December 1, 2006

Bus&MotorcoachNEWS

WHAT'S GOING ON IN THE BUS INDUSTRY

Happier Days. Former motorcoach operator Mike Sodrel lost his bid to be re-elected to Congress in one of this fall's most expensive House races. More than $9 million was spent by Sodrel and his opponent and their supporters. Meanwhile, how will the new Congress, controlled by the Democrats, treat transportation issues? See stories on Page 15.

FMCSA proposes linking medical certificate, CDL

WASHINGTON — The Federal Motor Carrier Administration wants to establish a nationwide system that formally links the medical certificate of a commercial vehicle driver with his or her CDL.

The proposal comes more than 15 years after the federal government took the first concrete steps to integrate the two key driver documents as a means of improving safety enforcement efforts.

FMCSA Administrator John H. Hill announced the comprehensive plan last month and followed up by posting an official notice in the Federal Register.

The bare bones impact of the proposal would be that interstate bus and truck drivers subject to the physical qualification requirements of federal safety regulations would need to provide an original or copy of their medical card to their state licensing agency.

That agency would then be required to marry the medical certification to the database that holds all of the driver's commercial licensing information.

The new regulations would make the medical certification information available to all authorized inquirers, including law enforcement agencies and employers, and remove the requirement that CDL drivers carry a copy of

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Single State Registration dead, but successor is far from ready

WASHINGTON — On the last day of this month, the Single State Registration System becomes history. Or, that's what federal law says is supposed to happen.

The federal registration system for interstate bus and truck operators is being replaced by a new system called the Unified Carrier Registration Agreement. It was created by the same law that repeals the SSRS.

However…and it's a big however, the new program is a long way from being ready to rock and roll. Much about the UCR, as it's already being called, remains unresolved.

For example, a fee structure has not been established.

Much of the logistics of the new system, meaning the collection and accounting system, aren't ready yet.

And beyond that, most of the states that have signed up to participate in the system either haven't enacted the legislation necessary to participate, or they haven't set up the systems to actually begin collecting fees.

Complicating the situation to a lesser degree is the fact that not all states will be participating in the UCR, just like not all states were part of the Single State Registration System.

Nov. 1 was the deadline for states to declare their intention to participate in the new program, beginning in its first year. Thirty-seven states met the required filing deadline. All the former SSRS states, except California and North Carolina, signed up. Oregon, previously a non-SSRS state, joined the new program.

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At the Super Bowl

Charter bus service fiasco averted

MIAMI — The United Motorcoach Association may have avoided another Super Bowl charter-bus debacle when it challenged the charter service notice issued in connection with next year's game.

Super Bowl XLI will be played in Miami on Feb. 4, and Miami-Dade Transit issued a notice saying it planned to provide charter bus service for the game and its myriad activities.

Each year, the Super Bowl typically requires more buses than any single event in the U.S. For Super Bowl XL early this year in Detroit, more than 600 buses were needed to meet all of the ground transportation requirements.

The Miami notice said that any private charter operator "desiring to be considered as willing and able to provide comparable charter service" for next year's Super Bowl should submit evidence "to prove that it is willing and able to provide such service."

The deadline to submit the information was Nov. 17.

Although the notice was dated Oct. 30, it was not received by UMA until the second week of November, just days before the Nov. 17 deadline.

Beyond the unreasonable deadline, the notice also contained a long list of requirements that Miami-Dade Transit said were "necessary to determine if a private operator is willing and able" to provide service for Super Bowl events.

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Ontario operators tout 'green buses' at media event

TORONTO — The greening of the motorcoach made news in Ontario last month when the Ontario Motor Coach Association held a well-attended news conference to showcase the reduced-emissions buses that will begin rolling off assembly lines next year.

The result was news stories — in general circulation newspapers, on Toronto television stations, in specialty publications and on the Internet — that said the new buses make motorcoach travel an even more environmentally friendly choice than ever before.

OMCA recruited Ontario's minister of transportation, Donna Cansfield, to join them for the media event, which was conducted in Queen's Park, an historic green space in central Toronto that is home to the Ontario Legislative Building and seat of the provincial legislature.

Front and center at the gathering was a Motor Coach Industries' J4500 outfitted with a 2007 Caterpillar C13 engine and ZF AS-tronic transmission.

David Carroll of the Ontario Motor Coach Association points out new diesel engine emissions gear to Ontario Minister of Transportation Donna Cansfield.

The engine and the coach's diesel particulate filter are expected to reduce tailpipe emissions by 90 percent when used with ultra-low-sulfur diesel fuel.

"Motorcoach travel has long been the most environmentally friendly form of transportation," said OMCA President Brian Crow. "Now, with new advances in exhaust system technology and the introduction of ultra-low sulfur diesel fuel, buses will be almost twice as green," added Crow.

"This is a great example of the kind of innovation in transportation that can benefit everyone," said Minister Cansfield. "Through improved technology the motorcoach industry is helping to literally take us further down the road toward a cleaner environment."

MCI's director of power-train engineering, Paul Fazio, briefed reporters on the emissions' technology, including performing a white-handkerchief test to demonstrate the clean exhaust.

Trailways hikes membership to new high with 4 additions

FAIRFAX, Va. — A strong recruiting effort in recent weeks has netted four new members for Trailways, pushing the total to 78, the most in the 70-year history of the system of independent motorcoach operators.

The newest member — and No. 78 on the Trailways' roster — is Heartland Motor Coach, now Heartland Trailways, of St. Joseph, Mo.

Two of the new members are based in New England, Cavalier Coach, now Cavalier Trailways, of Boston, and Flagship-ABC Coach, now Flagship Trailways, in Johnston, R.I.

