

SURFACE TRANSPORTATION BOARD

DECISION

STB No. MC-F-20915

SUBURBAN TRANSIT CORP., ET AL.
—POOLING—
AMERICAN LIMOUSINE SERVICE INC.

Decided: March 2, 2001

Suburban Transit Corp. and Suburban Trails, Inc. (Suburban),¹ and Academy Express, Inc. (Academy), (petitioners), filed a verified petition on January 5, 2001, requesting that Academy be permitted to substitute for American Limousine Service, Inc. (American), as a party to the pooling agreement that the Board approved in the decision served on June 4, 1998.² Under the pooling agreement, Suburban and American were granted permission to pool their commuter services and revenues on the motor passenger services each provided between the “8A Park-n-Ride Facility” near Exit 8A of the New Jersey Turnpike (Exit 8A Facility) and New York City, NY (NYC). The pooling agreement went into effect shortly after its approval, in June 1998.

In Tedesco Family ESB Trust—Acquisition and Merger—American Limousine Service, Inc., and Academy Express, Inc., STB Docket No. MC-F-20976 (STB served and published at 65 FR 70380 on Nov. 22, 2000), the Board tentatively approved an application by the Tedesco Family ESB Trust, Francis Tedesco and Mark Tedesco, settlers, of Hoboken, NJ (Tedesco Family Trust), for the acquisition of American (MC-186879) and Inner Circle Qonexions, Inc. (MC-145482) (reentitled Academy Express, Inc.), their merger into Academy (MC-228481), and the merger of Academy Bus Tours, Inc. (PA) (MC-215354) (Academy Bus (PA)), and Commuter Bus Lines, Inc. (MC-162133) (Commuter), into Academy. The motor passenger carriers being acquired and merged all provide either local commuter bus services and other

¹ The two Suburban companies are controlled by Coach USA, Inc. See Notre Capital Ventures II, LLC and Coach USA, Inc.—Control Exemption—Arrow Stage Lines, et al., STB Finance Docket No. 32876 (Sub-No. 1) (STB served May 3, 1996).

² The June 4, 1998 decision was reopened in a decision served on December 18, 1998, after critical letters were received from a number of commuters. Suburban and American were directed to submit additional information; and a copy of the reopening decision was served on the commuters and the Department of Justice, Antitrust Division (Justice Department). After reviewing applicants’ additional information, a letter-petition from Mr. Rosenthal, one of the commuters, and applicants’ reply, the Board reaffirmed its approval of the pooling agreement in a decision served on July 11, 2000.

regular-route operations or special and charter operations, or a combination of both. Collectively they operate between NYC and various points in New Jersey and Pennsylvania.³ No opposing comments were filed, and the application became effective on January 8, 2001.

In their substitution request, petitioners state that Academy does not serve the Exit 8A Facility but that it will continue to provide the commuter services from that facility that American has been providing. Petitioners would like American's pooling agreement with Suburban to continue after Academy replaces American. They state that no changes to the terms of the pooling agreement or to the nature of the operations currently being provided are contemplated. Additionally, they state that the proposed substitution will not unreasonably restrain competition or otherwise have an impact on the intermodal competitive options available to commuters. Because Academy intends to consummate its merger with American as soon as possible after January 8, 2001, petitioners request that the Board act expeditiously and summarily approve the substitution request.

Before the Board acts on the merits of this request, petitioners will be required to post notice of the proposed substitution in all buses and facilities that serve the Exit 8A Facility and make copies available to commuters for a 30-day period. The notice shall include the Board's and petitioners' addresses and state that comments: (1) must be mailed to the Board, and copies simultaneously mailed to petitioners, within 50 days after the day notice was fully posted and made available; and (2) must refer to the docket number of the proceeding.

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

It is ordered:

1. Petitioners shall provide notice of the proposed substitution as described above.
2. A copy of this decision will also be served on the Justice Department, the New York Department of Transportation, and the New Jersey Office of Regulatory Affairs (Buses).

³ Prior to the transaction, the Tedesco Family Trust directly controlled Academy Bus Tours, Inc. (MC-165004) (Academy Bus), and Academy Lines, Inc. (MC-106207) (Academy Lines), and indirectly controlled Academy Bus (PA), Academy, Commuter, and No.22 Hillside Corp. (MC-182453) (Hillside), through Franmar Logistics, Inc., of Hoboken, NJ. Academy Bus and Academy Lines provide local commuter bus services between NYC and points in New Jersey and Pennsylvania and special and charter operations. Hillside provides local commuter bus services between NYC and points in New Jersey.

3. This decision is effective on its service date.

By the Board, Vernon A. Williams, Secretary.

Vernon A. Williams
Secretary