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SERVICE DATE - FEBRUARY 3, 2000

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. MC-F-20959

LIDLAW INC., AND LIDLAW TRANSPORTATION, INC.—ACQUISITION AND CONTROL—HOTARD COACHES, INC., AND COASTLINER, D/B/A MISSISSIPPI COAST LIMOUSINE, INC.

AGENCY: Surface Transportation Board.

ACTION: Notice Tentatively Approving Finance Transaction.

SUMMARY: In an application filed under 49 U.S.C. 14303, Laidlaw Inc. (Laidlaw), a noncarrier, through its noncarrier subsidiary, Laidlaw Transportation, Inc. (Laidlaw Transportation) (collectively referred to as Laidlaw), seeks to purchase and acquire control of Hotard Coaches, Inc. (Hotard), and Hotard's subsidiary, Coastliner, d/b/a Mississippi Coast Limousine, Inc. (Coastliner), both motor passenger carriers. Persons wishing to oppose the application must follow the rules under 49 CFR 1182.5 and 1182.8. 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 20, 2000. Applicant may file a reply by April 3, 2000. If no comments are filed by March 20, 2000, this notice is effective on that date.

ADDRESSES: Send an original and 10 copies of any comments referring to STB Docket No. MC-F-20959 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 comments to applicant's 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: 1-800-877-8339.]

SUPPLEMENTARY INFORMATION: Laidlaw seeks authority to acquire control of Hotard and Coastliner through the acquisition of all of Hotard's common stock which is being held in a voting trust.¹ Laidlaw states that Hotard will continue to be managed by its president, Ms. Eva Hotard, and will maintain its separate office in New Orleans.

¹ Laidlaw Transportation purchased all of the issued and outstanding shares of the common stock of Hotard and placed them in a voting trust, pursuant to the terms of a Voting Trust Agreement, dated December 21, 1999.

Hotard has limited regular-route authority and holds federally issued authority in Docket No. MC-143881, which authorizes it to provide special and charter operations in Louisiana and Mississippi. Coastliner also provides special and charter operations in Louisiana and Mississippi pursuant to federally issued authority in Docket No. MC-133182.

Laidlaw currently controls motor passenger carriers whose operations, with the exception of those of Greyhound Lines, Inc. (Greyhound), are largely limited to charter and special operations in the United States. Greyhound holds federally issued operating authority in Docket No. MC-1515 and provides mainly nationwide, scheduled regular-route operations. Although Greyhound performs some special and charter operations, according to Laidlaw, Greyhound does not have the same contacts and relationships with patrons as Hotard and Coastliner, within their distinct regional market.² The other Laidlaw motor passenger carriers do not conduct operations in the regional markets served by Hotard and Coastliner. Laidlaw asserts that the addition of Hotard and Coastliner will contribute significantly to the breadth of services that Greyhound and the other Laidlaw affiliates are able to provide to the public.

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

Applicant has submitted the information required by 49 CFR 1182.2, including information to demonstrate that the proposed transaction is consistent with the public interest under 49 U.S.C. 14303(b). Specifically, applicant has shown that the proposed transaction will have a positive effect on the adequacy of transportation to the public and will result in no increase in fixed charges and no changes in employment. See 49 CFR 1182.2(a)(7). Additional information may be obtained from applicant's representative.

On the basis of the application, we find that the proposed transaction is consistent with the public interest and should be authorized. If any opposing comments are timely filed, this finding will be deemed vacated and, unless a final decision can be made on the record as developed, a procedural schedule will be adopted to reconsider the application. See 49 CFR 1182.6(c). 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."

² Laidlaw states that Hotard and Coastliner have contacts with casino operators in Louisiana and Mississippi and established relationships with churches, schools, and other institutions in the area. In addition, Laidlaw states that Hotard provides sightseeing services in New Orleans.

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

It is ordered:

1. The proposed acquisition and control 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 as having been vacated.

3. This decision will be effective on March 20, 2000, unless timely opposing comments are filed.

4. A copy of this notice will be served on: (1) the U.S. Department of Transportation, Office of Motor Carrier Safety - HMCE-20, 400 Virginia Avenue, S.W., Suite 600, Washington, DC 20024; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530; and (3) the U.S. Department of Transportation, Office of the General Counsel, 400 7th Street, S.W., Washington, DC 20590.

Decided: January 28, 2000.

By the Board, Chairman Morgan, Vice Chairman Burkes, and Commissioner Clyburn.

Vernon A. Williams
Secretary