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SERVICE DATE - JUNE 17, 1999

SURFACE TRANSPORTATION BOARD

STB Docket No. MC-F-20929¹

LIDLAW, INC., ET AL.—CONTROL—DAVE TRANSPORTATION SERVICES, ET AL.;
MERGER—ALLEGHENY VALLEY TRANSIT INC. ET AL.

STB Docket No. MC-F-20942

LIDLAW, INC. ET AL.—CONTROL AND MERGER—D-A-R TRANSIT SYSTEMS, INC.
D/B/A GALAXY CHARTERS ET AL.

Decided: June 10, 1999

On May 10, 1999, Laidlaw, Inc. (Laidlaw) filed a petition under 49 CFR 1117.1 asking us to issue a supplemental order in these proceedings to authorize minor changes to two control transactions, which we had approved under 49 U.S.C. 14303. We will grant Laidlaw's request.

In a decision served and published August 7, 1998 (63 FR 42479), in STB Docket No. MC-F-20929, we approved Laidlaw's application under 49 U.S.C. 14303 to control 10 motor passenger carriers through direct or indirect stock ownership and to merge 21 motor passenger carriers into Laidlaw Transit, Inc., a subsidiary of Laidlaw. In one of the approved control transactions, Laidlaw's subsidiary, Gray Line of Vancouver Holdings Limited (Holdings), was permitted to acquire the interstate operating rights in MC-94107 held by Pacific Northwest Bus Company, Ltd. (Pacific). The operating rights in MC-94107 authorized nationwide charter and special operations and regular route service between Seattle-Tacoma International Airport and nearby U.S.-Canada border crossings.

Laidlaw's petition states that it had originally expected that Holdings would become an authorized charter and tour bus operator by acquiring Pacific's operating authority. However, Pacific's operating authority in MC-94107 had apparently lapsed and was not transferable. Laidlaw says that Holdings has applied to the Federal Highway Administration (FHWA) for its own operating authority in MC-357855.²

In a decision served and published January 11, 1999 (64 FR 1651), in STB Docket No. MC-F-20942, we approved Laidlaw's application under 49 U.S.C. 14303 to acquire control of four motor passenger carriers and ultimately to merge the carriers into existing Laidlaw subsidiaries. In

¹ These proceedings are not embraced. A single decision is being issued for administrative convenience.

² FHWA indicates that operating authority in MC-357855 had been issued to Holdings on May 5, 1999.

one of the approved transactions, Laidlaw's subsidiary, Greyhound Canada Transportation Corp. (GCTC), was authorized to acquire the assets of Voyageur Colonial Limited (Voyageur). The decision indicated that Voyageur's assets (including its Canadian operating authority) would be conveyed to 3352926 Canada Inc. of Burlington, Ontario, a Canadian corporation, which was subsequently renamed Voyageur Corp. (New Voyageur). New Voyageur's stock is held by GCTC. Voyageur held authority in MC-83928 and conducted regular-route and charter operations primarily within Canada.³

In its petition, Laidlaw states that it expected that New Voyageur's interstate operations would be conducted under GCTC's operating authority, using equipment leased from New Voyageur. Laidlaw indicates that New Voyageur now intends to apply to the FHWA for its own operating authority to conduct interstate operations, rather than using GCTC's authority.⁴

Laidlaw asks that the decisions in STB Docket No. MC-F-20929 and STB Docket No. MC-F-20942 be modified to authorize it to control the new operating authorities Holdings and New Voyageur would be obtaining from the FHWA.

We will grant Laidlaw's request. The decisions in these proceedings are modified to authorize Laidlaw to control new operating authorities acquired by Holdings and New Voyageur.

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

It is ordered:

1. In STB Docket No. MC-F-20929, the decision served and published August 7, 1998, is modified to authorize Laidlaw to control new operating authority acquired by Holdings.

³ According to Laidlaw, the assets acquired by New Voyageur did not include Voyageur's interstate operating rights. The January 11, 1999 decision indicated that those operating rights would be surrendered as duplicative.

⁴ Apparently, New Voyageur has not yet applied to FHWA for operating authority.

STB Docket No. MC-F-20929, et al.

2. In STB Docket No. MC-F-20942, the decision served and published January 11, 1999, is modified to authorize Laidlaw and its subsidiary, GCTC, to control new operating authority acquired by New Voyageur.

3. This decision is effective on the date it is served.

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

Vernon A. Williams
Secretary