

43501

SERVICE DATE – DECEMBER 12, 2013

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35787]

Mark W. Dobronski and Susan K. Dobronski—Acquisition of Control Exemption—
Adrian & Blissfield Rail Road Company, Charlotte Southern Railroad Company, Detroit
Connecting Railroad Company, Lapeer Industrial Railroad Company and Jackson &
Lansing Railroad Company

Mark W. Dobronski and Susan K. Dobronski (Applicants), both noncarriers, have filed a verified notice of exemption under 49 C.F.R. § 1180(d)(2) to indirectly control Adrian & Blissfield Rail Road Company (ADBF), a Class III railroad, and ADBF's four Class III railroad subsidiaries: Charlotte Southern Railroad Company (CHS), Detroit Connecting Railroad Company (DCON), Lapeer Industrial Railroad Company (LIRR), and Jackson & Lansing Railroad Company (JAIL).

Applicants state that they control Ferrovia, L.L.C. (Ferrovia), also a noncarrier and a limited liability company, which, until very recently, owned 50 percent of ADBF. On November 15, 2013, two minority shareholders of ADBF were required by court order to sell their outstanding shares back to ADBF. As a result, Ferrovia now owns 58.33 percent of the outstanding shares of ADBF and therefore directly controls ADBF and indirectly controls CHS, DCON, LIRR, and JAIL. Applicants, in turn, now indirectly control ADBF, CHS, DCON, LIRR, and JAIL. Applicants state that they have

not entered into an agreement rendering them in indirect control of ADBF and its four carrier subsidiaries.

The transaction is expected to be consummated on December 26, 2013 (the effective date of the exemption, 30 days after the notice of exemption was filed).

Petitioners state that: (1) the rail lines operated by ADBF and its four subsidiaries do not connect with each other;¹ (2) this transaction is not part of a series of anticipated transactions that would connect the rail lines operated by ADBF, CHS, DCON, LIRR, and JAIL with any of their affiliated railroads; and (3) this transaction does not involve a Class I rail carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. § 11323 pursuant to 49 C.F.R. § 1180.2(d)(2).

Under 49 U.S.C. § 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under §§ 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here because all of the carriers involved are Class III carriers.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the

¹ ADBF operates a 20-mile rail line between Adrian and Riga, Mich. CHS operates a 3.5-mile rail line near Charlotte, Mich. DCON operates a 2.5-mile rail line in Detroit, Mich. LIRR operates a 1.5-mile rail line in LaPeer, Mich. JAIL operates a 47-mile rail line between Jackson and Lansing, Mich.

effectiveness of the exemption. Petitions to stay must be filed no later than December 19, 2013 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35787, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy must be served on Karl Morell, Ball Janik LLP, 655 Fifteenth Street, N.W., Suite 225, Washington, DC 20005.

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

Decided: December 9, 2013.

By the Board, Rachel D. Campbell, Director, Office of Proceedings