The fourth new member is Seitz Reisen Trailways of Germany, the second European coach-operator member of Trailways.

"It's significant that our record-breaking member hails from America's heartland," said Trailways President Gale Ellsworth, "because the Trailways brand stands for all that's good about our country's business heart — customer care, hard work, and reliable service that the traveling public has come to rely on."

Heartland Trailways President Chuck Hill said that being a member of Trailways allows him to broaden his marketing scope. "It will have a tremendous impact on our business because we will be part of a group that is recognized nationally above all others for safety and service reliability."

Hill founded his company in 1988; today it operates a fleet of 21 coaches.

Cavalier Trailways was founded 20 years ago by company President Joan Libby.

"Trailways is well known throughout New England, and it will be of great help to us in expanding our marketing activity beyond the word-of-mouth referrals we have relied on in the past. We know it will raise our professional profile a great deal," Libby said.

Cavalier Trailways serves a diverse charter client base.

Flagship Trailways, the first Trailways member from Rhode Island, operates a fleet of 10 coaches and traces its roots back 25 years.

"We are extremely proud to be a part of this fine network," said

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THE DOCKET

The 'medical' CDL

CONTINUED FROM PAGE 1

their medical certificate while driving.

However, those holding medical exemptions and variances would still be required to carry documents related to those situations.

Under the proposed rulemaking, the states would be responsible for drafting their own legislation and developing their own methods of data collection and would have the added responsibility of monitoring expiration dates on medical examiner certificates.

The states also would be responsible for notifying drivers if their medical certification had expired, and for downgrading or suspending the license.

FMCSA believes electronic record keeping and notification will cut down on uncertified drivers and thus improve highway safety.

One of the complications will be getting the CDL expiration and medical certification expiration periods in sync. Medical certifications typically extend from three months to a maximum of two years. CDLs have an average expiration period of five years.

The proposed rulemaking provides for a three-year phase-in period after the date of the final rule. This will give the states time to pass legislation, update their CDL databases, and get set up to provide the information electronically.

It also will give drivers and employers time to learn the regulations and get their medical examination certificates updated.

In order to implement the plan, the FMCSA must complete its official rulemaking process. The agency is requesting comments from the public by Feb. 14.

All submissions must include the agency name and docket number, FMCSA-1997-22101, and the Regulatory Identification Number — RIN 2126-AA10.

Comments may be submitted by a variety of methods. Comments can be faxed to (202) 493-2251. Or, submitted online at the federal eRulemaking portal at *http://www.regulations.gov*. Follow the online instructions.

Comments can be mailed to: Docket Management Facility, U.S. Department of Transportation, 400 Seventh St. SW, Nassif Building Room PL-401, Washington, DC 20590-0001.

FMCSA targets truck, bus fatalities

WASHINGTON, D.C. — Worried that the annual number of truck- and motorcoach-related fatalities remains high, the federal agency that regulates commercial vehicle safety says it is determined to drive the number of deaths down.

"The top priority of the (Federal Motor Carrier Safety Administration) is to reduce the number of fatalities," said FMCSA Administrator John H. Hill.

His statement came at a "listening session" the FMCSA convened last month in Washington.

The forum was designed to provide an update on what sort of regulatory enforcement the bus and trucking industries can expect as the FMCSA gears up to implement what it calls the Comprehensive Safety Analysis 2010 Initiative, or CSA 2010, for short.

Hill said he is especially concerned because while truck and bus fatalities have not increased, they have not decreased either.

"For three years we have seen a plateau in the number of fatalities and fatality rates," Hill said. "We have to drive those numbers down."

Hill said he sees a combination of roadside checks, compliance reviews, enforcement, and new-entrant training as keys to reducing the number of fatalities.

The FMCSA kicked off its CSA 2010 initiative two years ago with a comprehensive review and analysis of the agency's existing compliance and enforcement programs.

The overarching goal is to develop a new approach for using FMCSA resources to identify drivers and carriers that pose safety risks and steps to intervene and address the problems.

Currently, because of the complexity and time-consuming nature of compliance reviews, plus staffing limitations within the FMCSA, only about 2 percent of all registered motor carriers are reviewed each year. And, the compliance reviews are targeted at bus and truck operators and not individual drivers.

FMCSA officials have said they hope CSA 2010 will change that.

The CSA 2010 model presented at the listening session is designed to:

- Provide for an assessment of a greater portion of those regulated by FMCSA.
- Better analyze data related to specific safety areas that are known to contribute to crashes.
- Leverage modern technology to continuously evaluate and monitor compliance and safety performance.
- Apply progressive intervention to correct safety deficiencies before they become so ingrained they cause a "significant breakdown" in the safety performance of a bus or truck operator.

The agency hopes to utilize data collected on operators in six different areas, including unsafe driving, fatigued driving, driver fitness, drugs and alcohol, vehicle maintenance, and crash experience.

CSA 2010 also proposes changes to safety fitness ratings. Currently, operators are assigned one of three fitness ratings: "satisfactory," "conditional" or "unsatisfactory." The CSA 2010 model proposes two new categories: "unfit" and "continue to operate."

The plan also outlines a number of intervention steps an operator may encounter before a full-blown compliance review is conducted if there is data that indicates a company's behavior is below par.

Carriers could face any one of 10 intervention points, including a request for data, targeted destination inspections or comprehensive on-site review.

Throughout the presentation of the CSA 2010 model, bus and truck drivers were mentioned very little. Including driver information and assessing a safety rating of sorts to a driver is progressing more slowly than the operator portion of the CSA 2010 plan.

