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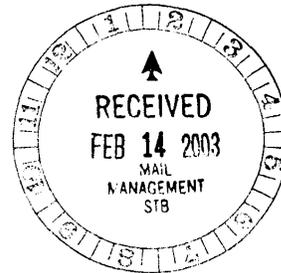
HAND DELIVERED

February 14, 2003

Honorable Vernon Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423

207238

Re: Peter Pan Bus Lines Trust
- Purchase and Acquisition of Control -
Arrow Line Acquisition, LLC, *et al.*
Surface Transportation Board
Docket MC-F-20995



Dear Secretary Williams:

There are transmitted herewith the original and 10 copies of Applicants' Reply to the only comment in this matter, filed by Entertainment Tours, Inc.

The parties respectfully request the Board's expeditious handling of this matter, as set out in additional detail at page 9 of the Reply.

I have sent a copy of the this letter and the Reply to counsel for Entertainment Tours by overnight express. I have also attached a copy of this letter and ask that you stamp it to acknowledge receipt of this filing.

Should you require anything further, your request to the undersigned, counsel for the acquiring carriers, shall receive prompt attention.

Respectfully,

Jeremy Kahn
Counsel for Acquiring Entities

JK:hs
Enc.

CC: David Coburn, Esq.
Mr. Brian Stefano
Mr. Peter Picknelly
Daniel B. Walsh, Esq. (Via FedEx)

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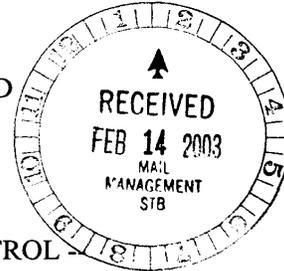
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BEFORE THE
SURFACE TRANSPORTATION BOARD

IN THE MATTER OF

PETER PAN BUS LINES TRUST
-- PURCHASE AND ACQUISITION OF CONTROL --
ARROW LINE ACQUISITION, LLC, *et al.*



STB DOCKET NO. MC-F-20995

APPLICANTS' REPLY TO
"COMMENT AND OPPOSITION"
ON BEHALF OF ENTERTAINMENT TOURS, INC.
and
REQUEST FOR EXPEDITED ACTION
UNDER 49 CFR 1182.6(b)(1)

COME NOW, the parties named in the application and respectfully submit this, their Reply to the single filing made in response to the Board's December 27, 2002 decision herein, namely the "Comment and Opposition" on behalf of Entertainment Tours, Inc. ("Entertainment"). For reasons herein, the parties also request the Board to exercise its discretion and under the terms of 49 CFR 1182.6(b)(1) promptly consider the Comment and then promptly issue a decision approving the proposed transaction.

Introduction

The application now before the Board involves, in general terms, the acquisition by the interests which control Peter Pan Bus Lines, Inc., a long-time respected member of the motor carrier community, of the operating properties of five other long-time New England motor passenger carriers. The carriers to be sold are all controlled by non-

carriers Stagecoach Group plc and Coach USA, Inc. The acquisition is to be accomplished through five limited liability companies, newly created by the Peter Pan interests, each of which is to acquire the properties of one of the selling carriers, to the end that the five companies to be sold will remain as five distinct carriers with distinct corporate entities following the proposed transaction.

Following the filing of an appropriate application for approval under 49 U.S.C. §14303 (including the parties' request for expedited Board Action) the Board, upon consideration of the information applicants submitted, tentatively approved the transaction in its December 27, 2002 decision.

Within the time permitted for filing comments, Entertainment, an existing passenger carrier, filed the only comments opposing the application. This reply, which includes the attached affidavit of Peter Pan's President, Peter A. Picknelly, is submitted responsive to the Entertainment comments.

Entertainment's comments are directed solely to Peter Pan and to what may occur in the future, so this Reply deals primarily with Peter Pan. However, the carriers to be sold also join in this Reply.

Argument

The proposed transaction is one in which an established, well respected, privately owned carrier organization plans to acquire from their current owner the properties of five other New England based carriers, with the intent "to continue the business of each

of the acquired carriers, essentially in the same manner in which they are now being conducted.” (App., p. 14¹) The Application details the exemplary qualifications of the acquiring interests. It explains how the transaction will bring under local, private control five carriers now owned by the much larger Coach USA interests which now controls many bus companies. The result will be less overall industry consolidation.

Most of all, the Application traces the unbroken line of decisions of first the Interstate Commerce Commission and more recently the STB, all of which have without variation “found that mergers, acquisitions, and assumptions of control within the bus community are not anti-competitive, because of healthy, consumer-oriented competition within the bus industry, and vigorous competition between the bus industry, on the one hand, and on the other, other modes of transportation (including most significantly private automobiles), all of which constitute the ‘relevant market.’” (App., p. 16)

The Board, based on the parties’ submission, properly approved the proposed transaction in its December 27 decision. Now, the Board is called upon to deal with the lone objection by Entertainment, an objection which immediately calls to mind the ICC’s comment in *GLI Acquisition Co. - Purchase - Trailways Lines, Inc.*, 4 I.C.C. 2d 591, 610 (1988), “It is important to consider divergence between competitor and consumer interests, for when competitors seek out government regulation it is fair to assume that what they desire is protection from competition, which comes at the expense of

¹ “App” refers to the parties initial Application.

consumers.” As will be shown, Entertainment’s “comments” clearly fall in that category.

The Board is bound by the prescripts of 49 U.S.C. §14303(b), which directs it to identify wherein lies the public interest, and in so doing, to consider, at a minimum, (1) the effect of the proposed transaction on the adequacy of transportation service to the public, (2) total fixed charges resulting from the proposed transaction, and (3) the interest of affected carrier employees. With respect to factors (2) and (3), the Board’s December 27 decision found, based on the parties’ representations, no increase in fixed charges and no changes in employment. (Decision, p. 4) Entertainment’s comments neither address nor even mention those two topics, so as to these factors, the Board’s amply supported findings in its initial Decision should stand.

If the Entertainment comments can be interpreted to address any of the relevant public interest factors, it must be the “adequacy of transportation to the public” factor.

The “summary” portion of the Entertainment comments asserts,

“[U]nless the Board denies the application, the purchase and acquisition of the five motor passenger carriers will have a serious detrimental effect on the competitive structure of the Boston to New York Shuttle service. The purchase and acquisition, should it go forward, will likely result in higher fares to passengers in this major market and result in a reduction of the number of round trips available to those same passengers.

From this statement, one must reasonably conclude that Entertainment’s opposition is limited only to scheduled bus service between Boston and New York and therefore to Peter Pan and Bonanza Bus, because none of the other four carriers whose properties are to be acquired operates intercity scheduled service. (App., p.14) This

follows because Entertainment apparently has no interests in the Connecticut territory served by Arrow Line, The Rhode Island territory served by Pawtuxet Valley, the Maine territory served by Maine Line, or even the Boston area charter territory served by Mini Coach of Boston. Read most expansively, Entertainment's opposition is directed at an extremely limited aspect of the proposed transaction.

What, exactly, is Entertainment's point? Today, and for more than a year, both Peter Pan and Entertainment operate Boston - New York City scheduled service over the same route in competition with one another. Bonanza, a company to be acquired, operates a Boston - New York City Service over an altogether different, slower route. (Picknelly Aff.,² p.5) If the application is approved, at most there will be the same three services operating the same services which exist today, so the "competitive structure" won't be altered.

