review of the denial with the Assistant Administrator, Federal Motor Carrier Safety Administration pursuant to 49 C.F.R. § 386.73(h)(6). A petition for administrative review of a denial of a request for rescission must be served and filed within 15 days of the service date of the decision denying the request for rescission. The petition for

administrative review of the denial of a request for rescission must be in writing, and must identify the disputed factual or procedural issues related to the denial of the petition for rescission. A petition for administrative review of a denial of a request for rescission may not challenge the underlying basis of the order for which rescission was sought.

RESPONDENTS are subject to this ORDER unless and until the ORDER, or any part of the ORDER, is rescinded in writing by the Field Administrator.

## **VII. PENALTIES FOR VIOLATIONS**

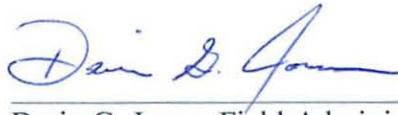
Penalty provisions for violations of federal statutes and regulations are separate and distinct from penalties for violations of this ORDER. This ORDER is in addition to, and does not supersede, amend, or modify, any other orders or notices in any other case or proceeding. FMCSA may assess penalties for violations of federal statutes and regulations, including the FMCSRs, as well as for violations of FMCSA Orders and prohibitions. RESPONDENTS have ongoing responsibility for compliance with all applicable provisions of Federal statute and regulations, including the Federal Motor Carrier Safety Regulations. The duties imposed by this Order are in addition to the duties imposed by applicable statute and regulations. Nothing in this Order will be construed to waive or modify any Federal statutory or regulatory requirement and compliance with the terms and conditions of this Order does not excuse any failure to comply with any such requirement.

Penalties may be assessed for violations previously discovered, discovered after the service of this ORDER, and/or discovered during subsequent investigations.

## VIII. OTHER ORDERS UNAFFECTED

This ORDER is in addition to, and does not amend or supersede any other Order, prohibition, or requirement to which RESPONDENTS are or may become subject.

Date: January 25, 2013.



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Darin G. Jones, Field Administrator  
Midwestern Service Center  
United States Department of Transportation  
Federal Motor Carrier Safety Administration