Hill said there are several thorny issues revolving around assessing a driver safety rating. For instance, FMCSA officials are evaluating what kind of data is available on individual drivers and how the data will fit into the parameters of the program. In addition to data availability, there are issues involving complexity and variance in reporting from state to state.

Hill also took note of the privacy issues when it comes to drug and alcohol reporting.

However, once the kinks are worked out, Hill sees the driver information being at the fingertips of any enforcement officer conducting a roadside or destination inspection. Officers will be able to see inspections and violations by an individual driver simply by calling up the driver's CDL.

FMCSA also is looking at possibly providing data on individual drivers to operators to utilize in the hiring process.

Meanwhile, don't expect sweeping regulatory changes any time soon. There could be some pilot testing of various initiatives next near that will be evaluated in 2009. Targeted deployment perhaps in 2010.

NTSB says FMCSA is too slow to act

WASHINGTON — The federal agency that investigates major transportation accidents has again lambasted the Federal Motor Carrier Safety Administration for dragging its feet on safety improvements.

The criticism came during the release of the National Transportation Safety Board's annual wish list of transportation safety issues that need to be addressed.

In discussing issues related to highway safety, the NTSB gave the FMCSA an "unacceptable" rating, saying the agency was too slow in responding to the NTSB's recommendations from last year.

Specifically, areas of concern cited by the board include the lack of oversight of unsafe equipment and drivers, and the inadequate prevention of medically unqualified drivers who could be identified through a comprehensive fitness rating system.

NTSB officials contend the U.S. Department of Transportation's rating system for bus and truck operators — which is based on six factors, including drivers, operations, vehicles and accidents — needs changing.

Instead of the current system, which gives the carrier an unsatisfactory rating when any of the two of the six categories receive negative marks, NTSB believes a carrier should immediately be classified as unsatisfactory whenever the vehicle or driver factors are deemed negative.

Officials also said the medical certification process for commercial drivers has several "disturbing flaws" in it, and that proper identification of medically unfit drivers could helped lower the number of on-highway fatalities. (See article on Page 1.)

NTSB encouraged FMCSA to "continue efforts to develop medical certification procedures that ensure unfit drivers are not allowed behind the wheel of a commercial vehicle," and offered the following objectives:

- Establish a comprehensive medical oversight program for interstate commercial drivers.
- Ensure that examiners are qualified and know what to look for.
- Track all medical certificate applications.
- Enhance oversight and enforcement of invalid certificates.
- Provide mechanisms for reporting medical conditions.

The NTSB report did praise FMCSA's proposed Comprehensive Safety Analysis (CSA) 2010 initiative, a program that calls for a complete analysis and evaluation of the bus and truck industry's compliance and enforcement programs. (See story above.)

NTSB said it may support the CSA 2010 initiative because its key components focus on several of the problems pointed out in the board's Most Wanted list, including unsafe driving, driver fitness and vehicle maintenance. Fatigued driving and the use of controlled substances and alcohol will also be addressed under the program.

Since 1990, the NTSB has released an annual Most Wanted list of specific recommendations that the board believes will reduce transportation deaths and injuries.

Studies raise questions about coach inspections

WASHINGTON — A few weeks ago, the Federal Motor Carrier Safety Administration published the final report on a series of bus and truck safety surveys it conducted three years ago, and the report does not paint a pretty picture of motorcoach safety.

The out-of-service rate for buses checked for the survey was above 25 percent, a figure that would be high even for the trucking industry.

Additionally, while the study seems to confirm the wisdom of the current system for determining which trucks and their drivers should be inspected, it raises questions about which buses should be checked.

Still, the dismal bus out-of-service rate and questions about bus safety monitoring are not the whole story. An examination of the study and its results offers an insightful look into the FMCSA's safety enforcement efforts.

First, at little background.

When over-the-road trucks and buses are examined during routine roadside and destination inspections, the decision about which ones to check is largely at the discretion of state inspectors. Using a system that may consider such factors as company history, including information from FMCSA safety databases, as well as the look and sound of a vehicle as it enters the inspection area, safety inspectors make their decisions about which vehicles to check.

This company "profiling" has raised concerns over the years that the conclusions were biased because some of the tools and methods used to select buses or trucks for inspection were unscientific.

Starting in 1996, FMCSA began a series of truck safety inspections that were based on "random" sampling rather than the traditional "targeted" approach. In other words, rather than choosing a vehicle for inspection based on a combination of criteria, the inspectors were required to select vehicles totally at random — every third vehicle, for example.

Three years later, a similar study was drafted for over-the-road buses.

In 2001, the studies were conducted again. In 2003, the survey methods were improved and the truck and bus fleet safety surveys were repeated.

The bus surveys differed from the truck studies in that inspections were conducted at destinations for charter buses and at terminals for intercity buses. The truck inspections were strictly of the roadside variety.

In 2003, bus inspections were conducted in 25 states, while truck inspections were conducted in 10 states. A total of 2,835 trucks were inspected, versus 648 tour and charter buses and 183 intercity buses.

The data gathered in the surveys were then weighted to take into consideration higher daily traffic volumes in certain parts of the country to produce a weighted national average of out-of-service rate for vehicles and drivers. However, for intercity buses the sample was too small to be statistically significant, and only unweighted estimates of out-of-service rates were published.

The vehicle out-of-service rate for trucks was 28 percent, and 5 percent for truck drivers.

The vehicle out-of-service rate for tour and charter buses was 26 percent, and 3 percent for tour bus drivers.

The unweighted rates for intercity buses and drivers were 23 percent and 5 percent, respectively.

From these results FMCSA was able to conclude that for trucks, in particular, the current system of targeting vehicles is not introducing bias into the statistics. The results of the survey were consistent across time.