What, exactly, is Entertainment's real point? The best likely explanation is not some commitment to public service, but rather its pique at Peter Pan for Peter Pan's disinterest in accepting its offer to sell! (Picknelly Aff., p. 4)

What about Entertainment's citation of the idea of "protecting competition rather than competitors"? *GLI, supra*, at 603. Entertainment approaches the Board as a supplicant, apparently asserting approval of this transaction will adversely impact competition. In considering that request, look first to see how Entertainment has been

² "Picknelly Aff." refers to the attached Reply Affidavit of Peter Pan's Peter Picknelly.

faring so far in the current competitive structure. One answer is found in Entertainment's comments at page 2, where the carrier says its service is "winning the praise of local travel reviewers"; that it offers "superior services for its passengers"; and that it "leads the local market by offering the lowest fares." Indeed, according to Entertainment, its service in the New York - Boston market in competition with Peter Pan and Bonanza "has been so successful, it anticipates expanding the service into other markets as well." From its comments, it sounds like Entertainment, operating within the current competitive structure, has taken on the competition and bested it, and the consumer has benefitted by having available not only Entertainment's "superior" services, but also the services of Peter Pan and Bonanza.

Perhaps Entertainment is being too modest in characterizing its services as merely "superior." An attachment to the attached Picknelly Affidavit is a copy of an article from the most recent *BusLine* Magazine in which Entertainment's owners justifiably brag about their success in starting up a new Boston - New York City scheduled bus service in direct competition with Peter Pan and Bonanza, and overcoming every obstacle in their path to reach today's assessment of a service which continues to be fast growing and their visions for even more continued growth and expansion. The Picknelly Affidavit identifies specific statements in the article in which Entertainment's owners explain why

their service is better than the competition and why it continues to grow.³ This extraordinarily successful growth has taken place despite all the hurdles Peter Pan has allegedly placed in Entertainment's path.

The Picknelly Affidavit vigorously refutes with facts all Entertainment's insinuations and allegations of anti-competitive behavior, all of which are couched in the most vague terms. Yet, only for purposes of argument, assume Entertainment's allegations were true. Despite what Entertainment describes as Peter Pan's nefarious scheme to use its power to stifle competition, Entertainment has nevertheless been able to start from scratch a brand new scheduled service over the heavily served Boston - New York route; its service is superior to all competing services; it has expanded that service to offer additional schedules; it plans to expand its service further; and it has become the industry leader in low fares. Isn't this exactly the picture of the benefits of free competition which the ICC painted in *GLI, supra*?

There, the ICC quoted approvingly from Congressional testimony that "The financial characteristics of the bus industry make it almost impossible for destructive competition to occur under a deregulated environment." 4 I.C.C. 2d at 601. Sure

³ The only troublesome feature of Entertainment's success is its apparent strategy of offering service limited to "more of a white collar type of person" so its passengers will be surrounded by "similar people" and will therefore "feel more comfortable and relaxed." (Picknelly Aff., p. 3) However, Peter Pan welcomes every type of passenger, even if they aren't all "similar," assuring transportation for the entire public.

enough, based on Entertainment's actual experience, economic barriers to entry are low,⁴ making it possible for a new entrant like Entertainment to enter even a heavily served market and carve out its own niche, generate its own loyal passengers, and then build and expand on its initial successes.

Yet, at the end of the day, the legal standard of "consistent with the public interest" is not all about Entertainment; rather, it is all about the *public*, a distinction apparently lost on this objecting carrier. In that portion of their Application titled "Competition and the Public Interest" (pp. 16-8), applicants set out a few of the leading ICC and STB decisions, each and every one of which found that acquisitions of the sort proposed here further the fortunes of the carriers involved without any lessening of the benefits of healthy competition, and are therefore in the *public* interest. In *GLI*, the ICC found that the combination of the only two nationwide scheduled bus systems into one was in the public interest, because it enhanced the strength of the remaining entity and the public was protected from any excesses by the pressures of low barriers to entry and the threat of pervasive competition from other transportation modes. In this current proposal, there will be no combination to reduce the number of carriers; all the independent carriers which existed prior to the acquisition will continue to exist as

⁴ There is perhaps a certain irony to Entertainment's anti-Peter Pan tirade that in the *BusLine* article, Entertainment expresses appreciation to Peter Pan's Mr. Picknelly for having sold the fledgling carrier its first two coaches so that it could get started in the business. (Picknelly Aff., p. 2)

independent carriers after the acquisition, with only a change in ownership. If any entrepreneur believes the public will be better served with additional service, there is nothing tomorrow which would preclude that entrepreneur from following Entertainment's successful game plan for offering such a competitive service.

Based on the unbroken line of ICC and STB decisions, some of which are cited in the Application, transactions such as that proposed are consistent with the public interest. Nothing in the Entertainment argument suggests otherwise. Instead, Entertainment talks only about itself and its trials and tribulations. There is nothing about the *public*. Its comments should be summarily dismissed.

Request for Expedited Consideration

In the Application (p.2), applicants requested expedited Board action on the processing and rendering of an initial decision, "so that all the parties will be able to achieve and recognize the substantial business benefits of their transaction as soon as possible, and so the ownership "transition" period, i.e., the time between the agreement to acquire the assets and regulatory approval, be minimized." Consistent with 49 CFR 1182.6(b)(1), applicants request the Board's expeditious consideration of the Entertainment comments and this reply, for the same reason they made their earlier, similar request.

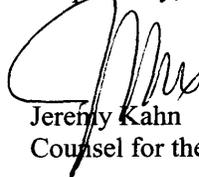
Applicants believe expedited consideration is altogether appropriate here, because the only argument advanced by Entertainment is that the proposed transaction will

somehow be contrary to the public interest by harming competition. This is an argument which has been made to and rejected by the Board time and time again in any number of cases. Entertainment advances no specific factual allegations which require time-consuming evaluation. There is just the speculation that "we may be potentially harmed by a competitor." The parties assert the Board can rely on vast precedent and quickly consider and then reject that argument once again, consistent with its obligation to carefully consider the public interest.

Conclusion

The Board in its initial decision properly approved this Application. The single objection, limited in terms of geography and in terms of actual service, is nothing other than a prayer for protection for a competing carrier against competition. The only novel aspect of this well worn and discredited argument is that the complainer is thriving and growing in market at the same time it is asking for more protection. The Board is asked to consider the record herein, including the Picknelly Affidavit, and thereupon as quickly as possible, rule in a manner consistent with all its precedent that the proposed transaction is consistent with the public interest and should be approved.

Respectfully,



Jeremy Kahn
Counsel for the Acquiring Parties

Dated: February 14, 2003

Jeremy Kahn, Esq.
Kahn & Kahn
1730 Rhode Island Ave., N.W.
Suite 810
Washington, D.C. 20036

telephone (202) 887-0037
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Certificate of Service

I hereby certify I have today served a copy of the foregoing Reply on the representative for Entertainment Tours by causing a copy to be sent by overnight express to him as follows:

Daniel Walsh, Esq.
Geary & Associates
161 Summer Street
Kingston, MA 02364

Dated at Washington, D.C. this 14th day of February, 2003.



Jeremy Kahn

BEFORE THE
SURFACE TRANSPORTATION BOARD

IN THE MATTER OF

PETER PAN BUS LINES TRUST
-- PURCHASE AND ACQUISITION OF CONTROL --
ARROW LINE ACQUISITION, LLC, *et al.*

STB DOCKET NO. MC-F-20995

AFFIDAVIT OF PETER A. PICKNELLY, PRESIDENT
PETER PAN BUS LINES, INC.

I am Peter A. Picknelly, President of Peter Pan Bus Lines, Inc. and the five newly created entities which propose to acquire the assets of five existing passenger carriers in the transaction giving rise to this application. I executed the original application to the Surface Transportation Board on behalf of the Peter Pan interests.

One competing carrier, Entertainment Tours, Inc. ("Entertainment") filed Comments in this matter; I am submitting this affidavit in response to the factual allegations in those Comments.

Entertainment suggests in its Comments that Peter Pan is a fierce competitor and Entertainment cannot bear increased competition. It suggests that the application be denied for that reason.

While complaining that Peter Pan makes it impossible for Entertainment to compete, according to Entertainment's Comments at page 2, where this company competes with Peter Pan and/or Bonanza, Entertainment "offers superior services," it "leads the market," and its service "has been so successful, it anticipates expanding the service into other markets as well." If that is so, it sounds to me like Entertainment is more than holding its own in the marketplace against existing competition, including Peter Pan and Bonanza Bus.

Indeed, Peter Pan views Entertainment as a vigorous competitor over certain routes, and which has been more than able to expand successfully, even in areas in which the two companies compete.

It is not only Peter Pan that has this view of Entertainment. It is a view known throughout the industry. I have attached to my statement an article from the most recent (January/February) issue of *BusLine* Magazine, an industry trade publication, titled "Coach New England, Taking Advantages of New Changing Opportunities." "Coach New England" to which the title refers is a branch of Entertainment. This article paints quite a different picture than Entertainment tries to paint in its Comments. I shall provide some examples.

The Comments speak of Peter Pan's unreasonable competition; the article says something a bit different about the nature of Peter Pan's competition: "Peter A. Picknelly of Peter Pan Bus Lines helped to get us going with our first two coaches." (p. 8) [page numbers refer to the page number of the magazine article]

The Comments speak of Peter Pan's practices making it impossible for Entertainment to compete in scheduled route service; the article says something quite different. At pages 11-12 it describes how Entertainment started a scheduled service between Boston and New York in competition with Peter Pan and Bonanza (among others) and expanded the service over time. At page 13, the article quotes Entertainment as saying, "We just completed the first year for our New York line run, and we're really encouraged by the numbers and what we've seen. We transported quite a few people in 2002, and we see a lot of growth potential in that segment of the business."

The Comments talk of existing fares being too high; the article says something quite different: "When Entertainment started operating, existing carriers cut their own prices to match the new competition." (p. 12)

The Comments complain that Entertainment is disadvantaged by not having space at the Port Authority Bus Terminal in New York City; the article says something quite different: Entertainment sought out Penn Station which according to Entertainment is "a great drop off site for our folks," (p.12), indeed preferable to the Port Authority Terminal (p.13)

The Comments complain that Peter Pan's unspecified "influence" over unspecified entities won't allow Entertainment to expand; the article says something quite different: the article quotes Entertainment as saying, "We're looking to establish within the next 12 to 24 months a full transportation system connecting several cities, including Philadelphia and Washington, D.C., and possibly also Baltimore. . . . We want service between all four cities with connecting service to each one. Once that structure is set up in some capacity, we'll look to expand a bit further." (pp.13-14)

At the most fundamental level, Entertainment's Comments argue that competition is bad and that a company like Entertainment needs protection from existing companies; the article says something quite different. In summarizing the success of this company, the article at page 16 makes a textbook case for free competition. The article quotes Entertainment as saying, "When we started in the coach business, we didn't know the coach business, . . . We just saw an opportunity to make money and it made sense to pursue it. We decided to do it without any pretense that it couldn't be done. When we started our line run [between Boston and New York], we knew people were saying it couldn't be done. It's just that we knew we could do it. We've used that mentality for everything. We've looked at the marketplace and found opportunities in areas where the consensus is that you can't do something. We say, 'Why not? Because nobody has done it before? So what?' If we think we can be successful doing it, we'll make an effort to do it."

I have quoted extensively from this article because I believe that Entertainment, like other strong competitors in the territory we serve, reflects the vigor and healthy competition which exists today in the bus industry and which won't be affected by the proposed acquisition. If a new company thinks it wants to make a go of it, it can enter the market, and if it has good ideas and good execution, it can grow and prosper like Entertainment has done. Indeed, while the business is competitive, it is also one of all carriers trying best to serve the public. Over the years, Peter Pan has provided used coaches to many companies starting out in the bus business, not just to Entertainment.

Having said that, I do want to add that the article does highlight one significant difference between Peter Pan's philosophy and that of Entertainment. Peter Pan knows from a lifetime of experience that a variety of different types of people ride intercity buses. We serve major cities, and our passengers look like a cross section of the population of cities we serve. Peter Pan gladly opens its doors to all passengers because we embody the traditional idea of being a common carrier. According to the article, Entertainment finds its "customers are a bit different from the traditional line run customers We're carrying an educated traveler, more of a white collar type of person." (p. 12) Entertainment's view is that this is an "advantage" because these sorts of passengers "start traveling in our coaches and find there are similar people sitting next to them. . . . It allows our customers to feel more comfortable and relaxed, which makes for a more enjoyable trip." (p. 12) That philosophy may be well and good for Entertainment, but Peter Pan has been in the bus business for three generations and we take very, very seriously our obligation as a common carrier to serve every passenger, not just those that look and act just the same. We don't try to gear our service only to the "more educated, white collar type of person" with the idea that such a type of person will be "more comfortable and relaxed" traveling with "similar people."

From Entertainment's own Comments and the article, it appears Entertainment is actually growing and prospering, even while it is in competition with Peter Pan and Bonanza. One would necessarily wonder what could be its possible reason for opposing this application, when it has already successfully shown it can compete with anyone?

I think I know one likely reason behind Entertainment's opposition. On or about December 10, 2002, Mr. Mark Curreri, who signed the comments, and Mr. Michael Curreri met with representatives of Peter Pan management in Springfield, Massachusetts. The meeting was held at the Curreris' instigation to explore the possible sale of Entertainment to Peter Pan. The sale price offered was so high that Peter Pan immediately dismissed the offer. It appears that Entertainment's newfound passion to oppose Peter Pan surfaced only after it found Peter Pan was not interested in buying its business at the offered price. We believe Entertainment's status as a "spurned suitor" is the real basis behind its comments, and since Peter Pan declined to purchase the business, Entertainment wants to get back at Peter Pan by filing Comments just as a nuisance to try to delay this transaction.

Nevertheless, Entertainment's Comments do include some allegations about Peter Pan. I am responding to them because I want the record to be entirely clear and accurate.

First, Entertainment's Comments include a number of inaccuracies. At pages 1-2, Entertainment says it "operates 7 to 14 daily round trips between Boston and New York. The trips originate at South Station in Boston and the Port Authority in New York City." To our best knowledge (and we keep a close eye on our competitors), Entertainment operates only 3 trips daily (Monday, Tuesday, Wednesday, Thursday, and Saturday) and 6 schedules daily on Friday and Sunday. Peter Pan (as a part of its pooled service with Greyhound) operates approximately 19 trips daily and 27 on weekends. The difference is one in philosophy. Peter Pan provides service throughout the day and night every day to make certain transportation is available to those who need it whenever they need it. In contrast, Entertainment apparently wants to provide service only at those few times when its educated, white collar passengers want to travel.

As to terminal locations, as Entertainment sets out later in its Comments, and as explained in the magazine article, Entertainment serves Penn Station in New York, not the Port Authority Bus Terminal. If the company can't even describe its own operations accurately, one must wonder about the accuracy of other representations.

At some points in its Comments, Entertainment suggests it is in competition on the Boston - New York City route, not only with Peter Pan (in its pooled service operated with Greyhound) but also with Bonanza. That statement is misleading. The Peter Pan service and the Entertainment service operate west from Boston and then south through Hartford, which the Bonanza service operates south from Boston through Providence.

The route used by Peter Pan and Entertainment is at least 30 minutes faster; for that reason, Bonanza has not traditionally been viewed as a competitor over the Boston - New York City route.

In several spots in its Comments, Entertainment insinuates Peter Pan has engaged in some sort of anti-competitive activity. I say "insinuate," because Entertainment offers no facts - no names - no dates - not even the names of carriers.

At page 4 of its Comments, Entertainment insinuates that because of Peter Pan's undescribed "influence," Entertainment can't get counter space or docks at the Port Authority terminal, Entertainment cannot "take advantage of other [unnamed] common industry practices," and "other [unnamed] motor coach companies will not sell Entertainment's tickets, and they will not allow Entertainment to sell theirs." What is the connection between those vague statements and Peter Pan?

What is the possible relevance of what Entertainment says (page 4) was a conversation at an unidentified time with an unnamed "regional carrier" which allegedly told Entertainment at some time it was "prohibited from selling Entertainment's connecting tickets for service north of Boston"? Peter Pan knows nothing of this. Peter Pan has no control over the actions of any other independent bus company. For purposes of argument only, even if there was such a conversation, what does this possibly have to do with this application? Neither Peter Pan nor any of the carriers whose assets are to be acquired operate scheduled service north of Boston. This is an example of the irrelevant insinuations with which the Comments are filled.

At page 4, Entertainment says because of Peter Pan's influence, it "cannot get a dock or even ticket counter space at the Port Authority [Bus Terminal] in New York City [because] Peter Pan currently controls approximately 70% of the motor coach ticket counter space at the Port Authority." The ready answer to that statement is that Peter Pan does not control any of the ticket counter space at the Port Authority terminal. Its tickets are sold at the Greyhound and Trailways ticket counters under arrangement with those entities. Further, Peter Pan has absolutely no influence over the Port Authority. It is the Port Authority which deals with any carriers that want to serve the terminal. To my best knowledge, this is the first time I heard that Entertainment wanted to serve the Port Authority Terminal. Instead, it seemed it carefully avoided serving the Port Authority terminal because carriers which do serve it must pay a healthy fee to the Port Authority; and Entertainment has apparently attempted to avoid the fees which carriers like Peter Pan and Bonanza pay to serve established municipal bus terminals.

At page 3, Entertainment says Peter Pan "suggested" to the MBTA that Entertainment did not have the right to counter space in Boston's South Station. Peter Pan does not control that counter space or have influence over MBTA. Peter Pan and

Greyhound share counter space at that terminal. In addition, Plymouth & Brockton, Concord Trailways, and C & J Trailways operate ticket counters there. The counter used by Entertainment was the one they chose, and is in a prominent location; the first in line where passengers enter the waiting area. The loading dock they use is at the far end of the terminal, but it was probably the only one available in this crowded facility at the time they began service.

Peter Pan has not now, nor ever had, any influence at South Station as to how MBTA would deal with other carriers.

Finally, Entertainment makes some comments about fares. Indeed, the Peter Pan/Greyhound fare between Boston and New York matches the Entertainment fare, but our costs are quite different. As the attached article says at page 14, when Entertainment started operating with "a ticket agent at the loading site and a dedicated loading dock" it found the going to be "more difficult." Entertainment has kept its fares low at first by avoiding the "obligations" of ticket counters which must be staffed at all times to provide customer information, terminal facilities for which carriers must pay a percentage to the landlords (this is significant at the Port Authority Terminal in New York), and running service throughout the day and night, not just at peak periods where a company can be assured of a high passenger count. The expenses incurred by traditional scheduled service carriers constitute an investment in overhead to provide a complete service to the public. Entertainment performs a service we would call skimming cream off the top, so its costs are understandably less. The market may well support both types of service - obviously it does - but Peter Pan's higher cost structure is a factor in its operations. As the article said at page 14, when Entertainment started providing a ticket seller and a loading dock in Boston, it found its costs increased and it raised its fare by a whopping 25%.

This is not to say that one way of doing business is necessarily "right" and one way is necessarily "wrong." It is to say that the Peter Pan organization for three generations has been committed to regular route service for the entire public. Entertainment apparently wanted to get into the business, and from all it has said, it is using its philosophy to do rather well and to serve a class of customers who it claims weren't adequately served before. That's competition, and as has been seen over the past 15 or 20 years in the bus industry, competition works.

The parties have presented their reasons for the proposed transaction and how the proposed transaction is consistent with the public interest. Entertainment has given no reason why this application should not be approved. We therefore ask the Board to approve it.

Request for Expedited Action

As discussed above and in the legal argument, it seems Entertainment's "Comments" offer nothing other than vague, unsubstantiated claims of unspecified competitive harm - and this, by a carrier which boasts it is providing superior service and is so successful that it is planning to expand.

I know as an industry observer that for many years the STB (and earlier ICC) have not held up proposed transactions because of vague expressions of fears of competition like those offered by Entertainment.

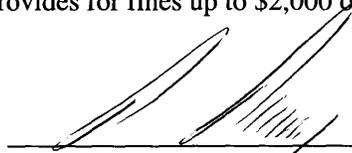
The proposed transaction involving the acquisition of the assets of five operating carriers is a significant one for Peter Pan. For business reasons, it is important to the parties that the transaction proceed as quickly as possible.

The parties understand the Board's jurisdiction, but it appears to Peter Pan that the Entertainment comments make arguments that the Board has often in the past considered and completely rejected. We therefore ask the Board to give this matter its prompt, favorable consideration.

Verification

I, Peter A. Picknelly, verify under penalty of perjury, under the laws of the United States of America, that all information supplied by me is true and correct, and further, that I am qualified and authorized to file this statement.

I further certify under penalty of perjury under the laws of the United States, that I know that willful misstatements or omissions of material facts constitute Federal criminal violations punishable under 18 U.S.C. §1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable as perjury under 18 U.S.C. §1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.



Peter A. Picknelly

Dated: February 12, 2003

COACH NEW ENGLAND

Taking Advantage Of New, Changing Opportunities

By Ron White
Associate Editor
Busline Magazine



Pictured are owners of Coach New England and Entertainment Tours. From left are Frank Curreri, Mark Curreri and Michael Curreri seated in a company coach.

Perhaps it's fitting that Coach New England, a branch of Entertainment Tours, Inc. of Braintree, MA, continues to beat the odds with a new line run between Boston and New York. After all, it was gambling that brought Entertainment Tours to the industry in 1992 when Foxwoods Resort Casino opened its doors in Connecticut.

In the past 10 years, Entertainment Tours has found repeated success. Now, Frank Curreri, and sons Michael and Mark Curreri, appear to have pulled another ace out of the deck with their most recent brainchild, Coach New England.

The story of the latest success, however, truly began a decade earlier when Frank Curreri, a lifelong entrepreneur, uncovered an opportunity to reinvent the family business and

tossed his chips on the table.

"We were actually in the video business in 1992," said Frank Curreri, an equal partner in the business with his two sons. "At that time, we owned a chain of video stores."

Michael Curreri said his father recognized a need for a shift when business tycoon Wayne Huizenga launched Blockbuster Video.

"Blockbuster kind of ate us up a bit," said Michael Curreri. "We were looking for an alternative."

"What customers are most interested in is reliability and consistency ... That is almost enough to make most passengers happy with the service. Anything else is a bonus."

That's when Frank Curreri first heard details of a developer's plan to bring a new casino to Mashantucket, CT. The hopeful

New England tourist site was to become Foxwoods Resort Casino.

"At the time, it was a bingo hall," said Frank Curreri. "When I received word they were going to build a casino, I went to talk to the people behind the project about getting the rights to transport people to the casino from the Boston area."

Frank Curreri went next to his brother-in-law, then the owner of Camper Tours, with details of the opportunity to work with Foxwoods. His brother-in-law, who had established a niche by offering tours of Boston from a KOA campground, offered advice.

"He told me that he wasn't interested but that I should 'take a good look at it,'" said Frank Curreri. "We followed through on that advice with the founding of Entertainment Tours. We started off in June

of 1992 using one of my brother-in-law's mini-coaches."

Michael Curreri said business was sporadic in the early months.

"At first, it was really slow," said Michael Curreri. "Foxwoods had just started, and they didn't have a coach program together. They weren't doing any marketing, so my father just took small groups down there at first. The price was maybe \$15 per person."

Weeks into the endeavor, however, Frank Curreri found enough interest to justify the purchase of a 15-passenger van, and he began advertising daily trips to Foxwoods. As time passed, a great buzz surrounding the new casino and word-of-mouth advertising brought more business for the company.

"As Foxwoods grew, we also grew," said Michael Curreri. "We moved from the van to 22-passenger mini-coaches late in the fall of 1992. Shortly thereafter, my father made some inroads with the coach marketing department at Foxwoods and received a contract to bring folks from the Chinatown district of Boston to the casino. To do it, however, we were forced to charter coaches from other companies and run the Chinatown folks in there twice a day."

The swift rise to success in an industry that Frank Curreri admits he knew little about was contrary to what some might have expected. Only months after rolling the dice with Entertainment Tours, however, Frank Curreri was prepared to make a much larger investment. Before 1992 came to an end, he purchased two used motorcoaches from another company and expanded the company's operations.

"Peter A. Picknelly of Peter Pan Bus Lines (of Springfield, MA) helped to get us going with our first two coaches. He financed them for us," Michael Curreri explained.

With improved equipment in tow, the company added a run to Foxwoods from the South Shore area of Boston, which caters to customers living in Boston and the surrounding suburbs.

"We offered one trip each day from South Shore and two to three for the Chinatown folks," said Michael Curreri. "Then we grew from that to become a bit more of a charter company, and we bought some new equipment. Before long, we had expanded considerably. We were running nine times a day into Foxwoods with our charters and



Pictured are Nancy, wife of Frank Curreri, with daughter Nina. The two Curreri family women play integral roles in day-to-day operations for Coach New England.

line run work."

During the early days of Entertainment Tours, Michael, his brother Mark, sister Nina, and mother Nancy played smaller roles. Michael and Mark were still finishing college when their father entered the motorcoach industry. Now, however, Frank Curreri's two sons lead the company with a fresh vision, and Nina and Nancy play supporting roles.

Once Mark earned a bachelor's degree in business management and Michael earned a bachelor's degree in accounting, they assumed executive positions with the company. Frank Curreri focused primarily on

"We've looked at the marketplace and found opportunities in areas where the consensus is that you can't do something. We say, 'Why not? Because nobody has done it before? So what?'"

sales when his sons joined him on a full-time basis. Mark Curreri, meanwhile, assumed management of operations, and Michael Curreri began to manage accounting, financing and insurance. Though each partner is responsible for a particular area of the business, Michael Curreri said they all juggle a variety of responsibilities.

"As we all came about, the business started to grow," said Mark Curreri. "It became a reality, and we just kind of plunked ourselves into the system like pegs. Then my mom and my sister came aboard, and off we went."

Michael Curreri said all five of the

Curreri family have been vital to the success of the company through its growth period.

"In the last 10 years, we've gone from having just a few people responsible for everything to having about 60 employees, including an office staff of about 10," said Michael Curreri. "All of our responsibilities have grown as the company has grown."

To help with the family business, Nina stepped in to coordinate work in the company's main office in Braintree. Nina handles much of the paperwork dealing with the maintenance of the company's motorcoaches, said Mark Curreri.

"There is a lot of warranty work with parts coming in and out, so it is important to have her in here to manage that," said Mark Curreri. "Nina does a lot behind the scenes for the company. She's kind of a utility person, which means she's quite valuable. We're talking about getting her into some outside sales."

In addition to Nina's responsibilities, Nancy Curreri plays a key role.

"She works with Michael on our figures. She counts the money," said Mark Curreri. "Who would you trust more than your mother to take care of the cash? My mother assists Michael quite a bit in that area. She proofs credit card transactions also. She's very busy, but she enjoys the work. We all enjoy coming into the office every morning. It makes for a good team."



Pictured are many members of the Coach New England and Entertainment Tours team. Michael Curreri said the company maintains a family atmosphere that allows employees to operate as individuals whose vitality is acknowledged on a daily basis.

After Michael's and Mark's transition at the top of the company, Entertainment Tours continued its growth by seeking out new opportunities in the marketplace. For instance, the company began working with the Greater Boston Visitor's Bureau to trans-

port people attending conventions and business expos in the Boston area. Placid, NY, as the sole provider of transportation during the Goodwill Games. Two years later, the sports world called again. This time, the company took a fleet to Salt Lake City, UT, where it provided transportation during the 2002 Winter Olympics.

"We've hired a marketing firm just for the New York run and the expansion of that run. We've got a lot of great, creative ideas. We want to keep word of mouth going, but we also need to put forth a greater effort ..."

port people attending conventions and business expos in the Boston area.

"We've also opened operations in Connecticut. From there, we run additional contract work for the casino," said Michael Curreri.

With continued growth toward the end of the 1990s, Entertainment Tours increased its fleet of coaches. Today, the company operates 21 different coaches. Most of the coaches are less than three years old, a result of the company's shift toward modernization of its fleet.

The modern fleet has been showcased often as the company has been fortunate enough to take part in some significant and rewarding work. Entertainment Tours was selected to provide transportation for two high-profile events in recent years.

In 2000, the company received a call from Ted Turner, the entertainment magnate. At Turner's request, Entertainment Tours showcased its fleet of new coaches in Lake

Planting A Seed In The Big Apple

So what does a company do to celebrate its first full decade of service that represents the Curreri family's ability to roll a risky bet into an enterprising business?

Well, roll the dice for a second time, of course.

While the line-run service to Foxwoods continues to be profitable for the company, some uncertainty in other areas of the motorcoach transportation business brought Entertainment Tours to put even more money on the line in a second capital venture.

"Things started to become a little shaky in the charter and tour markets after Sept. 11," said Michael Curreri. "Due to the uncertainty, we looked for an opportunity to grow in another area."

The search led them to consider establishing a line run between Boston and New York City. Such a notion, though, was thought to be preposterous by many smaller operators

who heard the company's plan. With some rather well-established large operators servicing the line-run market in the Northeast, few small operators encouraged such an approach. Nonetheless, the Curreri family established Coach New England as a parallel company to Entertainment Tours with hopes of establishing a successful line run operation linking Bostonians with New Yorkers.

"We began by monitoring the competition," said Michael Curreri. "Then we decided to test our service. At the time, we only had about three of four coaches available to test it, so we initially started by offering curbside pickups and dropoffs. There was no station involved in our stops, so there was no dock fee or ticket agent fee. It began as a really basic service. We were simply providing a coach that would move people from Boston to New York.

"As we looked at it, we realized that moving a coach from Boston to New York was not that difficult from an operations standpoint. We had our fuel tank to fill and our coaches to finance, and we had drivers who were working pretty short days. During the testing phase, we brought people to New York and back into Boston. We found that, if we did that a few times a day, we were able to cover our costs.

"As we got more and more into the test market, we found that larger volumes of people were riding at certain times and on certain days. We realized that there were peak days when we were busier as well as

days when business was much slower. Therefore, we shifted a bit to maximize efficiency and the number of people riding in each coach. We also realized that we were incurring more costs on busier days because the extra coach wasn't as full as the first coach even on a heavy day."

Early in the existence of Coach New England, the Curreri family found favor in the student market.

"For the most part, we started by running students into New York from local colleges. It began as a sporadic schedule, and then we expanded it by opening it to the generic public with service on each day of the week," said Michael Curreri.

As the company's customer base grew, Curreri began to sense that it was attracting a particular clientele.

"We've found that our customers are a bit different from the traditional line run customers because of how we started," said Michael Curreri. "We're carrying an educated traveler, more of a white-collar type of person. There are a lot of college students as well because that is where we started and that is where word of mouth has been most abundant. We haven't done enough mass media advertising to attract any other type of demographics."

"Each driver is assigned a coach. This allows them to take pride in their coaches. They then are more motivated to do cleaning maintenance on the road."

Curreri said an advantage of carrying a particular type of traveler is that the customers seem to have similar interests with other passengers.

"They start traveling in our coaches and find that there are similar people sitting next to them," said Michael Curreri. "It allows our customers to feel more comfortable and relaxed, which makes for a more enjoyable trip."

In any case, what customers who have greeted Coach New England with open arms have most in common might be a desire for a discount. Curreri said Coach New England came into the industry believing it could provide significant cost savings for those opting for line-run service, while also achieving profitability.

Initially, competing line-run operators were charging \$42 for the Boston-to-New



Pictured, clockwise from above, are Coach New England senior driver Ramiro Pina, and drivers Cecil Lynch, Steve Guthro, Arnie Thorell and Dick Forsyth.

York route, said Michael Curreri. Coach New England entered the marketplace with prices set at just \$25. Soon after learning of the new service, competing carriers cut their own prices to match what Coach New England offered to customers.

"They came down on their prices to match our price," said Michael Curreri, "but they only match our price against our time slots. For example, they'll charge \$25 for a coach leaving at 1 p.m. if we also have a coach departing at that time. At 1:30 p.m., however, when we don't have a coach departing, they charge their customers the normal \$42. Customers seem to have accepted that, depending on when they travel, they're either going to pay \$42 or \$25 per ticket if they purchase from the competition."

Competing with other carriers has been a frustrating chore for the company, said Michael Curreri. Because most legitimate carriers are well-established, there is a tendency by some to question Coach New England's motives when the company presents itself as a new operator. One of the early challenges Coach New England faced involved finding a reliable drop-off site in New York City.

"Some of the regulatory things were difficult to face," said Michael Curreri. "Operating a run into New York presents some roadblocks. Our first battle was with getting an approved spot to park. We had to find a place in New York for picking up and dropping off our customers. We could-

n't use the Port Authority because it is full. There is no space for more coaches at the Port Authority."

Curreri said Coach New England was greeted with few open arms, and he learned that there is some allegiance in the industry where ticket agents are concerned.

"We met with a lot of people who weren't willing to sell our tickets because they sold tickets for other carriers. They weren't willing to jeopardize a relationship with another carrier to let us in there, and I don't blame them. Why would they? They have a longstanding relationship with these other guys, and that means money to them. Here I show up as a start-up guy. It's just not worth it for them."

Without an opportunity to pull into the Port Authority each day, Coach New England scoured the city and found a reasonable opportunity at another landmark transportation point — Penn Station.

"It's a great drop off site for our folks," said Michael Curreri. "We have an authorized spot there, which was exactly what we needed. Also, our passengers are able to get off of our coach and immediately access anywhere they want to go in the area because of the train system. There are also taxi stands right behind our coach, so customers literally get off the coach and go to wherever they have to go. It's been really beneficial.

"Also, because our customers are not dropped off at the Port Authority, they

don't need to descend a bunch of stairs. At Penn Station, they're already at ground level when they step off the coach. They simply go out the door, and they're gone."

Michael Curreri said one part of the Penn Station stop that must be addressed involves the need for additional shelter in cases of inclement weather.

"When it snows and rains, we're out in the snow and rain at our stops. So we're working on something to provide more shelter for our customers," said Michael Curreri. "Most of our people wait within Penn Station. They come out to board when they see the coach arrive. They're not forced to stand outside in uncomfortable conditions, but we would like to provide some additional accommodations for them in the future."

A Successful First Year

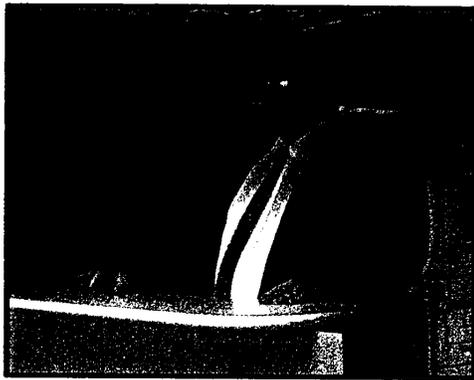
The dedicated drop off site provided one of the last pieces of the puzzle for Coach New England. The company had already secured a docking site in Boston at South Station. With an established route in place, Coach New England began its quest to become a competitor in a

market dominated by household names such as Greyhound.

"We're now operating with three to 12 trips per day, depending on the day, from South Station in Boston to Penn Station in New York, and we're competing head-to-head with two strong competitors for that line-run service market," said Michael Curreri. "Coach New England is still in its infancy, as it's our first year of operation, but we're emerging. This past year has marked a historic point for the company.

"We just completed the first year for our New York line run, and we're really encouraged by the numbers and what we've seen. We transported quite a few people in 2002, and we see a lot of growth potential in that segment of the business. At the same time, we're holding ground with our casino and charter operations, which have been the main success areas for Entertainment Tours."

The growth potential Michael Curreri



Pictured is Joe Gill, operations manager for Coach New England.

points to concerns other cities where residents could benefit from a line-run service headquartered in the heart of New England. Curreri hopes to add lines in additional cities in the coming months.

"We're looking to establish within the next 12 to 24 months a full transportation system connecting several cities, including Philadelphia and Washington D.C. and possibly also Baltimore," said Michael Curreri.



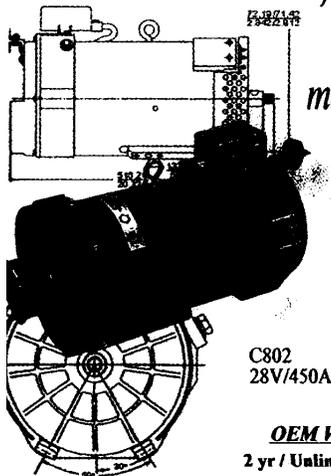
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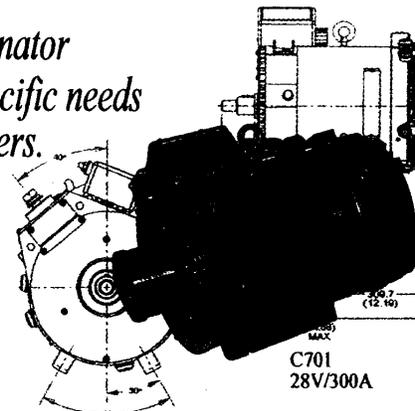
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"We want service between all four cities with connecting service to each one. Once that structure is set up in some capacity, we'll look to expand a bit further."

Until now, however, much of the buzz for Coach New England has surrounded the success of its first long-distance line. The level of that success was measured in November during the Thanksgiving rush.

"We experienced our first Thanksgiving with the line recently," said Michael Curreri of Coach New England. "Every seat we had was sold or oversold. That's when you find out the true measure of the system. We learned that we could handle that kind of volume. It was really a peak time for us."

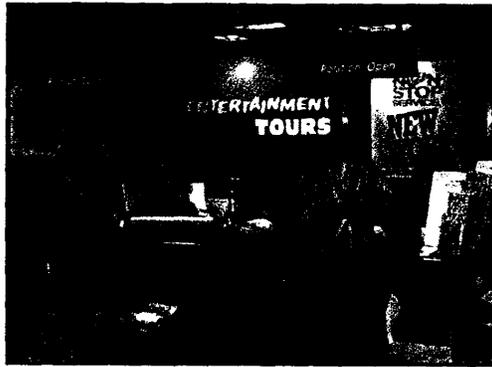
"We realized two things. First, we learned that we're not nearly at where we need to be with operations. Secondly, we learned that there is a lot of potential for growth. We believe our new system, which will be in place in 2003, will allow us to go after the market more aggressively."

Michael Curreri said one key to the success of the line run in 2002 was the word-of-mouth promotion that developed among the company's clientele.

"With the New York run, word of mouth has been everything," said Michael Curreri. "People try the service and like it, and they talk to their friends about it. It's been the best way to get the word out. When someone tells you they like something, you're more apt to try it than if you were only influenced by traditional advertising."

"For 2003, however, we're planning to launch a fairly aggressive marketing campaign. We've hired a marketing firm just for the New York run and the expansion of that run. We've got a lot of great, creative ideas. We want to keep word of mouth going, but we also need to put forth a greater effort to familiarize the public with our company and its services. This can be challenging when you're competing with companies that are household names."

Despite the continued challenges Coach New England faces in its effort to establish itself as a line run operator in the U.S. Northeast, Michael Curreri said the compa-



These three photos show Coach New England in action with its Boston-to-New York run. Along with photos of the exterior and interior of one of the company's coaches is a photo of the company's ticketing booth at South Station in Boston.



ny is able to use its early success to trump the difficulties faced today in the charter market.

"We've been able to lean on our line run business as we've needed, and it's helped to weather the storm,"

said Michael Curreri. "In a year when a lot of people were pulling back the reins a bit, we experienced growth in some areas. Our charter business and our line run service to Foxwoods dropped off this year. Those areas became more competitive at a time when insurance rates are rising, driver pay rates are going higher and fuel prices are going up. While those increases have added to operating costs, our price to the customer hasn't increased. Therefore, we're not as interested in that part of the business as in the past."

"We're going to stay in the charter market for as long as it's profitable, but we're not interested in doing nonprofitable runs. While our competition is willing to send their coach out for \$650 a day on a multi-day trip, we're telling potential customers to take our competitor's offer because we're not going to compete at that level. We've had some movement in that area of the market, but we need some more movement. There are still a lot of little carriers out there making a go at it and driving prices down. There are also a lot of larger carriers out there giving stuff away."

"Therefore, you have to bob and weave a bit to stay in the ring. We've done that with our run to New York. We found an area where there is room to grow and where the profit margins are better. The startup is not easy, but it's not been overbearing."

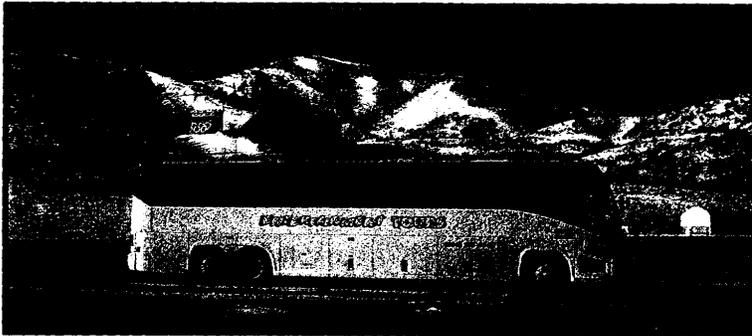
Coach New England, which now car-

ries an average of 20 to 30 passengers on each motorcoach traveling the line from Boston to New York, found managing the system more difficult once it went mainstream with a ticketing agent at the loading site and a dedicated loading dock.

"Once we moved from our test market to permanent system, it became a little more hairy in terms of trying to manage everything," said Michael Curreri. "To figure out where you had to be to break even, however, wasn't all that difficult to calculate. It depends primarily on the price point. We recently moved the price from \$20 to \$25, and our competition followed suit. That slight increase has helped us considerably."

Michael Curreri said the expenses involved with operating a line run are sobering.

"It can put you out of business in months because the cost of running it is just incredible," said Michael Curreri. "Even though we've had success, we've also never seen our expenses as high as they are today. It's definitely a double-edged sword. You've really got to be on the ball. It's not easy to step into an industry where the other guys have been doing it for decades. They really know this business well, so we have to be able to figure out competitors' weaknesses and exploit them, which is what we're doing."



Pictured above is an Entertainment Tours coach which provided transportation during the 2002 Winter Olympics in Salt Lake City. At left is a torchbearer working her way toward Olympic Park for opening ceremonies.

Careful Planning Improves Odds

Of course, battling competition involves much more than the risk-taking that has allowed the company to boldly go where few have before. While risk-taking has played an instrumental role in the accomplishments of both Coach New England and Entertainment Tours, the success of the two companies is rooted in more than a willingness to roll the proverbial dice. Much of it can be attributed to the Curreri family's doctrine that hard work and an aggressive, forward-thinking and innovative approach, coupled with a non-traditional view of the marketplace, can minimize risk and open doors to unexplored opportunities.

"When we started in the coach business, we didn't know the coach business," said Michael Curreri. "We just saw an opportunity to make money, and it made sense to pursue it. We decided to do it without any pretense that it couldn't be done. When we started our line run, we knew people were saying it couldn't be done. It's just that we knew we could do it. We've used that mentality for everything. We've looked at the marketplace and found opportunities in areas where the consensus is that you can't do something. We say, 'Why not? Because nobody has done it before? So

what?' If we think we can be successful doing it, we'll make an effort to do it."

Michael Curreri talked about some advice provided by another company when Coach New England chose to begin the line run.

"We were starting our pick up at South Station, and another operator said what we were doing was 'like messing with Mother Nature.' He said we just couldn't do it. We answered that we're apparently 'going to mess with Mother Nature a bit because we think we can do it.' The mentality out there has been that you can't go up against some of the larger carriers, but we're operating from the perspective that we have nothing to lose," said Michael Curreri. "Our whole business has been somewhat like that, where we're going to roll the dice on some things. There has been plenty that didn't work, and we've made some mistakes along the way. But the decision to operate line run service into New York has panned out pretty well so far."

The best measure of the success of the new service is the reaction of competing companies. Michael Curreri said the competition has been fierce in recent months, but he shrugs it off as part of the reality of facing strong competitors.

"Unless you can find a route that no other carrier is servicing, you're going to be competing with somebody," said Michael Curreri. "We've had a close look at the competition that exists for us. There are a few rogue carriers out there, including a guy running from New York to Washington daily, and I've seen a few other startups. Those companies, how-

ever, are not going into the stations like we do. They're not face-to-face with the competition. They're not right beside them at the ticket counters. Therefore they're not gaining as much attention we do from the larger competitors in the Northeastern United States. We get much attention that I sometimes think we're viewed as some kind of outlaw.

More important than how the competition views Coach New England is how customers see the company's service.

"We've done some things to be a little innovative with our service. We're searching for ways to occupy time for our customers. Our coaches have individual headsets on them for passengers. They offer a variety of audio options. They also serve as the audio for the movies that we show. We pay the licensee fee for the motorcoach movies," said Michael Curreri. "They're edited for travel, and we double them up so that customers see two movies during a one-way trip. In addition to that, we make sure there are reading materials on the coaches, including publications that we advertise in. We also offer host and hostess services on weekends. We actually have someone on board the coach offering refreshments and snacks. We do this primarily for our heavier days. A lot of what we offer can be considered extras."

While all of the added features serve to improve each customer's overall experience, Michael Curreri said the top priorities for most customers are the basics.

"What customers are most interested in is reliability and consistency," said Michael Curreri. "They want to know that the coach will be there and will safely get them to where they need to be. Those are the core things you must do. That is almost enough to make most passengers happy with the service. Anything else is a bonus."

One of the bonuses experienced by Coach New England passengers, said Michael Curreri, is the cleanliness of the motorcoaches.

Mark Curreri is responsible for supervising the cleaning and maintenance crews.

"We're on an aggressive maintenance schedule," said Mark Curreri. "We involve quite a few people in the process. We have two full-time mechanics, and three employees who clean

coaches. They communicate with the drivers to address any immediate problems so that the coaches are ready for service each day. In addition to that, we have an aggressive cleaning schedule, which is a necessity.

"Cleaning is such a big part of maintenance. We make sure the coaches are as clean as possible.

Many times, it goes unnoticed when a cleaner does an excellent job, and that is exactly what we want."

Mark Curreri added that each driver is assigned a coach.

"This allows them to take pride in their coaches," said Mark Curreri. "They then are more motivated to do cleaning maintenance on the road. They make sure the trash is brought to the front after each run

and so forth. If there is a problem with one of the bells or whistles on the coach, they notify us, and we take care of the problem."

Another remark Coach New England often hears is that customer representa-

"I like to say that we have a big smallness aspect to our business. If you have a problem or an issue, you talk to an owner."

tives and drivers present cheerful dispositions.

"They're always smiling, and they're not rude to customers," said Michael Curreri. "In the service industry, there are some very nice people who present themselves in a manner that shows they'd rather be doing anything else in the world than working. Customers can sense that, and the image we present

has been important. People just like the fact that they're greeted by a smiling face. They like to know that they're the hands of people who are happy to be working.

"Luckily, our employees like working in the family work environment, where there's a combination of both business worlds. I like to say that we have a big smallness aspect to our business. If you have a problem or an issue, you talk to an owner. It's not that you are forced to go through some crazy chain of command. We ensure that any issue an employee brings to our attention is resolved quickly, and it seems that we've created a work environment that works for everybody."

While the major issue for metropolitan commuter coach service continues to revolve around time, service speed is not an issue for Coach New England's line run service, said Michael Curreri.

"We've actually been looking to slow



these coaches down a bit," said Michael Curreri. "We're looking to do that by utilizing such technology as GPS. With that, we can track how quickly the coaches are moving and where they're located at any given moment. That will provide us with more accurate information about coaches while they're en route to a destination. At the moment, we operate on a well-padded schedule. We allow not only enough time for delays in each run but also enough time to allow the driver an hour break. In all, our routes are padded with about 90 extra minutes."

Michael Curreri said the trip from Boston to New York takes between four and one-quarter hours and four and one-half hours. Once the coach arrives at its destination, it remains for more than an hour before beginning a return trip.

"We set up more of a spacious system, where the customer feels that he's getting there on time," said Michael

Curreri. "We're not advertising ridiculous arrivals. What we really push isn't so much when you get there, it's when you will leave. Our goal is to have a coach ready to roll when a customer needs to leave. As far as when the coach gets to its destination, they understand that there are weather-related and traffic-related variables. We're not losing passengers because of our time, and we're not running behind anyone else going into New York."

Managing The Growing System

As the company moves forward with plans to move its service to new cities, management becomes a greater concern. As Mark Curreri pointed out, the company is in a transition stage.

"We keep it family-oriented," said Mark Curreri, "but we also see a need to become a little more corporate with our methods. We have become more

"We also offer host and hostess services on weekends. We actually have someone on board the coach offering refreshments and snacks. We do this primarily for our heavier days. A lot of what we offer can be considered extras."

professional as a company. The atmosphere behind the scenes, however, remains a close-knit, family type of atmosphere, which is difficult to maintain when you get so busy that you don't get to see your people everyday."

As the company grows, said Michael Curreri, one of the more important goals will be to maximize
Continued On Page 54



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Continued From Page 19

efficiency. Technological advancements will help in that regard. Already, Coach New England has welcomed the latest in technology for motorcoaches.

"We have onboard video systems that monitor a variety of things," said Michael Curreri. "The cameras monitor what our passengers are doing and what our drivers are doing. Additionally, the cameras give us a view of what the driver sees from his window. We do this for a variety of reasons.

"Foremost, of course, is for insurance purposes. We want to know what a driver saw just right before an accident, and we want to have visual evidence if a passenger is involved in a slip-and-fall accident on the coach."

Additional technologies will serve as precursors to the company's plans to move into new cities in the future. Michael Curreri said some of the equipment to be utilized in the coming months is new to the industry.

"What we're going to do with our computer systems and phone systems is just incredible," said Michael Curreri.

"What we really push isn't so much when you get there, it's when you will leave."

"Once the systems are in place, we'll have the ability to grow without extra resources. We'll be able to add destinations and locations without the need to add personnel in some departments.

"Our communications system involves our phone system internally. We're putting in place systems that will utilize the Internet. As we expand into a new location, we will put a T1 line in each spot, which will allow us to work together on a network. For example, I have a ticketing location at South Station and one in Braintree. If a customer calls on the new system, the call is routed to the next available person to book the reservation. So whether that person is sitting at



At left are two of the company's key maintenance personnel, coach mechanics Gene Gedeon and Rick Roderick. Pictured above is an Entertainment Tours fuel station.

South Station or right here in Braintree, they'll be able to book any reservation for the customer. As we expand into new territories, the same will hold true. If a customer calls in, someone in Washington D.C. might book a reservation for a person going from Boston to New York."

Michael Curreri said the new system will allow the company to utilize personnel more efficiently.

"When I have ticket agent at South Station who is not busy selling tickets at the counter, he or she can field phone calls and sell tickets to callers by phone," said Michael Curreri. "Therefore, I don't need to have a call center in addition to a ticket agent. I also don't have the down time and the wasted man hours, which add up over a full day. This will be the key to our progress. Because we're small, we must utilize our employees strategically, and the new system will help us in that regard."

Frank Curreri is hesitant to say that the company has reached its goals even though he vividly recalls the day he first took a group to Foxwoods in 1992. Today, he is excited to see the work ethic his sons bring to the office each day.

"Both Mark and Michael are very integral parts of the company," said Frank Curreri. "It runs very well between the three of us. They're bright kids, and I think they're going to roll this thing into whatever they want it to be. They have no limitations."

Frank Curreri added that the experience of working with his children and his wife has brought the family closer together.

Mark Curreri echoed these comments.

"I've worked in the family business my entire life," said Mark Curreri. "My father is a bit of an entrepreneur, and he's always owned his own business. I've never worked for anyone else. I've never even filled out a job application. It's been that kind of relationship my whole life. We're a very close family. It's an atmosphere where we all know what needs to be done, and we're all willing to do our part. If it means working late, then call it a family gathering. We've done it that way for my entire life. It's a nice thing."

What the future holds for Coach New England appears bright. Plans to add new locations undoubtedly will present some challenges, but Frank Curreri expects continued success.

"From my understanding, this part of the country is still going strong," said Frank Curreri, "and our location right outside of Boston is great. There's a lot of stuff going on here, and we're very confident in the future. My sons are young. They're both in their early 30s. They're just getting started."

Indeed they are. More risky moves are sure to come in future months, and the marketplace might keep the deck stacked with a few surprise hands for the Curreri family.

It's safe to bet, however, that this full house will win big.

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