

36698
EB

SERVICE DATE – FEBRUARY 22, 2006

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. MC-F-21014

KBUS HOLDINGS, LLC, & CUSA, LLC—ACQUISITION OF CONTROL—
AMERICA CHARTERS, LTD. ET AL.

AGENCY: Surface Transportation Board.

ACTION: Notice Tentatively Approving Finance Transaction.

SUMMARY: KBUS Holdings, LLC (KBUS), and CUSA, LLC (collectively, Applicants), have filed an application under 49 U.S.C. 14303 to acquire control of American Coach Lines, Inc. (ACL), by acquiring all of the outstanding stock of ACL from ACL Acquisition LLC, William Bergstrom, George Del Pino, Mark Konttinen, John Garrett, Bruce Bechard, Robert Finke, Ron Dillon, Sr., and Vesa Nikunen (collectively, Sellers). ACL currently controls the following federally regulated motor carriers of passengers: America Charters, Ltd.; American Coach Lines of Atlanta, Inc.; American Coach Lines of Jacksonville, Inc.; American Coach Lines of Miami, Inc.; American Coach Lines of Orlando, Inc.; Dillon's Bus Service, Inc.; Florida Cruise Connection, Inc., d/b/a Cruise Connection; Midnight Sun Tours, Inc.; Southern Coach Company; and Southern Tours, Inc. Persons wishing to oppose this application must follow the rules at 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 April 10, 2006. Applicants may file a reply by April 24, 2006. If no comments are filed by April 10, 2006, this notice is effective on that date.

ADDRESSES: Send original and 10 copies of any comments referring to STB Docket No. MC-F-21014 to: Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, send one copy of comments to Applicants' representative: Stephen Flott, Flott & Co. PC, P.O. Box 17655, Arlington, VA 22216-7655.

FOR FURTHER INFORMATION CONTACT: Eric S. Davis, (202) 565-1608 [Federal Information Relay Service (FIRS) for the hearing impaired: 1-800-877-8339].

SUPPLEMENTARY INFORMATION: CUSA is a noncarrier which owns 23 federally regulated and several non-federally regulated motor carriers. CUSA is, in turn, wholly owned by noncarrier KBUS Holdings, LLC, which acquired the assets and business operations of the federally regulated motor carriers owned by Coach USA, Inc., then consolidated those

assets/operations into the motor passenger carriers now controlled by CUSA.¹ The CUSA group of companies generated more than \$215 million in gross revenue for the calendar year ending December 31, 2004.

The Sellers own 100% of the shares of ACL, a noncarrier, which in turns owns 100% of the shares of the federally regulated motor carriers listed above. The ACL-controlled carriers have facilities in the six coastal states from Maryland to Florida, operate a fleet of more than 430 motor coaches and 110 minibuses, and had, as of December 31, 2005, approximately 1,200 employees.

Under 49 U.S.C. 14303(b), the Board must approve and authorize a transaction found to be 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.

KBUS and CUSA have submitted information, as required by 49 CFR 1182.2, including the information to demonstrate that the proposed transaction is consistent with the public interest under 49 U.S.C. 14303(b). Applicants state that the proposed transaction will have no impact on the adequacy of transportation services available to the public, that the proposed transaction will not have an adverse effect on total fixed charges, and that the interests of employees of the carriers controlled by ACL will not be adversely impacted. Additional information, including a copy of the application, may be obtained from the Applicants' representative.

On the basis of the application, we find that the proposed acquisition of control 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 notice 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 finance transaction is approved and authorized, subject to the filing of opposing comments.

¹ See KBUS Holdings, LLC–Acquisition of Assets and Business Operations–All West Coachlines, Inc., et al., STB Docket No. MC-F-21000 (STB served July 23, 2003).

2. If timely opposing comments are filed, the findings made in this notice will be deemed as having been vacated.

3. This notice will be effective April 10, 2006, unless timely opposing comments are filed.

4. A copy of this notice will be served on: (1) the U.S. Department of Transportation, Federal Motor Carrier Safety Administration, 400 7th Street, S.W., Room 8214, Washington, DC 20590; (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: February 15, 2006.

By the Board, Chairman Buttrey and Vice Chairman Mulvey.

Vernon A. Williams
Secretary