The truck driver out-of-service rate was constant at 5 percent, and the vehicle out-of-service rate was similar for the 1996 and the 2003 surveys — 29 percent for 1996, versus 28 percent for 2003. The results also compare favorably with the out-of-service rate for all regular full inspections conducted by FMCSA in 2003 (28 percent for the 2003 Truck Fleet survey and 29 percent for all FMCSA inspections in 2003).

For buses, the picture is somewhat murky.

For charter buses, the 1999 and 2001 surveys produced vehicle out-of-service rates of 23 percent and 13 percent, respectively. The 2003 survey yielded a jump to 26 percent for charter buses.

The 2003 result was 11 percentage points higher than the vehicle out-of-service rate of 15 percent for all regular full bus inspections conducted by the FMCSA in 2003 (inspections that included small buses and school buses, as well as motorcoaches).

The intercity bus out-of-service rate also was higher at 23 percent, but the sample was considered too small to represent a national average.

The fact that a different data collection system was implemented in 2003 may help account for the variation in vehicle out-of-service percentages between 2003 and 2001, with the 2003 survey being more statistically sound.

Richard Gruber, FMCSA analyst and author of the report, also attributes some of the problems with the bus survey to the sample size.

Targeted system bolstered

One survey result that may further bolster the credibility of the targeted system of inspections is the high correlation between out-of-service vehicles and out-of-service drivers for both trucks and buses. In other words, if a driver is put out of service you can just about be certain his coach or truck will be, too.

For charter bus companies with an out-of-service vehicle, the chances of the driver also being put out of service was 4 times greater than for companies with no out-of-service vehicle. Conversely, for each out-of-service driver the chances of the bus being put out of service was 2.5 times greater than for a non-out-of-service driver.

For both trucks and buses, brake-related violations represented the greatest percentage of out-of-service vehicles — 39 percent for trucks, 26 percent for charter buses and 36 percent for intercity buses.

State variations

The truck and bus safety survey was completed in the fall of 2003 and one reason the study took so long to complete was the data had to be made consistent before it could be used.

According to Gruberg, a good deal of time was spent "cleaning the data." For example, a state might return data that did not give daily traffic volumes for a location, or that did not report the location where the data was gathered. When this happened it was necessary to go back to the states to get the missing information.

In addition, Gruberg said, there has not been much enthusiasm on the state level for conducting these surveys. Most roadside inspections are conducted by state inspectors with FMCSA funding, and all inspectors are CVSA certified. However, the states have a good deal of faith in their current selection systems and have a tendency to see these random studies as duplication of effort and a waste of money.

Gruberg does not foresee a repeat of the surveys in the near future.

Explain this

Analysts at FMCSA probably don't need to worry about running out of work, however.

One thing the surveys revealed was the wide disparity in out-of-service rates from state to state for both buses and trucks. A variety factors likely accounts for the disparity, including differences in inspectors and inspection methods. Another factor may be sample size (especially for buses).

Whatever the reasons, vehicle out-of-service rates of 89 percent for charter buses and driver out-of-service rates of 22 percent at Six Flags in Illinois, for example, when compared to national rates of 26 percent and 3 percent, respectively, probably need follow-up investigation.

The report can be downloaded at *http://ai.fmcsa.dot.gov/CarrierResearchResults/CarrierResearchContent.asp?p=10*. Look for the analysis marked "new" in yellow. No kidding. New.

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The J4500. It's #1 for a reason.

Make that 2,000 reasons.

Capitol Bus Lines adds the 2,000th MCI® J4500 to its fleet, setting a new milestone for the nation's No. 1 luxury coach

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Caterpillar 'ready for '07,' to offer extended service

MOSSVILLE, Ill. — Seeking to allay any concerns about the performance of 2007 reduced-emissions engines, Caterpillar plans to offer extended service coverage for its power plants delivered during the first half of next year.

Caterpillar says the special coverage program applies to all '07 on-highway Cat engines delivered to end-users in the U.S. and Canada between Jan. 1 and June 30.

"Many fleets have told us they're concerned about the technology changes that all the engine manufacturers are making in their 2007 engines," said George Taylor, director and general manager of Caterpillar On-Highway Engine Business.

"Cat has nearly 12 million test miles on our 2007 pre-production engines, and customers who are operating them are telling us they're as reliable and fuel efficient as Cat engines have always been," Taylor said.

"We want to share that confidence with users who are undecided on their engine purchases. So, we're offering free extended-service coverage and our on-time promise on every 2007-model Cat engine."

The new program is called Caterpillar "Pure Confidence," and provides full parts and labor coverage on covered engine and emission components for three years/300,000 miles on C9, C13 and C15 engines, and three years/150,000 miles on C7 engines.

The C13 engine is the model the company markets to the motorcoach industry.

Most motorcoach manufacturers supplying the U.S. and Canadian markets are not expected to begin shipping buses with '07 engines until the second quarter of next year.

The extended-service Cat program also provides that if an '07 Cat engine requires repairs that will keep it sidelined for more than 24 hours during 2007, Cat will reimburse the user for a rental vehicle to get passengers to the destination on time. There are restrictions, however, that can be explained by a Cat dealer.

Trailways

CONTINUED FROM PAGE 3

company President Tom McCaughey, who expects the Trailways affiliation to help attract more business from national meeting planners and others outside of New England.

Heartland, Cavalier and Flagship are all U.S. Department of Defense-certified carriers, a requirement of Trailways membership.

Located in Ruhmannsfelden, Germany, Seitz Reisen joins Elbo Trailways of the Netherlands in promoting Trailways in Europe.

Helmut Seitz, president of Seitz Reisen, said he believes his affiliation with Trailways will help expand business among tour operators and others from North America.

