

SURFACE TRANSPORTATION BOARD

DECISION

STB No. MC-F-20906

CAPITAL MOTOR LINES, *ET AL.*--POOLING--GREYHOUND LINES, INC.

AGENCY: Surface Transportation Board.

ACTION: Notice of proposed pooling application.

SUMMARY: Applicants, Capital Motor Lines, d/b/a Capital Trailways, of Montgomery, AL, and Colonial Trailways, of Mobile, AL (collectively, Capital), and Greyhound Lines, Inc. (Greyhound), of Dallas, TX, jointly seek approval under 49 U.S.C. 14302 of an operations and revenue pooling agreement to govern their motor passenger and express transportation services between Mobile and Birmingham, AL, and between Mobile and New Orleans, LA.

DATES: Comments on the proposed agreement are due by May 23, 1997, and, if comments are filed, applicants' rebuttal is by June 12, 1997.

ADDRESSES: Send an original and 10 copies of comments referring to STB No. MC-F-20906 to: Surface Transportation Board, Office of the Secretary, Case Control Unit, Room 713, 1925 K Street, N.W., Washington, DC 20423-0001. Also, send one copy of comments to applicants' representatives: Dennis N. Barnes, 1800 M Street, N.W. (#600N), Washington, DC 20036-5869; and 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: Under the proposed pooling arrangement, applicants seek approval to pool portions of their services over routes which they both operate and to share the revenues derived from their operations over these routes.

Applicants are competitors on certain intercity routes between Mobile and Birmingham and between Mobile and New Orleans. Because their competing services operate at nearly the same times of day with buses that are only partially loaded, applicants assert that their operations are inefficient, costly, and, as a consequence, that they are unable to compete effectively with Amtrak, airlines, and private automobiles.

Applicants assert that there is substantial intermodal competition between points on the affected routes to protect the public and that the proposed revenue pooling agreement does not threaten to produce an unreasonable restraint on competition. They state that Amtrak operates daily passenger train service between Mobile and Montgomery, Mobile and Birmingham, Montgomery and Birmingham, and Mobile and New Orleans. Additionally, they indicate that the affected points receive daily connecting air flights from Delta Air Lines, Northwest Air Lines, and US Airways. Numerous interstate highways connect these points, as well, making private automobile travel relatively quick and inexpensive.

The proposed pooling of services, according to applicants, will enable them to increase their passenger load per bus. This, in turn, will reduce their unit costs and make their services more competitive. Additionally, they emphasize that the proposed pooling arrangement will permit them to schedule service more evenly throughout the day, affording the traveling public a greater choice of departure times and enhancing the convenience of bus travel.

Applicants state that they are not domiciled in Mexico and are not owned or controlled by persons of that country. In addition, they assert that approval of the pooling agreement will not significantly affect either the quality of the human environment or the conservation of energy resources. In fact, they claim that it will result in the conservation of fuel and, hence, the reduction

of emissions.

Copies of the application may be obtained free of charge by contacting applicants' representatives. In the alternative, the pooling application may be inspected at the offices of the Surface Transportation Board, Room 755, during normal business hours. A copy of this notice will be served on the Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, D.C. 20530.

Decided: April 15, 1997.

By the Board, Chairman Morgan and Vice Chairman Owen.

Vernon A. Williams
Secretary