

29972
EB

SERVICE DATE - FEBRUARY 5, 1999

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. MC-F-20919

GREYHOUND LINES, INC., et al.
—ACQUISITION—
AUTOBUS TURISMOS RAPIDOS, INC.

AGENCY: Surface Transportation Board

ACTION: Notice Tentatively Approving Finance Application

SUMMARY: Greyhound Lines, Inc. (Greyhound), a motor carrier of passengers, Sistema Internacional de Transporte de Autobuses, Inc. (SITA), a wholly owned, non-carrier subsidiary of Greyhound, and Americanos U.S.A., L.L.C. (Americanos), a motor carrier controlled by SITA, jointly seek approval under 49 U.S.C. 14303 for the acquisition of the operating authority and certain other properties of Autobus Turismos Rapidos, Inc. (ATR), a motor carrier of passengers. Persons wishing to oppose the application must follow the rules under 49 CFR 1182 (effective October 1, 1998). The Board has tentatively approved the transaction, and, if no opposing comments are timely filed, this notice will be the final Board action.

DATES: Comments must be filed by March 22, 1999. Applicants may file a reply by April 6, 1999. If no comments are filed by March 22, 1999, this notice is effective on that date.

ADDRESSES: Send an original and 10 copies of any comments referring to STB Docket No. MC-F-20919 to: Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, send one copy of any comments to applicants' representative: Fritz R. Kahn, Suite 750 West, 1100 New York Avenue, N.W., Washington, DC 20005-3934.

FOR FURTHER INFORMATION CONTACT: Beryl Gordon, (202) 565-1600. [TDD for the hearing impaired: (202) 565-1695.]

SUPPLEMENTARY INFORMATION: Greyhound holds nationwide, motor passenger carrier operating authority under Docket No. MC-1515.¹ SITA holds no operating authority, but controls

¹ In Laidlaw, Inc. and Laidlaw Transit Acquisition Corp.—Merger—Greyhound Lines, Inc., STB Docket No. MC-F-20940 (STB served Dec. 17, 1998) (63 FR 69710), we tentatively approved the merger of Greyhound with Laidlaw Transit Acquisition Corp., a wholly owned

(continued...)

Americanos (MC-309813)² and proposes to acquire ATR through Americanos. SITA also controls three other motor passenger carriers: Gonzalez, Inc., d/b/a Golden State Transportation Company (Gonzalez) (MC-173837), operating in the Southwest; Los RapiDOS, Inc. (MC-293638), operating in California, Nevada, and Arizona; and Autobuses Amigos, L.L.C. (Amigos) (MC-340462), operating between Mexican border crossing points in Texas and points throughout the United States. ATR holds authority in Docket No. MC-181016, to conduct scheduled, regular-route, passenger operations in California, Colorado, New Mexico, Arizona, and Texas. According to applicants, their purchase of ATR has already been consummated, but SITA has placed all of its “membership interests” in Americanos into a voting trust established pursuant to 49 CFR 1013.

Applicants state that the aggregate gross operating revenues for Greyhound and its affiliates exceeded \$2 million during the 12 months preceding the filing of this application. They assert that access to applicants’ financial resources will permit ATR’s business, specializing in transportation markets addressing Spanish speaking passengers, to grow and will strengthen its competitive position. They state that this will improve service to the traveling public, integrate ATR’s services with those of Greyhound, permit both carriers to offer reasonable and reduced fares, and enhance competition.³ They indicate that the transaction will have little or no effect on Greyhound’s total fixed charges, and that ATR’s drivers and other employees will be offered the opportunity to apply for positions with Americanos.

Applicants certify that: (1) Greyhound and its affiliates hold “satisfactory” safety ratings (except for Americanos and Amigos, which have not yet been rated, and Gonzalez, which has a

¹(...continued)
subsidiary of Laidlaw Inc.

Greyhound also controls several regional motor passenger carriers: Valley Transit Company, Inc. (MC-74), operating in Texas; Carolina Coach Company, Inc. (MC-13300), operating in Delaware, Virginia, and North Carolina; Texas, New Mexico & Oklahoma Coaches, Inc. (MC-61120), operating in Texas, New Mexico, Colorado, Kansas, and Oklahoma; Continental Panhandle Lines, Inc. (MC-8742), operating in Oklahoma and Texas; Vermont Transit Co., Inc. (MC-45626), operating in Maine, Vermont, Massachusetts, and New York; and PRB Acquisition, LLC, doing business as Peoria Rockford Bus Co. (MC-66810), operating in Illinois.

² Americanos is authorized to conduct scheduled, regular-route, passenger operations between border crossing points such as San Ysidro/Tijuana, Calexico/Mexicali, and Nogales/Nogales, and such cities as Los Angeles, Seattle, Dallas, Houston, Chicago, Atlanta, and Miami, but it did not conduct any passenger transportation operations before consummation of the purchase of ATR’s properties.

³ According to applicants, SITA has minority ownership interests in two Mexican motorbus operators that connect with Americanos at the Mexican/U.S. border crossing points and this transaction will permit SITA, through Americanos, to use the operating authority and other property of ATR to ease and simplify Mexico/U.S. transborder passenger transportation.

“conditional” rating); (2) Americanos and Greyhound have appointed appropriate agents for service of process in each state in which they operate, in accordance with 49 U.S.C. 13303 and 13304 and 49 CFR 366.1 et seq., and maintain sufficient liability insurance as required by 49 U.S.C. 13906 and 40 CFR 387.1, et seq.; (3) Greyhound, SITA, Americanos, and ATR are not domiciled in Mexico and are not owned or controlled by a person of that country; and (4) approval of the transaction will not significantly affect either the quality of the human environment or the conservation of energy resources.

Under 49 U.S.C. 14303(b), we must approve and authorize a transaction that we find consistent with the public interest, taking into consideration at least: (1) the effect of the proposed transaction on the adequacy of transportation to the public; (2) the total fixed charges that result from the proposed transaction; and (3) the interest of carrier employees affected by the proposed transaction.

On the basis of the application, we find that the proposed acquisition is consistent with the public interest and should be authorized. If any opposing comments are timely filed, this finding will be deemed to be vacated, and unless a final decision can be made on the record as developed, a procedural schedule will be adopted to reconsider the application. If no opposing comments are filed by the expiration of the comment period, this decision will take effect automatically and will be the final Board action.

Board decisions and notices are available on our website at “WWW.STB.DOT.GOV.”

This decision will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. The proposed acquisition is approved and authorized, subject to the filing of opposing comments.

2. If timely opposing comments are filed, the findings made in this decision will be deemed to be vacated.

3. This decision will be effective on March 22, 1999, unless timely opposing comments are filed.

4. A copy of this notice will be served on: (1) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530; and (2) the U.S.

STB Docket No. MC-F-20919

Department of Transportation, Office of Motor Carriers-HIA 30, 400 Virginia Avenue, S.W., Suite 600, Washington, DC 20024.

Decided: February 1, 1999.

By the Board, Chairman Morgan and Vice Chairman Clyburn.

Vernon A. Williams
Secretary