Seitz Reisen operates 16 buses and serves a diverse market, including employee transport for BMW and workers who inventory Wal-Mart stores in Germany.

For more information on three of the companies, go to their Web sites, *www.heartlandcoach.com, www.flagshipbus.com*, and *www.coach-charter-europe.de*. Contact Cavalier Trailways at (617) 330-1234.

Confusion reigns (briefly) over Canada's new hours rule

EDMONTON, Alberta — Just when all of the stars appeared aligned for next month's implementation of new hours-of-service rules in Canada, politicians and bureaucrats in three provinces knocked the process out of kilter.

"We were shocked by the three provincial announcements," said David Carroll, director of safety and maintenance for Motor Coach Canada, the association that represents coach operators across the country.

The confusion was kicked off by the minister of infrastructure and transportation in Alberta when he announced last month that Alberta would not be implementing the new hours-of-service regulation on Jan. 1, for carriers that operate solely within the province.

The minister, Ty Lund, said Alberta wanted to consult further with intra-provincial carriers about the new rule.

"The ink wasn't dry on the Alberta announcement when two other provinces said their regulations that will enable them to enforce the new federal regulation have been held up in the legal approvals process," said Carroll. "As a result, Quebec said it won't be ready until late January and New Brunswick said it won't be ready until March 1."

The announcements threw the Canadian bus and truck industries into turmoil, with no one seemingly knowing whether the hours-of-service regulation would be implemented nationwide on Jan. 1.

Not only did the announcements shock bus and truck operators and their trade groups, but it made them angry.

That's because all of the provinces had signed off on the final rule, agreed on the start date, and told the bus and truck industries 13 months ago to prepare for the Jan. 1 implementation.

Motor Coach Canada fired off a letter to the Canadian Council of Motor Transport Administrators expressing frustration over the surprise announcements that came barely more than a month before the rule was to be implemented.

"We told them how our association and members have invested heavily in educational materials, training, systems and scheduling changes, and have quoted business and entered into contracts based on the new hours," said Carroll.

"In our opinion these provinces must have known they wouldn't be ready and should have advised the industry sooner," he added.

Within days of sending its letter, Transport Canada, which administers national transportation policies and regulations, was told by the powerful Treasury Board and Privy Council Office that a delay in the effective date of the federal regulation was not possible and must be implemented Jan. 1.

By late last month, the Council of Motor Transport Administrators and Transport Canada were telling coach operators and truckers that:

- All provinces, territories and Transport Canada have agreed that — despite the issues in Alberta, Quebec and New Brunswick — the new rule for extra-provincial carriers will go into effect Jan. 1.
- All provinces have agreed to a six-month "soft enforcement" period, until June 30.
- Alberta will proceed with consultations that will shape the rule for carriers operating solely within Alberta. However, Alberta will apply the new rule to extra-provincial carriers as of Jan. 1.

"Since the federal regulation will be implemented as written on Jan. 1st, we are now shipping orders placed for the Motor Coach Canada Hours of Service Instructor's Guide and Bus Driver's Handbooks," said Carroll. (See Nov. 15 *Bus & Motorcoach News* or go to *www.motorcoachcanada.com*.)

Registration

CONTINUED FROM PAGE 1

The board appointed by the Secretary of Transportation to set up the UCR needed to determine which states were going to participate in the system before it could determine the fees bus and truck operators would pay under the new program.

As the UCR plan was taking shape during the past two to three years, the motorcoach industry took a keen interest. Vic Parra, CEO of the United Motorcoach Association, was named to the industry advisory committee for the UCR plan.

The industry's interest was peaked because, among other things, the program expands the universe of motor carriers that must register. For example, the law requires that private motor carriers and exempt for-hire carriers be included.

While more trucks in the UCR program would seem to augur lower fees than the current system, that may not happen. That's because states may create other fees and taxes. Once the UCR program is in place, it may be wishful thinking to expect states to remove their new fees or taxes.

But first, the new system must get up and operating. And like anything involving the U.S. government, that isn't going to be easy. Here, very concisely, is what yet must happen, and none of it can be counted on to go smoothly.

Now that the UCR board has a fix on how many states will be participating in the system it has moved expeditiously to establish a fee structure. Once the fee structure is approved by the board, it will be sent to the USDOT, which is supposed to rubberstamp it through a rulemaking. This will take some months to accomplish, of course, but could be finished next March or April, a key member of the UCR board has estimated.

At that point, the participating states will presumably start to register bus operators, truckers and other entities subject to the UCR, and begin to collect 2007 fees from them. What process the states will be using is still up in the air, and there is considerable uncertainty about the schedule.

While the board hasn't totally settled on the fees it will recommend to the USDOT, the nature of the structure is pretty clear. It will be a bracket system, six have been mentioned, with the per-operator fees based on the number of vehicles a company operates.

The lowest bracket will be for interstate carriers with one vehicle and the top bracket will be for carriers with fleets of more than 1,000 vehicles.

Unlike the SSRS fees, the UCR fees will not be imposed per vehicle but will be based on the size of the company as measured by the number of vehicles in its fleet, and it will be uniform across the country for all operators of a given size, no matter where they may be based.

One UCR board member suggested that the fee would likely be something under $100 a year for the operators of one vehicle or no vehicles. The fee for the top bracket, for those with more than 1,000 vehicles, would probably be in the neighborhood of $40,000 to $60,000 annually.

Because so much of the UCR is still up in the air, the board recommended before last month's elections that Congress extend the life of the SSRS. Congress has yet to act on the request and there is no guarantee it will take up the issue.

So, as it stands right now, SSRS will go away at the end of 2006.

States should not be sending out 2007 SSRS renewals, and operators should not be paying SSRS fees for 2007.

Diesel fuel prices climbing, 2007 outlook slightly better

WASHINGTON — Diesel fuel prices began their annual winter increase last month and can be expected to continue rising for the next six months before falling back again, the U.S. Department of Energy says.

At the same time, however, the DOE has lowered its average price projection for 2007 by 3 cents to $2.63 a gallon.

The federal agency projects diesel will rise from October's average of $2.519 a gallon to $2.721 next May.

Following the high price in May, diesel will recede monthly, ending 2007 at $2.574, the department said.

Based on the 12 monthly projected figures for next year, diesel will average $2.633 for 2007. In October, the agency forecast an average of $2.66 next year.

The current price of diesel is roughly 5 cents a gallon lower than at this same time last year.

Transits seek charter firms

The following public transit providers have informed the United Motorcoach Association of their intent to provide charter bus service unless willing and able private operators step forward to offer service. UMA urges appropriate operators to take the time to respond to these notices:

Bradford, Sullivan, Tioga and parts of surrounding counties, Pa. Deadline: Dec. 1, 2006. Write to: Karen Graber, General Manager, Endless Mountains Transportation Authority, 27824 Route 220, Athens, PA 18810. Phone: (570) 888-7330.

Farmville and surrounding area, Va. Deadline: Dec. 1, 2006. Write to: Julie Adams, Transit Manager, Farmville Area Bus, P.O. Drawer 368, Farmville, VA 23901. Phone: (434) 392-7433.

Blackstone, Va. Deadline: Dec. 4, 2006. Write to: Jennifer Beck, Blackstone Area Bus, 100 W. Elm St., Blackstone, VA 23824. Phone: (434) 292-7251.

Super Bowl charters

CONTINUED FROM PAGE 1

Here are most of the requirements:

- All vehicles must possess two-way radio systems.
- Vehicles should be 2001-model year or newer.
- No buses can be older than 1996.
- All motorcoaches must be Van Hools, Prevosts, late-model MCIs or late-model Setras. Dinas, Irizars, Neoplans and others need not apply.
- 1996-2001 vehicles "that have been refurbished" will be accepted for use for all "non-VIP and/or team transfers, with prior inspection and approval."
- Vehicles must be either "deluxe motorcoaches, deluxe minicoaches, school district buses or accessible vans."
- All motorcoaches must have a minimum capacity of 47 adult passengers.
- All minicoaches must have a minimum capacity of 21 adult passengers.

Plus, there were requirements about buses being in good repair and operating condition, clean, no graffiti, and free of broken, cut, torn or vandalized components.

Ken Presley, vice president of industry relations at UMA, took one look at the Miami-Dade Transit notice and literally threw up his hands. "They can't do what they're doing," he said.

The notice fragrantly violated key Federal Transit Administration charter bus regulations, including those that prohibit Miami-Dade Transit from essentially going into business with the company hired by the National Football League to coordinate bus services for the Super Bowl.

The transportation company is Gameday Management Group of Orlando and Super Bowl XLI marks the first time it has been awarded the contract for Super Bowl-related ground transportation. However, the company says its staff has previously been involved in Super Bowl transportation operations.

In its charter notice, Miami-Dade Transit made clear it was working hand in glove with Gameday Management, and the two would jointly process the charter service responses received from private operators.

In a series of phone calls and e-mails with Miami-Dade Transit officials, Presley pointed out, among other things, that the charter notice violated FTA rules about giving adequate notice, and how the rules prohibit specifying, in any way, the type of equipment that must be used to provide charter bus service.

"The FTA states, regardless of how (Miami-Dade Transit) describes its own service, that (Miami-Dade Transit) must make it clear in the notice that private operators are not required to respond in similar detail," Presley told agency officials.

He also pointed out that Gameday Management "is not considered a willing-and-able carrier" under FTA rules, and that "mutual participation" in transportation between Gameday Management and Miami-Dade Transit likely results in other charter rules violations.

Within a couple of days of being contacted by Presley, Miami-Dade Transit issued a sanitized charter notice for the Super Bowl, eliminating the long list of requirements and providing a new deadline — Dec. 10.

"Extending the deadline was welcome news," said Presley. "However, the most encouraging news was that Miami-Dade Transit has no intention of precluding any willing and able operators from providing service for the Super Bowl and associated events."

Coach operators interested in responding to the Miami-Dade Transit charter notice should probably request a copy of the notice from either Clinton Forbes, assistant to the director of Miami-Dade Transit (phone: [305] 375-1836), or Joel Perez, quality service division manager (at [305] 375-2540). Evidence of willingness to provide charter service for the Super Bowl should be sent to:

Miami-Dade Transit, Attn: Clinton Forbes, 111 N.W. 1st St., Ste. 910, Miami, FL 33128.

S.C. operator wants payment for charter violations

CHARLESTON, S.C. — A South Carolina charter operator is demanding that the Charleston transit agency pay it nearly $32,000 because the transit system violated federal charter rules, causing the operator to lose a large contract.

The demand was contained in a letter to the executive director of the Charleston Area Rapid Transit Authority and sent by Robert Clemmer, president of Lancaster Trailways of the Carolinas.

In October, the Federal Transit Administration ruled that the Charleston transit agency violated federal charter rules when it provided bus service early this year for an event called the Southeastern Wildlife Exposition.

Organizers paid the Charleston transit system, known as CARTA, $23,000 to provide shuttle service for expo attendees.

During the previous 15 years, private operators provided shuttles for the expo.

Lancaster was the only operator that furnished a price quote to the expo organizers. The amount was $31,945.

"Our firm, Lancaster (Trailways) was precluded from providing transportation for the … exposition as a result of CARTA engaging in … prohibited charter service and thus caused significant and irreparable harm to our firm," Clemmer wrote in his letter to CARTA Executive Director Howard Chapman.

Clemmer said CARTA's action hurt the company owners and employees financially in the form of lost profits and wages.

Nomination deadline nears for coach operator Vision Awards

NEW ORLEANS — The deadline is fast approaching for submitting nominations for this year's United Motorcoach Association Vision Awards to be presented at Motorcoach Expo next month.

The awards annually recognize the top two motorcoach operators in the industry.

"The Vision Awards are presented to the best and brightest companies in our industry — those companies that are innovative, exciting and raise the standards and profile of the entire motorcoach industry," said UMA President and CEO Victor Parra.

UMA relies on its associate members to nominate companies for the awards.

"Potential Vision Award winners are our associate members' customers. No one is more intimately aware of those companies that consistently and creativity engage in superior business practices," said Parra.

The Vision Awards are presented at the Motorcoach Expo Vision Awards Banquet, which is the premier event at Expo.

Last year, UMA introduced a second Vision Award to recognize smaller operators (those operating 15 coaches or less). Companies with a fleet of 16 or more coaches are eligible for the other Vision Award.

UMA associate members interested in nominating a coach operator for one of the two Vision Awards should contact UMA at (800) 424-8262. The deadline is Dec. 6.

Motorcoach Expo 2007 will be Jan. 16-21 in New Orleans. For information or to register, go to *www.motorcoachexpo.com*.

Biodiesel board issues 'winter' warning on fuel quality

JEFFERSON CITY, Mo. — The National Biodiesel Board has issued a warning after discovering that a third of the biodiesel fuel samples it had tested were out of specification.

A "national fuel quality testing project," which was co-funded by the National Biodiesel Board and the National Renewable Energy Laboratory, checked samples of biodiesel from last November to July of this year.

A third of the samples were out of spec for incomplete processing, which is the same issue that caused filter-clogging problems in Minnesota late last year. (See Jan. 15 *Bus & Motorcoach News*.)

The biodiesel board called its warning a "winter weather advisory" because cold weather can intensify problems caused by out-of-spec biodiesel fuel.

Assuring consumer confidence in biodiesel fuel is a top priority of the biodiesel board, said the trade group's chief executive Joe Jobe.

"NBB views these results as unacceptable," Jobe said. "This underscores the need for enforcement agencies to take action against those who aren't producing biodiesel that meets the existing standard, ASTM D-6751."

After the problems in Minnesota, the biodiesel board approved a "fuel quality policy" that requires the board to work closely with state and federal agencies that regulate fuel and enforce quality. The biodiesel board recommends that out-of-spec biodiesel be reported to authorities, which can be found in the "State Fuel Quality Index" at *www.biodiesel.org*. Also recommended is purchasing fuel from BQ-9000 accredited producers or certified marketers, a list of which is available at *www.bq-9000.org*.

Voters back transportation issues; will new Congress?

WASHINGTON — When the Democrats take control of Congress next month, they intend to push a legislative agenda that includes raising the minimum wage, eliminating some tax breaks for oil companies, and letting the federal government negotiate prices under the Medicare prescription-drug program.

And while the Democrats also can be expected to try to find other bipartisan measures to pass, transportation issues appear to be nowhere on the Dems' priority list.

Still, their call for a return to "pay-as-you-go" budgeting is likely to impact all domestic spending programs, including transportation.

Essentially, "pay-as-you-go" budgeting requires all increased federal spending to be supported by either spending cuts elsewhere in the federal budget or the generation of new revenue.

Such a policy certainly would seem to apply to efforts to boost highway spending and other transportation infrastructure investment in the future.

Paying attention?

If the Democrats, and their Republican colleagues, paid close attention to last month's election results they would have noticed that transportation ballot measures fared very well in states across the U.S.

Voters approved about $40 billion in funding for new transportation infrastructure, according to a review by the American Road & Transportation Builders Association.

Of the 30 transportation-related ballot issues, 28 asked voters to approve tax hikes or the issuance of bonds to generate revenue for transportation improvements. Twenty-three of the measures were approved.

Among the initiatives adopted was a $19.9 billion bond issue in California, a constitutional amendment in Minnesota to reserve tax revenue from motor vehicles sales for transportation funding, and an increase in the portion of New Jersey's fuel tax that's dedicated to transportation.

The amendment in Minnesota is expected to make about $300 million available for transportation projects throughout the state. The legislation will be phased in over a five-year period and be fully implemented in 2011.

Matthew Jeanneret, senior vice president of communications and marketing for the road and transportation builders association, told one publication that the election results were "a clarion call" for more transportation funding.

Crisis looming

The major transportation funding issue the Democratic Congress will have to wrestle with during the next two or three years is the looming highway trust fund crisis.

There are differing estimates as to when the highway trust fund could be broke, with most projections suggesting either fiscal 2008 or fiscal 2009. The fundamental problem is that Congress has been spending more money from the highway trust fund than it had authorized.

Some have theorized that the aggressive spending is designed to trigger a crisis in 2010 that will force lawmakers to deal with long-term funding issues.

One interesting twist for public transit is that it will continue to have billions in its trust fund through at least 2013. Some political observers have suggested it may be easier for Congress to transfer these trust-fund dollars within the Department of Transportation budget to help out the highway fund than it would be to put general tax dollars into the highway fund.

There is a precedent in the current funding law that permits the use of transit dollars to build high-occupancy toll roads, as the notion is that these roads are part of a fixed-transit system.

Still, it seems unlikely a Democratic-controlled Congress would rob public transit to pay for highway upkeep or new roadways.

