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SERVICE DATE - JUNE 5, 1998

DO

FR-4915-00

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33598]

OmniTRAX, Inc.--Control Exemption--Northern Ohio & Western Railway, LLC

OmniTRAX, Inc. (OmniTRAX), a noncarrier holding company has filed a notice of exemption to control Northern Ohio & Western Railway, LLC (NOW), a Class III rail carrier. OmniTRAX is proposing to acquire all of the issued and outstanding stock of NOW.

The transaction was scheduled to be consummated on May 14, 1998, the effective date of the exemption.

Applicant currently controls 9 Class III railroad subsidiary operating in 7 states: Central Kansas Railway LLC and Kansas Southwestern Railway LLC, in Kansas; Chicago Rail Link LLC and Manufacturers' Junction Railway LLC, in Illinois; Georgia Woodlands Railroad LLC, in Georgia; Great Western Railway of Colorado LLC, in Colorado; Great Western Railway of Iowa LLC, in Iowa; Newburgh and South Shore Railroad Limited, in Ohio; and Panhandle Northern Railroad LLC, in Texas.

OmniTRAX states that: (i) the railroads do not connect with each other or any railroad in their corporate family; (ii) the acquisition of control is not part of a series of anticipated transactions that would connect the ten railroads with each other or any railroad in their corporate family; and (iii) the transaction does not involve a Class I carrier.

Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C.

11323. See 49 CFR 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 sections 11324 and 11325 that involve only Class III rail carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

If the 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 transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33598, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Karl Morell, Esq., BALL JANI LLP 1455 F Street, N.W., Suite 225, Washington, DC 20005.

STB Finance Docket No. 33598

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Decided: June 2, 1998.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary