

# Bus & Motorcoach NEWS

OFFICIAL PUBLICATION OF MOTORCOACH EXPO 2005

## Lending picture brightens for motorcoach operators

WINTER GARDEN, Fla. — With the coach industry business environment improving, more operators are thinking about buying or leasing new buses.

That means they'll be looking around for someone to finance those purchases or handle the leases. But if you haven't financed a coach purchase in a while, be prepared for a few surprises.

Like the size of the down pay-

ment. Or, the shortened maturities. Or, the amount of financial information you'll have to provide potential lenders. Or, the more limited number of financing options available. Or, who you're likely to end up borrowing from.

In a nutshell, it's a whole different financing market today than it was just a few years ago. Money may be more readily available to finance coach purchases — both

new and used, but it's not as easy to get as it was four and five years ago.

That was the strong message from a group of leading coach industry finance executives who participated in a wide-ranging panel discussion during a three-day customer appreciation event sponsored by ABC Companies, Van Hool, Caterpillar, General Coach America and other industry vendors here last month.

Five years ago, there were a lot of people loaning money to coach operators and a lot of money flowing into the industry, said Peter King, vice president of TCF Leasing Inc. of Minnetonka, Minn. "People were basing loans on the performance of the equipment. Then values plummeted. It hurt operators, it hurt manufacturers and it hurt finance companies. Now, a lot of sense and sensibility is

coming back to the industry."

By sense, King means lending terms that are in line with equipment values, maturities that have been shortened, and meaningful down payments — that protect both lenders and borrowers — are being required.

Zero down has disappeared. Down payments of 10 percent, or \$10,000 to \$20,000 are the norm today.

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## Coach operator Sodrel is elected to Congress

JEFFERSONVILLE, Ind. — Can you believe it? A motorcoach operator from Indiana is the new darling of the Republican Party.

Mike Sodrel, best known in the industry as the long-time chairman and CEO of The Free Enterprise System, a coach company in Jeffersonville and Indianapolis, has been elected to Congress from Indiana's 9th district.

In winning, Sodrel became:

- The only Republican nationwide to unseat an incumbent Democratic congressman.
- The first Republican in 40 years to represent the 9th congressional district in southeast Indiana.

- The first full-time coach operator to take a seat in Congress.
- One of darn few Congressmen with a CDL in their hip pocket.

Bus industry leaders seemed ecstatic at the prospect of having Sodrel in Congress — albeit as a junior member.

"This is great for Indiana and great for the bus industry," said American Bus Association President and CEO Peter Pantuso. "Having someone on Capitol Hill who has first-hand knowledge of our industry's issues can only help."

Sodrel has been a member of the ABA for more than 25 years and served on its board.



Mike Sodrel

Added Victor Parra, president and CEO of the United Motorcoach Association: "It's going to be great having a bus guy in Congress. Hopefully, he'll get assigned to the House Transportation and Infrastructure Committee."

The House Committee on Transportation and Infrastructure is considered a plum assignment,

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## Elections 'good news' for industry

WASHINGTON — Results from this month's national elections seem to offer lots of good news for the motorcoach and over-the-road bus industry.

Whether you agree with the outcome or not, the fact that Republicans retained control of the House and Senate should make it easier for the industry to

advance its issues. By that, we mean private-sector initiatives, especially those included in the massive federal highway and public transportation bill that has been languishing in Congress for more than a year.

The key, says Norman Littler, senior vice president of government and industry relations at the

United Motorcoach Association, is to sustain the political pressure that was built during the past year by a coalition of private bus industry associations, by retiring Rep. Doug Ose of California and his jabs at the Federal Transit Administration, by Sen. Richard Shelby

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## Regional carriers pick up abandoned Greyhound routes

WEST BURLINGTON, Iowa — Three months ago, when Greyhound Lines dropped regular runs to 260 communities in the Upper Midwest and Northwest, thousands of residents of small and rural cities worried about how they would get along without the service.

Although most are still struggling with the loss and adjusting to the inconvenience, some lucky ones have climbed aboard the coaches of local and regional carriers that have picked up at least a dozen of the abandoned routes.

But, those passengers will have to keep riding — and possibly bring along some of their friends — if they want the service to continue permanently.

"The public really needs to support it to make it go," explains Ron Moore, president of Burlington Trailways in West Burlington, Iowa.

Burlington Trailways took on two routes abandoned by Greyhound. "If the people keep riding like they have been, then it is

### The Lineup

The following regional bus companies have taken over routes abandoned by Greyhound.

#### Burlington Trailways

- Chicago to Des Moines, Iowa
- Chicago to Denver

#### Jefferson Bus Lines

- Minneapolis to Madison, Wis.
- Minneapolis to Sioux Falls, S.D.
- Minneapolis to Grand Forks N.D.
- Minneapolis to Duluth, Minn.
- Kansas City, Kan., to Sioux Falls

#### Rimrock Stages Trailways

- Fargo, N.D., to Billings, Mont.
- Butte, Mont., to Idaho Falls, Idaho

#### Powder River Transportation

- Cheyenne, Wyo., to Ogallala, Neb.
- Cheyenne, Wyo., to Laramie, Wyo.
- Cheyenne, Wyo., to Denver

going to work out for us," says Moore.

Bonnie Buchanan, vice president of marketing and sales at

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# School bus operators partner with UMA

ALEXANDRIA, Va. — The United Motorcoach Association and the National School Transportation Association have signed a partnership agreement that will help the NSTA improve its operations and upgrade its member services.

The agreement establishes an operational link between two of the nation's largest associations of private bus operators that have, in the past, worked together on important issues. However, both groups will remain separate organizations, pursuing the goals and interests of their respective members.

## Tax bill change helps school bus contractors

WASHINGTON — That giant sigh of relief you heard late last month was private school bus contractors who dodged a bullet when Congress passed and President Bush signed the \$136 billion corporate tax bill, called the American Jobs Creation Act of 2004.

The original version of the bill contained a provision that would have significantly hurt private school bus operators, said Dale Krapf, president of the National School Transportation Association and president of Krapf Bus Companies of Exton, Pa.

The NSTA was able to get the provision removed before the bill was adopted.

Here's what happened: Buried in the early version of the 380-page bill was a provision prohibiting what are called sale-in/lease-out (SILO) transactions. This so-called tax loophole allows tax-exempt entities to transfer the tax benefits of accelerated depreciation on assets to a taxable entity. The private entity buys the assets and leases them back to the tax-exempt entity.

SILOs have been used for years by municipal governments, public transit authorities, and other tax-exempt organizations.

In seeking to remove the loophole, the Senate bill expanded the definition of leases to include service contracts between private entities and tax-exempt entities — such as transportation contracts with public school districts.

The effect would have been to change the way private school bus operators can depreciate their assets for tax purposes — from

Under the partnership, UMA will provide administrative support to NSTA and access to benefits available to UMA's 800 member companies.

"NSTA will continue to be the independent voice of the private school bus industry," said association President Dale Krapf of Krapf Bus Companies in Exton, Pa. "Partnering with UMA will strengthen our ability to service our members and advance our public policy positions."

UMA Chairman David Brown of Holiday Tours in Randleman,

S.C., said the partnership will benefit both associations. "UMA and the NSTA will be able to leverage the combined strength of two leading organizations to become an even more powerful voice for private bus operators," said Brown.

The partnership was put together over several months by a team of negotiators from the NSTA and UMA. With both associations headquartered in Alexandria, less than a mile apart, the transfer of NSTA operations and staff to the offices of UMA will mean a minimum of disruption —

to either programs or people.

"About the only thing that will change will be NSTA's mailing address," said UMA President and CEO Victor Parra. "All current staff and outside contractors will remain in place."

NSTA has begun a search for a new marketing and operations manager who will be responsible for expanding membership, managing communications and creating added value for members.

NSTA has represented school bus contractors for 40 years. Its membership ranges from small one-



Dale Krapf

or two-bus companies to larger corporate entities operating more than 1,000 school buses in multiple states.

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# THE DOCKET

## Support wanes in Congress to hike fuel taxes

**WASHINGTON** — Barely six months ago there was lots of talk in Washington about hiking federal fuel taxes to increase funding for highway construction.

In fact, there was widespread support among both Republican and Democrat members of Congress to do just that.

Now, with gasoline and diesel fuel prices setting records, the air has definitely done out of that balloon. And state politicians also have cut back on the higher-fuel-taxes rhetoric.

However, in Utah, the Wasatch Front Regional Council, an advisory body, has proposed increasing that state's highway-user taxes to fund transportation improvements over the next 10 years.

Under the proposal, the motor fuel tax rate in Utah would be raised by 5 cents a gallon and indexed for inflation, and a state sales tax would be imposed on motor fuel, which is not currently subject to it.

The proposal now goes to a task force of the Utah legislature. Motorcoach operators and truckers in Utah say the proposal, which could raise \$6 billion over the next 10 years, is to be taken seriously.

Utah's current fuel tax rate is 24.5 cents a gallon for both diesel fuel and gasoline.

Despite the general slowdown in higher-fuel-taxes talk, taxes on gasoline and/or diesel fuel rose in 13 states and two provinces during the second quarter of this year. Most of the increases resulted from

## Bus task force announced by USDOT

**WASHINGTON** — The U.S. Department of Transportation has created a departmentwide task force to examine its policy vis-à-vis the private bus industry.

Creation of the Intercity Bus Task Force was revealed late last month at the Transportation Research Board's 16th National Conference on Rural Public and Intercity Bus Transportation in Roanoke, Va.

The American Bus Association called the announcement "a significant step" forward for the coach industry by the agency that regu-

## State & Provincial Fuel Tax Rates

A handful of states boosted fuel tax rates during the second quarter of 2004. Here are the updated rates for all states and provinces, plus the federal tax rate in the U.S.

State	Gasoline	Diesel	State	Gasoline	Diesel
Alabama	18	19	North Carolina	24.6	24.6
Alaska	8	8	North Dakota	21	21
Arizona	18	26	Ohio	28	28
Arkansas	21.5	22.5	Oklahoma	16	13
California	34.88	27.8	Oregon	24	0
Colorado	22	20.5	Pennsylvania	26.2	31.2
Connecticut	31	32	Rhode Island	30	30
Delaware	23	22	South Carolina	16	16
D.C.	20	20	South Dakota	22	22
Florida	19.37	29.07	Tennessee	21	18
Georgia	12.5	11.71	Texas	20	20
Hawaii	16	16	Utah	24.5	24.5
Idaho	25	25	Vermont	20	26
Illinois	26.9	29.6	Virginia	19.5	19.5
Indiana	29	27	Washington	28	28
Iowa	20.5	22.5	West Virginia	25.35	25.35
Kansas	24	26	Wisconsin	32.1	32.1
Kentucky	19.8	20.1	Wyoming	14	14
Louisiana	20	20	U. S.	18.4	24.4
Maine	25.2	26.3	<i>Tax Rate in cents per gallon</i>		
Maryland	23.5	24.25	<i>Tax Rate in Canada = cents per liter</i>		
Massachusetts	21	21	Province	Gasoline	Diesel
Michigan	29	23.9	Alberta	9	9
Minnesota	20	20	British Columbia	14.5	15
Mississippi	18	18	Manitoba	11.5	11.5
Missouri	17	17	New Brunswick	14.5	16.9
Montana	27	27.75	Newfoundland	16.5	16.5
Nebraska	24.8	24.8	Nova Scotia	15.5	15.4
Nevada	23.81	27.75	Ontario	14.7	14.3
New Hampshire	18	18	P.E. Island	17	16.5
New Jersey	14.5	17.5	Quebec	15.2	16.2
New Mexico	17	21	Saskatchewan	15	15
New York	34	31.95	<i>Tax Rate in Canada = cents per liter</i>		

state escalator provisions tied to the rate of inflation or increases adopted by legislatures earlier this year with effective dates of June 30.

Those states posting increases during the quarter were California, Georgia, Illinois, Iowa, Kentucky, Maine, Michigan, New Mexico, New York, North Carolina, Ohio and Wisconsin. The two Canadian increases were Manitoba and

Prince Edward Island.

In Nebraska, the state Department of Revenue announced that it would not be raising Nebraska's tax on motor fuels for at least six months. As a result, the tax on diesel and gasoline remains at 24.8 cents a gallon.

Nebraska's fuel tax is set by the state Department of Roads and is reviewed twice annually.

industry issues to the top of the work agenda for the Transportation Department. We are very pleased that this effort has finally borne fruit."

Frankel said the group will develop policy recommendations to improve the performance and interconnectivity of the national transportation network with respect to intercity passenger travel. Preliminary policies and programs that affect the industry identified by the task force include markets/competition, facilities access, and traveler information.

lates private operators.

Emil Frankel, USDOT assistant secretary for transportation policy, said the taskforce "brings a system-wide, multi-modal perspective to policy development for an industry that plays a vital role in the supply of the nation's publicly available transportation services, with the potential to provide even more."

Peter Pantuso, president and CEO of the American Bus Association, said the task force is "a huge step in the right direction. For years we have strived to bring critical

## Driver error cited in Arkansas crash, 15th victim dies

**LITTLE ROCK, Ark.** — The driver of a charter coach from Chicago that crashed in Arkansas last month, killing 14, was operating the bus carelessly, says a report by the Arkansas State Police.

According to the state police investigation, driver Herbert Walters, 67, struck a sign for Exit 23a and then ran over an arrow sign before trying to correct the bus' swerve. The rear of the bus became airborne and came down in a ditch before it began to roll and came to rest upside down, the report said.

The coach, owned by Walters Bus Service Inc. of Chicago, crashed at about 5 a.m. on Oct. 9, while traveling south on a rain-dampened Interstate 55 toward Tunica, Miss. The gambling and shopping trip began in Chicago at about 9 p.m. the previous day.

An attorney for the bus company and its insurance carrier, Clarendon National, said there had been no suggestion there were any problems with Mr. Walters' driving before the coach left the roadway.

However, the report included an interview with crash survivor Bobby Ryan that was conducted by police while he was at St. Bernards Hospital in Jonesboro, Ark.

In the interview, Ryan said a woman sitting in front of him was complaining about the bus driver eating while driving.

A 15th person has died as a result of the crash. Retired Chicago Police Sgt. Herbert Redmond was unable to recover from injuries.

The National Transportation Safety Board also is investigating the crash, but its report is months away from completion.

## Vermont weighs limits on bus and truck idling

restriction would not apply:

- When the vehicle is stuck in traffic.

- When the driver has been instructed by police or highway officials to keep the engine running, or the vehicle is being inspected.

- For the period the manufacturer says the engine must be operated to make the vehicle safe to drive.

- When the vehicle is being serviced and operating the engine is necessary to diagnose a problem or tune the engine.

- When operating the engine is required to operate equipment on the bus that is necessary "to accomplish the intended use of the vehicle."

A key element of the rule is expected to be the temperature thresholds — both hot and cold — before bus and truck operators could idle to keep heaters and air-conditioners running.

# FMCSA surprises operators with ADA reporting letter

WASHINGTON — The Federal Motor Carrier Safety Administration threw hundreds of motorcoach operators an inside curve at the end of last month in the form of a letter informing them of the reporting requirements for the Americans with Disabilities Act.

Buried in the letter was a new address where the reports must be sent.

The letter seemingly caught the entire industry off guard because it was dated Oct. 21, but the deadline for complying with the reporting requirements explained in the letter was a whopping four days later — Oct. 25.

"My phone has been ringing off the hook," said Norman Littler, senior vice president of government and industry relations at the United Motorcoach Association. Littler's advice? Operators should go ahead and submit their reports even though they will fail to meet the deadline.

Since 1999, motorcoach operators have been obligated under federal law to submit annual reports related to providing accessible bus service to individuals with disabilities. The reports cover the period from Oct. 1 of the previous year through Sept. 30 of the year in which the report is submitted. The reports are due on the last Monday every October.

The principal report is the *Annual Summary Report of Individual Accessible/Equivalent Service Requests and Responses/Service Provided*. The second report is the *Annual Report of OTRB's Purchased/Leased and Overall Fleet Data*. And companies that offer fixed-route service must also submit an *Annual Lift Use Summary*.

All coach companies are required to document every request for accessible or equivalent bus service, and the feds have specified 11 pieces of information operators are required to collect for each request, and keep for five years.

## More for 'house' in Atlantic City?

ATLANTIC CITY — Thousands of casino workers returned to their jobs earlier this month in Atlantic City after a month-long strike over health insurance and pay.

The casinos and their employees' union agreed to a five-year contract with a 28 percent pay raise and casino-paid health insurance.

The union had wanted a three-year contract.

In its Oct. 21 letter to operators, the FMCSA said companies that have failed to submit reports for any year since 1999 must do so by Oct. 25. If a company doesn't have all of the required information, the company must do two things: supply reports for years for which it has data, and tell the FMCSA for which years it doesn't

have information.

The letter also noted that failure to comply with ADA reporting requirements could trigger a compliance investigation by the Department of Justice.

Although it wasn't mentioned, the FMCSA's letter was prompted by a shake-up in the data collection system at the U.S. Department of

Transportation. Previously, the ADA compliance information was submitted to the Bureau of Transportation Statistics. Earlier this year, USDOT announced the BTS was getting back to basics and being relieved of extraneous data-gathering requirements.

The new address for submitting the ADA reports is: Federal Motor

Carrier Safety Administration, Office of Information Management MC-RIS, 400 Seventh Street SW, Washington, DC 20077-5476.

Questions about the reporting requirements should be directed to Peter Chandler at (202) 366-5763, or e-mail [peter.chandler@fmcsa.dot.gov](mailto:peter.chandler@fmcsa.dot.gov), or Phil Hanley at (202) 366-6811, or e-mail [phil.hanley@fmcsa.dot.gov](mailto:phil.hanley@fmcsa.dot.gov).

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**THE DOCKET****Sodrel**

CONTINUED FROM PAGE 1

typically going to senior members. However, given Sodrel's instant party celebrity perhaps the House leadership will reward his busload of determination.

Sodrel's win did not come easy — or cheap. His hard-fought race with Rep. Baron Hill was settled by fewer than 1,500 votes out of more than 280,000 cast.

Hill and Sodrel raised nearly \$5 million combined, with large chunks of the money coming from their national parties. Sodrel reportedly pumped \$1 million of his own money into his campaign.

The Sodrel-Hill race was a repeat of 2002. In that campaign, Hill defeated Sodrel with 51 percent of the vote. That slim margin made him an attractive target for Republicans this year.

Political analysts in Indiana said Sodrel likely benefited from name recognition created two years ago, as well as ties to President Bush. Vice President Dick Cheney made a campaign stop for Sodrel earlier this year.

Sodrel also was helped by ads paid for by the national Republican Party that portrayed Hill as liberal on social issues, said

Thomas Wolfe, a political science professor emeritus at Indiana University Southeast.

Hill complained to reporters that Sodrel was aided by millions spent on negative attack ads, but Sodrel denied running a negative campaign. "We dealt strictly with U.S. Rep. Hill's voting record, and I think it was appropriate in a race."

Hill was a high school basketball star in basketball crazy Indiana, and a state legislator when he was elected to Congress in 1998 in a tight race for the seat held by Democrat Lee Hamilton for 34 years.

Sodrel has spent 35 years in the trucking and motorcoach industries, and his companies employ 500 people. He often drove an 18-wheeler to appearances during the campaign. He is qualified as a Certified Master Driver.

**Transit seeks charter operators**

The following public transit provider has informed the United Motorcoach Association of its intent to provide charter bus service unless willing and able private operators step forward to offer their services, or to bid on contract opportunities.

UMA urges appropriate opera-

**Congress**

CONTINUED FROM PAGE 1

of Alabama, by Rep. Ernest Istook of Oklahoma, and by grassroots support from operators across the U.S.

"We have an opportunity now to really capitalize on the momentum gained from the Ose hearings to strengthen the charter prohibitions and hold the transits' feet to the fire," added Victor Parra, president and CEO of UMA.

During the year, Congressman Ose chaired two major hearings in the House that laid bare failures by the Federal Transit Administration to enforce its own rules and penalize maverick public transit agencies that ignore federal prohibitions against engaging in charter bus service.

The big unknown in Washington, however, remains the stalled highway and public transportation bill. Parra and Littler expect there will be a strong push by Congress to get the six-year highway-transportation bill passed. Both think it is possible President Bush will relent and be willing to sign a bill that is above the \$256 billion-\$280 billion limit he indicated before the elections he was willing to tolerate.

Congress, of course, has held out for a larger bill, more on the order to \$300 billion or (much) more.

There remain political observers who think the president may try to stick to his pre-election position as a gesture to the political conservatives who voted in such large numbers to put him back in the White House.

Twice this year, *The Washington Post* has reported that the administration has sent memos to several agencies, including the Transportation Department and the Environmental Protection Agency, saying budget cuts should be expected during a second term.

Although there will be some shifting of committee assignments in the wake of the elections, at least the motorcoach industry

won't be forced to gin up a major effort to educate a new batch of committee chairmen as it would if there were a swap in party control and wholesale changes in committee assignments.

Here are some of the committee changes being talked about in Washington:

Sen. John McCain of Arizona reportedly wants to step down as chairman of the Commerce, Science and Transportation Committee. Sen. Ted Stevens of Alaska would likely move into the chairman's slot, and Democratic Sen. Daniel Inouye of Hawaii would become the commerce committee's ranking minority member, replacing retiring Sen. Fritz Hollings of South Carolina.

Defeated presidential candidate Sen. John Kerry would return as ranking minority member of the Committee on Small Business and Entrepreneurship, which is chaired by Sen. Olympia Snow of Maine.

"Hopefully, President Bush will take a page from Sen. Kerry and push for more support for small business, including expansion of the 7(a) loan program and other SBA programs," said Parra.

Few changes are expected among key House committees.



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# Going further!

# For whom the highways toll?

The re-election of President Bush and the expanded Republican majority in Congress is generally seen as boding well for the motorcoach industry.

But a president and Congress predisposed to favor the private sector may not be the end all and be all.

There is at least one issue that could pit the White House and a group of zealous Republican House members against much of the nation's ground transportation industry.

That issue is tolls on federal highways.

While being against tolls would seem to be as American as hot dogs and apple pie, the issue really isn't as clear-cut as it seems on the surface. The nub of the problem is this:

There is a genuine highway crisis looming and coach operators are going to face some very difficult choices. The crisis has two elements — funding and traffic. As autos and other small vehicles become more fuel efficient, and as consumers are encouraged to use alternative fuels, the federal highway trust fund will simply not have enough money to pay for constructing and keeping up the nation's surface transportation system.

Were that not bad enough, the problem is compounded by the fact that much of the federal interstate system is now 50 years old and in need of major repair and maintenance. Bridges by the hundreds are structurally deficient or functionally obsolete.

At the same time, heavy truck traffic is mushrooming. The Federal Highway Administration has predicted a 31 percent increase in truck freight traffic during the next decade. Last year, 77 million trucks hauled 13.2 billion tons of freight.

Combined with the growth of

other traffic, the nation's highways are rapidly approaching capacity. Many experts say that unless some solution is found, U.S. interstates are going to become as gridlocked as our city streets.

That prospect should send shivers down the spine of every operator. Travel times already are a major issue with many travelers. More bottlenecks, congestion and delays isn't a problem, it's a nightmare.

That is a major reason why there has been a tidal wave of toll road proposals during the past year. Many of these schemes have been defeated in Congress and elsewhere, but many also have gained traction and are moving from planning to reality.

Here's where the second Bush Administration and the new Congress come in.

If the past is prologue, then the new Bush Administration is likely to come out in favor of expanded use of toll roads. Earlier this year, a top USDOT policy planner said that planning for future highways should favor tolls, or user fees, over higher diesel fuel or gasoline taxes.

And in Congress, the powerful House Transportation and Infrastructure Committee voted earlier this year in favor of wide-scale experiments with converting existing interstates to toll roads, and even included the idea in the stalled highway and public transportation bill.

That gambit by the committee was beaten down by the rest of the House. However, with the elections behind them, perhaps more members of Congress could be convinced to give the concept a try.

Clearly, it's an issue that bears watching — and, frankly, something more than a knee-jerk response.

After all, how are we going to solve the highway dilemma?



By Thomas D. DeMatteo  
Vice President &  
General Counsel  
ABC Companies

A limited liability company is a business entity that combines the concept of a limited liability shield with the federal tax structure of a partnership.

This means that an LLC allows business income and losses to pass-through to its members, as in a partnership, while the individual members are not personally liable for the liabilities and obligations of the LLC. As most of you are aware, however, most lenders require personal guarantees for their bank debt.

Let's compare some key terms:

- Members in LLCs are equivalent to shareholders in corporations or partners in partnerships.
- Units in LLCs are the same as shares of stock in corporations.
- Governors are the same as directors.
- Articles of Organization are the same as articles of incorporation.
- An Operating Agreement is

the same as by-laws in a corporation.

- A Member Control Agreement is the same as a shareholder Agreement in a corporation or a partnership agreement in a partnership.

The three key documents for an LLC are the Articles of Organization, the Operating Agreement, and the Member Control Agreement. Some of the required and/or important considerations in each of these documents are as follows:

**Articles of Organization:** An LLC is created upon the filing of the Articles of Organization with the applicable state filing office. Certain items are required by the state for the LLC to be created. They are the company's name, its registered office, agent and address for service of process, name of the organizer, and its period of existence.

Other items to consider including in the Articles of Organization are: a provision limiting the liability of governors for breach of fiduciary duty to the extent allowed by law; a prohibition against the transfer of certain ownership rights unless agreed to by a majority or super majority of the members, and any other limitations on voting rights that may be warranted such as the elimination of cumulative voting and pre-emptive rights.

**Operating Agreement:** This document is essentially the same as by-laws of a corporation. It contains the traditional provisions

for: date, place, time and notice of member meetings; number and qualification of governors and their terms; how they are selected, nominated, and terminated; the designation of key managers and officers, and the designation of the membership units and how issued, recorded and transferred.

You should also include a provision for indemnification of governors, members and officers of the LLC. You should also provide that the LLC will be treated as a partnership for federal and state tax purposes.

**Member Control Agreement:** This is probably the key document for members to understand because this is the document that contains most, if not all, of your rights in the LLC. The key areas include provisions for: the transfer of units upon termination, death, disability or if you otherwise just want to sell; the valuation of the LLC, including its membership units; the method of valuation of the LLC and its units; and how profits and losses will be allocated, including capital contributions and distributions.

You should always seek legal counsel, particularly as it relates to the Member Control Agreement, because your position on each of these provisions will differ based on whether you are a majority or minority owner.

Thomas D. DeMatteo is also an adjunct professor at Hamline University School of Law in St. Paul, Minn.

*Footnote: Fuchsteiner, Peter J., *Organizational Documents for Limited Liability Companies in Minnesota*, MN CLE (2004).*

# Bus & Motorcoach NEWS

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# Takeover of N.Y. operators seen as waste of tax money

**Editor's Note:** On the last day of September, a subcommittee of the U.S. House of Representatives conducted a two-part hearing that focused largely on the failure of the Federal Transit Administration to enforce its charter service rules and involve private bus operators in developing public transportation.

The hearing by the House Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs was chaired by Rep. Doug Ose, a Republican from Sacramento, Calif.

Among those who testified was Jerome Cooper, chairman and CEO of Jamaica Buses and three other private companies serving commuters in New York City. Cooper offered extraordinary insight into the struggle he and three other operators have endured at the hands of New York City politicians and the Federal Transit Administration. Here is what Cooper told the committee:

Mr. Chairman and members of the subcommittee:

My name is Jerome Cooper, though I prefer to be known as Jerry. I am the chairman and CEO of Jamaica Buses Inc., Command Bus Corporation, Triboro Coach Inc., and Green Bus Lines Inc., private operators of bus mass transportation services in Queens, Brooklyn and Manhattan under contract with the city of New York, which also issues operating authority to us.

Collectively, these companies employ approximately 2,000 drivers, dispatchers, mechanics, supervisors, secretaries, clerks, claims personnel, bookkeepers and others whose efforts provide daily transportation to some 400,000 riders going to work, school, shopping, medical appointments, social excursions and generally moving about on the business of life.

Mr. Chairman, I wish to thank the subcommittee for affording me this opportunity to present information on the use of private-sector resources in mass transportation infrastructure.

I have been around these companies my entire life and I have worked for them for about 45 years in various capacities. For the past seven years I have been CEO and chairman of the board.

Although these titles and the company names may sound like institutional corporations, they are not. They are more like family retainers. Go to any retirement community in this country and you will find someone who, with bittersweet memory, recalls riding the Green line to the beaches in Far Rockaway, or a Triboro Coach to school in Astoria or taking a date to the Valencia Theatre in Central Queens on a Jamaica Bus.

The four companies and their predecessors are to my knowledge the oldest operating mass transportation organizations in the United States, the oldest of them having started operations about the time of the Civil War. Progressing from horses and wagons to modern-day transit coaches, these businesses were built by hard-working people and entrepreneurs, not government agencies.

Shortly after World War I, when return-

ing veterans were looking for work, a group of them found employment in our transit system. Eventually, these vets — turned bus drivers and mechanics — created the modern corporate entities in which they took the stock which today is the principle asset of many of their descendants.

These companies are the property of working people who created transit from the sweat of their brows for a growing New York, not by tax subsidies or government authority. For over 100 years, private effort and capital have continuously made efficient and convenient transportation an everyday expectation in Queens, Brooklyn and Manhattan.

But, I am here today to share with you the sad facts of how the city of New York, a recipient of enormous amounts of federal funding for transit, is trying to put these companies out of business, and preparing unnecessarily to lose hundreds of millions of public dollars in the process.

With the advent of federal transit assistance in the 1960's, local governments across America assumed the burden of providing mass transit in a period when economic conditions drove many of the originally private transit companies out of business.

Over time, these subsidies became an important source of municipal revenue and finance. As public agencies grew with federal assistance, there came to be a view that the operation of mass transit was a government function, not truly an area of private equity investment.

Eventually, private companies providing transit came to be seen as an obstacle or irritant to municipal agencies. So, more and more private transit companies were swallowed up by local government. But not Green Bus, Triboro Coach, Jamaica Buses or Command Bus, which have continuously served the public with distinction since the very birth of mass transit in this country. We are living proof that the guiding principle of the original Urban Mass Transportation Act and the landmark Intermodal Surface Transportation Efficiency Act of 1991, and every federal transit reauthorization since then, that public investment in transit infrastructure must be leveraged to the maximum extent feasible by private investment, and is a viable and necessary way to meet the overwhelming and growing demand for mass transportation in the United States.

Yet, not everyone sees it that way.

New York City, the bastion of capitalism, is embarked on a program to push private investment out of transit. Over the past several years the city of New York has allowed more than \$150 million in available federal funds to sit in an account unspent in an effort to create the false impression that our companies and our employees are not doing a good job for the public.

While public officials rail that private bus operating companies do not maintain buses adequately or care about the safety or comfort of the transit-riding public, the city refuses to spend federally appropriated funds for the



Jerome Cooper

purpose for which Congress intended. That is, to retire old, obsolete and exhausted equipment which we maintain and operate under our contracts with the city.

It is to be noted that of the 709 buses in the combined fleets, on average 80 are out of service on a daily basis because of the need for repair or are so old that it is not financially practical to repair them.

There are 234 buses in the Green Line fleet. They have a peak pull-out requirement of 185 buses, which should allow for sufficient spares in case of a breakdown. But because of the age of the current fleet and the need for major repairs on so many of the buses, Green Line has no spares available.

Of the 709 buses, 98 are not wheelchair-equipped and are inaccessible to persons with disabilities. Indeed, the average age of the Green Bus and Jamaica fleets is 15 years. About 60 percent of the Green Bus fleet is 18 years or older. A third of the Triboro fleet is 18 years old or older.

A total of 268 buses of the combined fleets are 18 years or older; 112 buses are 19 years old or older, and many parts cannot be

obtained and must be cannibalized from other equipment. These statistics should be considered in light of the federal standard of a 12-year useful life for transit buses.

We operate under the cardinal rule that notwithstanding the difficulty of putting service on the road, not a bus leaves the depot unless we deem it to be safe and reliable.

Notwithstanding the age and worn out condition of these buses the shop employees, through Herculean effort get most of the buses — most of the time — through the depot door in order to make service. The shortage of equipment results in overcrowding and short tempers but our riders, for the most part, with the help of a harassed driver work force understand the problems.

But they are entitled to better service, newer and more comfortable buses but the private sector is powerless without the funding to provide such service.

A moment ago I told you that the city is sitting on \$150 million which has been appropriated and is available to replace the city's outdated fleet which we operate for the city under the local contract. But the city will not apply for these funds and replace the buses, even though it should do so under federal standards, industry standards and traditional local practice.

They will not apply for the funds because if they do they must buy buses to replace the fleet we operate for them, which they don't want to do so they can use the artificial safety, convenience and comfort crisis they have created to "prove" what a "bad" job the private sector does in maintaining and operating the buses.

CONTINUED ON PAGE 10 ►

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## INDUSTRY NEWS

### N.Y. operators

CONTINUED FROM PAGE 9

They will not apply for the funds because the city wants to transfer the work from the private sector to the Metropolitan Transportation Authority, or MTA as it is commonly called, with which it has already entered into an agreement for operating the service founded by our companies a century and more ago.

It is true that I want to protect the business and its employees, and even the shareholders (who, you recall, are the descendants of those World War I vets who became bus drivers to operate transit and support their families).

There is nothing wrong with those motives, especially if you consider that it was they and their progeny who built up hundreds of millions of dollars of private equity in the properties which are used as transit garages, depots and offices. Our private properties provide equity leverage for vital mass transportation infrastructure, but the city does not presently pay fair market value for the use of them.

The city's arrangement with the MTA for this takeover is a bad

investment in other ways.

Originally the city administration proclaimed that the city would save \$150 million in operating costs once the takeover occurred. In truth the most recent budget submitted to the city council calls for payment to the MTA of \$161 million, which is approximately \$11 million more than present costs for delivery of the same service.

Further, the city's estimate of the cost of the takeover does not include the rental of our realty or the value of our intangible property rights, which the chairman of the city council has publicly placed at hundreds of millions of dollars.

Both the city and the MTA claim huge deficits for the coming year. It is also no secret that faced with these deficits, once the takeover is consummated, the MTA plans to cut service, especially on the express routes presently delivered by other private providers, as well as by Green, Triboro, Jamaica and Command.

To me, this government incursion into the private sector is wasteful of taxpayer money, ill advised and badly planned. By any measure, given a level playing field, the private operators in the New

York metropolitan area believe they can deliver transit services as well as the MTA.

Yet, because the city administration opposes cooperation with the private sector, we are being squeezed out of business. Such attitude and policies are in stark and diametric opposition to the intent of Congress to leverage public transit infrastructure investment with private equity, as expressed in the Federal Transit Act.

In the limited time allowed to me I can only give you the outline of a very counterproductive situation which is fueled by a misguided use of vital federal infrastructure assistance. I have also submitted for the record several supplemental documents for your consideration.

We all understand the importance of mass transportation but we must work with great care to steward the limited resources available to make sure the American people get the best value for every appropriated dollar.

Again, Mr. Chairman, I thank the subcommittee for the opportunity of testifying here today. I look forward to answering any questions you or the other members may have.

### MCI launches ad campaign

SCHAUMBURG, Ill. — MCI has launched a new marketing campaign that focuses on ways the company is "going further" for its customers.

"There are so many good things going on at MCI, and we want to be sure that the actions we are taking are recognized by owners and future owners of MCI equipment, as well as by the industry," said Tom Sorrells, MCI president and CEO.

Although MCI is North America's largest motorcoach manufacturer, Sorrells says there remain plenty of opportunities for the company to expand its reach and build on favorable customer ratings for quality and reliability.

Patricia Ziska, MCI vice president of major accounts and marketing, noted that the marketing

thrust is based on new information gained by surveying customers. "The customer survey revealed that MCI has a distinct brand image and holds a positive reputation in the marketplace," said Ms. Ziska.

Among those company initiatives to be featured in the new campaign are the extended warranties MCI is offering on E4500 and J4500 model coaches, its online warranty tracking system, the certified pre-owned coach program, and its quick-response Emergency Roadside Assistance program.

"Going further" is much more than a slogan," said Ms. Ziska. "The phrase not only reflects the quality of our products but the commitment from everyone associated with the company."

## People

**Kevin Trudeau** has joined Ricon Corp. of Panorama City, Calif., as vice president of commercial dealer and OEM sales. Trudeau

succeeds Oscar Pardinas, who has been named vice president of transit sales worldwide.

Trudeau comes to Ricon from another wheelchair lift manufacturer, The Braun Corp., where he was western regional sales manager.

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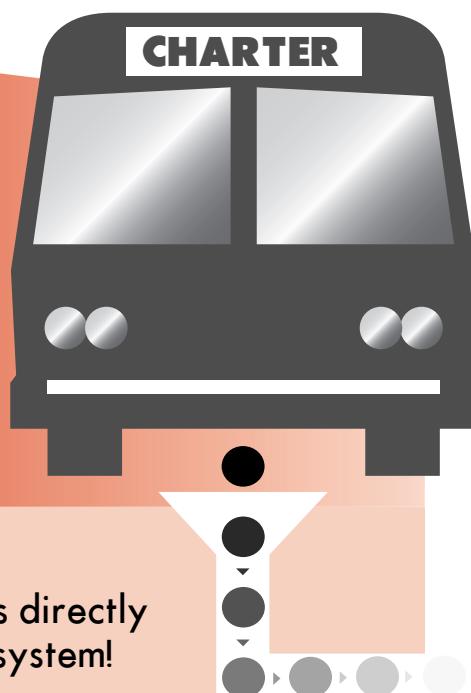
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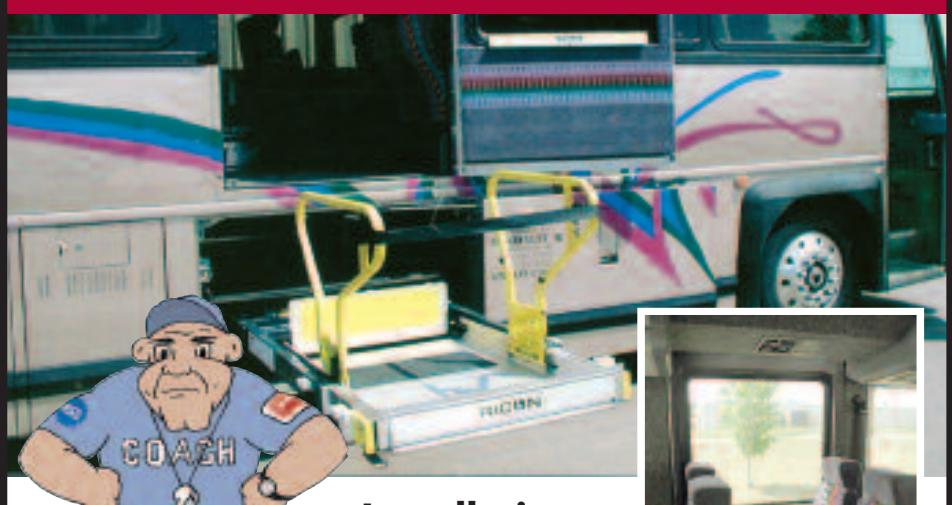
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# Capital Trailways/Alabama wins charter service skirmish

MONTGOMERY, Ala. — An egregious example of a public transit agency providing charter bus service has been stopped by Capital Trailways of Alabama.

But its victory was not complete because the event wanting service was able to get buses from a small transit agency that does not use federal tax money and a city recreational department.

At the end of October, there was a Professional Golfers Association Nationwide Tour Championship tournament conducted at the Robert Trent Jones Golf Trail at Capitol Hill course in Prattville, Ala.

Organizers of the tournament asked Montgomery Area Transit Authority (MATA) to provide shuttle service for the event and the agency supplied at least two buses to transport spectators.

Capital Trailways immediately blew the whistle, filing a complaint with the Federal Transit Administration regional office in Atlanta. FTA Regional Administrator Hiram J. Walker moved quickly, deciding that the service violated federal charter rules and ordering MATA to canvass all private transportation providers in the Montgomery-Prattville area to determine if there was an operator willing and able to supply the service.

If a private company was available, then MATA was directed to cease and desist providing the service, Walker told the transit agency's General Manager Rim Ornick.

Of course, there's no shortage of companies in the Montgomery area willing and able to provide the service, including Capital Trailways. There was, however, no organization willing to pay for the service. The golf tournament wanted the buses donated or some kind

of in-kind trade, said Shannon Rhodes, assistant to Wayne Phillips, president of Capital Trailways.

Rhodes said Capital Trailways politely informed tournament officials it was in the business of selling its services, not giving them away.

Undeterred, the tournament

scrounged around and got two former school buses from the Montgomery Parks and Recreation Department and buses from Prattville Transit (Autauga County Rural Transportation), which is not federally funded.

Meanwhile, Capital Trailways

is gearing up for a new set-to with MATA. The company is acquiring a trolley bus that will be available for charter by wedding parties and other groups. That will put the company in competition with MATA, which has a handful of trolley buses it charters. Capital

Trailways intends to take the position that federal charter rules require MATA to refer future calls it gets for trolley charters to Capital Trailways.

"Hopefully we can resolve that issue," said Rhodes. "We want to do this as nicely as we can."



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## Virginia Beach is ABA event site

WASHINGTON — The American Bus Association has picked Virginia Beach for the 2008 ABA Marketplace.

"Each year, Virginia Beach welcomes almost three million visitors from around the world to experience this vibrant and exciting destination," said ABA President and CEO Peter Pantuso. "And, as the largest city in Virginia, there is no more appropriate venue for our 2008 Marketplace than this marvelous city."

The 2008 Marketplace will be Feb. 1-6, and will be the first national convention in the new Virginia Beach Convention Center.

## INDUSTRY NEWS

### Financing

CONTINUED FROM PAGE 1

"As creditors, we want to be covered," said Greg Goedde of ABC Financial Services. "We will look at your cash projections." And, added Goedde, when competitors have to put more money down when acquiring a coach, "that protects you as well."

Loan maturities have been shortened from 120 months to 102 or even 90.

Because of the drop in coach residual values in 1999 and the first three years of this decade, finance companies were forced to take steps that would get them in an equity position quicker. To do that, they shortened maximum terms on new coaches from what had been amortizations of 120 months down to something closer to 102 months or less.

"The lenders want to make the same equity gains — be it a new or used coach, which is why used coaches have shorter terms," explained Matt Hotchkiss, territory manager of Wells Fargo Equipment Finance in Minneapolis. "In general, we have a 10-year rule at Wells Fargo on used equipment. The age of the equipment, plus the term, should not exceed 10 years. Therefore, a five-year-old coach would have a

five-year finance term."

To find financing today, the business cards buried in your Rolldex may not be of much value. Many of the most active lenders from the late 1990s have disappeared or become limited players. Replacing them are companies like Wells Fargo, TCF and Caterpillar Financial Services. Plus, the financing arms of the bus manufacturers or their parent companies.

"This is good news for you, though, because the loose credit standards of the late 1990s into 2000 were one of the problems that negatively affected this industry," said Hotchkiss. "Too many companies that didn't deserve credit were able to get credit — even on new coaches — which I know impacted all of you."

"A lot of those companies are out of business today, just like the companies that lent to them are out of this market. The bottom line, though, is if your company is doing well there is plenty of credit available in the coach industry," Hotchkiss added.

Colin Martin of Caterpillar Financial Services said lenders have strengthened their information and documentation requirements when considering new customers.

"Along with a credit application, we like to see the last two

year-end financial statements (audited, if available); interim statements; owners' personal tax returns if personal guarantees are going to be required; several bank and trade references; cash-flow projections for the next year; marketing information, including background, years in business, any significant contracts that enhance revenues and the like," said Martin.

"Items such as time in business and pay histories can tell a lot about a company — that they have weathered a few storms and still been able to pay their bills. The more information our credit department has can reduce the number of questions and enhance turnaround time," he added.

"You need to sell your company," said Goedde. "A better story means better rates, better terms and lower down payment."

Many operators should still expect to have to sign personal loan guarantees. "If a company's balance sheet can stand on its own, then the personal guarantee requests would diminish," said Martin. "That being said, there is nothing wrong about an operator taking the equity out of the company and into his or her personal income. But finance companies are always going to secure themselves where the credit strength lies."

While the finance executives offered a more upbeat outlook for coach financing than at anytime in the past four or five years, not all was rosy. They noted that TRAC leases have become problematic in some parts of the U.S.

TRAC leases became popular during the 1990s because they were seen as being beneficial to both the lender and the coach operator. Under a TRAC lease, the lender retains ownership of the asset and takes the depreciation. The lessee, or operator, gets a lower interest rate, reducing the monthly payment.

In the past four years, however, problems have developed in insuring vehicles operated under a TRAC lease. The problem is called vicarious liability, and it is causing problems in Connecticut, Rhode Island, New York and Florida.

Under vicarious liability, when there is a crash, the liability is shared by the company leasing the bus, even though the leasing company was not directly involved in operating the vehicle.

What has happened as this concept has grown is that TRAC leases have all but disappeared in the four states.

"We're very concerned about that because we're on the title as the owner," said King. "We love TRAC leasing; it's a mutually ben-

eficial situation. But now we're taking a hard look at TRAC leasing because of vicarious liability."

Other items covered during the discussion:

**How long should an operator depreciate its buses?** Ten to 15 years at most. However, the shorter the better. But it also depends on other factors, like how long you plan to keep them and the amount of mileage you roll up annually.

**What about loan payments that fluctuate depending on the time of year?** Great idea. Operators should look how their coaches are being used, the revenue they generate, and (most importantly) when that revenue comes in. Then they should structure their loans to reflect their cash flow. Pay more when you've got more money coming in and less during lean months.

**What about restructuring a loan to reflect lean months?** By all means. But don't wait until you're behind two payments to request a change. You're likely to hit a wall. Do it when you're flush with cash and making payments on time.

**How often should you touch base with your lender?** Quarterly at a minimum. Monthly is not too often to send meaningful financial updates. "Let us know where the company is and where it's going," said Goedde.

# NEWS FLASH

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## State motorcoach associations pick new officers and directors

Members of four state motorcoach associations have added new directors to their boards and made leadership changes. Here's a rundown of who's new:

### Alabama Motorcoach Association

The AMA has elected a new vice president, two board members and added two individuals as associate representatives:

Bill Tilton of Southern Transportation Leasing in Jackson Gap is the new vice president; Clip Coates of Spirit Coach in Huntsville and Pat Moon of New Direction Charter in Pinson are new directors. The new associate representatives are Jim Morrison of ABC Companies in Winter Garden, Fla., and Dann Wiltgen of Prevost Car in Jacksonville, Fla.

### Georgia Motorcoach Operators Association

The GMOA has three new directors:

Laurie Rowe, Georgia Department of Economic Development; Huston Costlow of Eagle Tours Trailways, Statesboro, and Brenda Tidwell of Leisure Time Charters and Tours in Emerson, who is completing the term for a vacated seat.

## Bob Redden, bus photographer, dies

WEAVERVILLE, N.C. — Robert 'Bob' Redden, whose hobby of photographing buses of every description made him a well-known industry figure, has died from the effects of lung cancer. He was 66 when he succumbed late last month.

Mr. Redden was a native of Lynn, Mass., and served in the U.S. Air Force. Trained as a photographer, he was employed in the photo department of General Electric Co. for a number of years, handling assignments around the world.

But it was photographing the wide world of transportation that was his first love — particularly buses. He published journals, magazines, videos and compact disks containing his thousands of bus images. One of his CDs contained more than 4,500 bus photos. Many

### Motorcoach Association of South Carolina

Members of the South Carolina association elected a new vice president, six directors and two associate representatives. Buddy Young of Capitol Bus Lines in West Columbia succeeds Chuck Langley of Coast to Coast Tours in Hartsville as vice president.

The new directors are: John Cauley Sr. of Jean's Bus Service in Greenville, Walter Bryant of Bryant Tours in North Charleston, William McCrorey of Rock Hill, Larry Thompson of Sunway Charters & Tours in Myrtle Beach, and Betty Boles of Boles Bus Lines in Greenwood.

The associate representatives are Pam Collins of the Biltmore Estate in Asheville, and Brian Pinckney of ABC Companies of Winter Garden, Fla.

### Virginia Motorcoach Association

The VMA has a new director and a new associate representative: the director is Charles Elmore of Fun Tours in Virginia Beach, and the associate representative is Tim O'Bryan of Service Insurance Agency.



of his photographs appeared over the years in *National Bus Trader* magazine.

He is survived by his widow, Donna Jean, and seven children.

## Wife of financial executive dies

SHREWSBURY, N.J. — Michelle DeAngelis, wife of Joseph DeAngelis, a co-founder of Shore Funding Ltd., died last month. She was 60.

Mrs. DeAngelis, a native of New York City, was the controller and corporation secretary at Shore Funding for 28 years.

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**Trailways sets security grant plans**

FAIRFAX, Va. — Operator members of the Trailways Transportation System will share more than \$1.2 million from a security grant awarded by the U.S. Department of Homeland Security.

The money will be used by operators to buy and install tracking, monitoring and communication technologies for their Trailways-branded coaches.

The hi-tech equipment to be installed includes GPS tracking and GIS/mapping systems, onboard monitoring (cameras) systems, vehicle-to-base communication systems, and emergency-response devices, both cellular and Web-based.

The equipment will not only

allow Trailways member companies to track their fleets, but trip planners will be able to select and establish pre-trip or in-route optimum travel routes as well. If necessary, Homeland Security officials and the Trailways national office also will be capable of locating Trailways-branded coaches that have been GPS-equipped.

"Our organization strongly supports the vision and efforts led by the Department of Homeland Security to protect America and its citizens," said Bill Steele, Trailways chairman. Trailways has been researching and experimenting with onboard security and vehicle location systems for the past three

years. It has established an organizational of developing a safe and secure member network in concert with federal security officials.

The Homeland Security Department awarded a second, \$330,000 grant to Trailways to develop a training program focusing on bolstering employee awareness and preparedness in the areas of operations, vehicle, and passenger security, and actions that can help deter or prevent terrorist or criminal acts.

The training grant also has money to pay for creation of a Priority Red Plan, which can mobilize the Trailways network as a coordinated ground transportation system in times of crisis or terrorist threats.

would need their cooperation and we really got it," she added.

She said an article and picture of a company bus appeared on the front page of every small daily or weekly newspaper published in cities on the routes, signs announcing the service were posted all over the towns and most retailers made bus schedules available to their customers. "It all helped the business," she emphasized.

Additionally, the company is getting some government funds from Minnesota, Iowa and Wisconsin that covers 50 percent of any losses occurring on certain routes. "We have to cover the rest, so it is nothing you would want to do forever," she added. "But at least this gives us time to see if we can build the routes."

Greg Worthen, of Powder River in Gillette, Wyo., said the routes he picked up are coming along so far, although he could be looking for state subsidies, too. "We haven't asked for anything yet, but that's not to say we won't ask in the future," he said.

The company is making three new runs out of Cheyenne, Wyo., one to Ogallala, Neb., another to Laramie, Wyo., and a third to Denver, stopping at dozens of small and medium-sized communities along the way.

Rimrock took over two former Greyhound routes, one between Fargo, N.D., and Billings, Mont., and another from Butte, Mont., to Idaho Falls, Idaho.

The move wasn't easy, however, according to owner and president Tom Forseth.

He said adjusting the schedules of his existing runs and setting up schedules for the new runs so they all offered convenient connections with other bus services proved to be very difficult. "We really had to scramble," he added.

**Greyhound**

CONTINUED FROM PAGE 1

Jefferson Bus Lines in Minneapolis, agreed, stressing the importance of passenger numbers being reasonably high on the five routes her company took over. "If we can hold the numbers we have had on these routes during the first eight weeks, then I think it is going to be a go," she said.

Greyhound dropped service to communities in Washington, Oregon, Idaho, Montana, Wyoming, Utah, Colorado, North Dakota, South Dakota, Nebraska, Minnesota, Iowa and Wisconsin. The Dallas-based carrier said the streamlining was necessary to trim costs and help make the company financially viable for the long term.

The move brought immediate outcries from city officials, state politicians and regular riders across the 13-state area with most of them saying the Greyhound service was the only means of public transportation in and out of their communities. U.S. senators from Wisconsin, Iowa, Oregon and North Dakota and the governor of Wisconsin all pleaded with Greyhound not to abandon routes in their states.

Greyhound, however, went ahead with its plans and at the close of the day Aug. 17, pulled its buses off the selected routes.

Burlington, Jefferson, Rimrock Stages Trailways in Billings, Mont., and Powder River Transportation Services in Gillette, Wyo., were ready to go the same day. "Greyhound left on the 17th and we were there on the 18th," said Buchanan.

Representatives of the four companies had met in Minneapolis soon after the Greyhound announcement to discuss the possibility of providing service to

**NOVEMBER 2004**

**17** Federal Motor Carrier Safety Administration Research and Technology Stakeholder Forum, Washington, D.C. Info: (202) 385-2362 or go to [www.fmcsa.dot.gov](http://www.fmcsa.dot.gov).

**30** Federal Motor Carrier Safety Administration Research and Technology Stakeholder Forum, Phoenix, Az. Info: (202) 385-2362 or go to [www.fmcsa.dot.gov](http://www.fmcsa.dot.gov).

**DECEMBER 2004**

**1-2** UMA Safety Security Workshop, National Transportation Safety Board Academy, Ashburn, Va. Info: (800) 424-8262.

**JANUARY 2005**

**9-13** Transportation Research Board Annual Meeting, Washington, D.C. Info: (202) 334-2934 or go to [www.trb.org](http://www.trb.org).

**13-16** North Carolina Motorcoach Association, Adam's Mark Hotel, Winston-Salem, N.C. Info: (336) 495-4970, or go to [www.ncmotorcoach.org](http://www.ncmotorcoach.org).

**FEBRUARY 2005**

**3-4** American Bus Association Board of Directors, Chicago. Info: (800) 283-2877 or go to [www.buses.org](http://www.buses.org).

**4-5** Bus Industry Safety Council, Chicago. Info: (800) 283-2877 or go to [www.buses.org](http://www.buses.org).

**4-9** American Bus Association Marketplace 2005, Chicago. Info: (800) 283-2877 or go to [www.buses.org](http://www.buses.org).

## Expo '05 activity roars into top gear

LAS VEGAS — Motorcoach Expo 2005 is shaping up as a record-setting event.

Attendee registration is tracking 29 percent ahead of last year, while exhibitor booth sales continue to exceed last year's pace.

More than 100 exhibitors have already purchased space on the Expo show floor, even though the event is still more than three months away — Feb. 23-26.

David Brown, UMA chairman, reported that 14 new exhibitors have signed up for the show, and 87 percent of the floor space has been sold.

"Participation in the 2005 Expo is the right choice for industry suppliers," said Brown, who encouraged vendors to study the brochure included with this issue of *Bus & Motorcoach News*.

**FEBRUARY 2005 (cont'd)**

**22-24** Clean Heavy-Duty Vehicles Conference, La Quinta, Calif. Info: (626) 744-5686 or e-mail: [sromeo@calstart.org](mailto:sromeo@calstart.org).

**22-26** 2005 Motorcoach Expo, Las Vegas Hilton, Las Vegas. Info: United Motorcoach Association, (800) 424-8262, or go to [www.uma.org](http://www.uma.org).

**MARCH 2005**

**15-17** Busworld Asia 2005, Shanghai New International Expo Centre, Pudong (Shanghai), China. Info: Go to [www.busworld.org](http://www.busworld.org).

**16-19** Trailways 69th Annual Conference & Meeting, Casino Magic Casino & Golf Resort, Bay St. Louis, Miss. Info: Trailways Transportation System, (703) 691-

3052 or go to [www.trailways.com](http://www.trailways.com).

**30** Pennsylvania Bus Association Marketplace 2005, York Expo Center, York, Pa. Info: (717) 236-9042 or go to [www.pabus.org](http://www.pabus.org).

**30-April 3** National Tour Association Tour Operator Spring Meet, Sacramento, Calif. Contact: (800) 682-8886, or go to [www.ntaonline.com](http://www.ntaonline.com).

**APRIL 2005**

**16-21** Commercial Vehicle Safety Alliance Annual Conference, Hyatt Regency Albuquerque and Albuquerque Convention Center, Albuquerque, N.M. Info: [www.cvs.org](http://www.cvs.org).

**23-24** The Motor Bus Society Convention, San Francisco. Info: Go to [www.motorbussociety.org](http://www.motorbussociety.org), or e-mail: [glsquier@comcast.net](mailto:glsquier@comcast.net).

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