Meanwhile, President Bush is expected to continue to oppose hiking fuel taxes to help the highway fund.

New leadership

For the 110th Congress, all House committees will be under new leadership. Rep. Jim Oberstar, D-Minn., is widely expected to take the gavel as the chairman of the important House Transportation and Infrastructure Committee. It is unclear who will be the lead Republican on the panel.

Current Chairman Don Young, R-Alaska, was expected to relinquish that position at the end of this year due to a House Republican rule limiting committee chairmen to six-year tenures. That rule, however, may only apply to committee chairmen and not ranking minority posts. If House Republicans revise the practice, Young could continue as the top transportation and infrastructure Republican.

If, however, Republicans interpret the rule to apply to either committee chairmen or ranking minority members, a three-way race for the top Republican slot would likely ensue between representatives Tom Petri, R-Wis., John Mica, R-Fla., and John Duncan, R-Tenn.

Democrats winning control of the Senate also means there will be a number of key committee leadership changes that will impact federal transportation issues.

Sen. Barbara Boxer, D-Calif., has been named chairwoman of the Senate Environment and Public Works Committee, which has jurisdiction over the federal highway program.

Current committee Chairman James Inhofe, R-Okla., is expected to serve as the ranking Republican. That could change, however, if Sen. John Warner, R-Va., who is term-limited out of his leadership of the Senate Armed Services Committee, chooses to make a play for the top Republican slot on the committee, where he has more seniority than Inhofe.

On the transportation and infrastructure subcommittee, Sen. Max Baucus, D-Mont., is in line to be chairman and Sen. Kit Bond, R-Mo., will likely continue as the top Republican.

Coach operator Sodrel tastes defeat for second time

NEW ALBANY, Ind. — Former charter bus operator Mike Sodrel spent millions of dollars to get elected to Congress and millions more to stay there.

But voters in Indiana's 9th district decided last month they preferred to be represented by Baron Hill, who ran against Sodrel in three consecutive Congressional elections.

This year, Hill beat Sodrel by the widest margin of the three races — 110,200 votes to 100,500.

Two years ago, the first and only time Sodrel won, he beat Hill by 1,400 votes — 142,200 to 140,800. The first time the two faced each other, in 2002, Hill won — 96,650 to Sodrel's 87,200.

Now, Sodrel is winding down his single term, which ends when the new Congress is sworn in next year, but he has yet to announce his future plans. The successful bus and trucking executive would seem to have plenty of options, however.

Immediately following the election he said he was not inclined to run again, but he did not rule out the possibility.

Back to buses?

He reportedly retains ownership of Sodrel Truck Lines, which operates a fleet of more than 200 over-the-road trucks, and the charter bus company he founded 30 years ago, the Free Enterprise System.

While he has been in Congress, federal ethics rules required he resign his executive positions with the companies and any oversight of their operations, although he reportedly remained owner.

Indiana political observers expect Baron Hill to run again; he served three terms before Sodrel defeated him in 2004.

One political writer said the only thing that might drag Hill away from running for Congress again is running for something else, say, governor. Hill has expressed interest in that job, and so far Indiana Democrats have no clear candidate to challenge Republican Gov. Mitch Daniels in 2008.

If Sodrel, who turns 61 on Dec. 17, decides to run again he won't have the luxury of delaying a decision too long because Congressional races increasingly have a tendency to last nearly as long as the term of office — two years.

Big bucks contest

The '06 Sodrel-Hill contest was one of the nation's most expensive battles for the U.S. House. The razor-thin margin of Sodrel's 2004 victory meant national Republicans and Democrats keyed on the race early, pumping millions of dollars into the contest and guaranteeing a bitter fight.

Federal Election Commission reports show that between Sept. 1 and the Sunday before the election, a total of more than $6.35 million was spent on behalf of the two candidates by party committees and special interest groups.

Only one other Congressional race in the U.S. saw more spending — the Republican Rep. Jim Gerlach and Democrat Lois Murphy race in Pennsylvania's 6th district where spending totaled more than $7 million by outsiders. Gerlach won but he was the only Philadelphia-area Republican elected to Congress.

In addition to the spending by interest groups, the Hill and Sodrel campaigns spent a combined $3 million that they raised for advertising, direct mail and other campaign expenses.

Worked hard

Sodrel's campaign manager, Cam Savage, said Republicans knew the re-election race would be difficult.

"Mike has worked harder than anybody I've ever seen over the last two years, but it's a tough environment and we've always known that," Savage told the *Louisville Courier-Journal*. "We worked as hard as we could, and I really think Mike ran as hard as he could. At the end, he came up short."

William Kubik, a political science professor at Hanover College near Madison, Ind., said Sodrel didn't come up with enough positive reasons for voters to support him. Instead, Kubik said, Sodrel focused on what he believed Hill did wrong during his time in office.

President Bush made a late October stop for Sodrel in Sellersburg, Ind., headlining a rally with 4,000 supporters at a high school. Vice President Dick Cheney, First Lady Laura Bush and a dozen or so other prominent Republicans also headlined fundraisers for Sodrel.

Former President Bill Clinton, former congressman Lee Hamilton and U.S. Sen. Barack Obama of Illinois were among the high-profile Democrats who raised money for Hill.

Hill's ads touted his credentials and played up his support of veterans. He also used much of his money on attack ads, calling Sodrel a millionaire who was out of touch with everyday individuals.

In 2004, Sodrel benefited from having strong Republicans high on the ballot, including President Bush, who remained popular throughout much of southern Indiana, and Mitch Daniels, who won the governor's race. That combination resulted in high voter turnout.

But two years later, public opinion turned on many fronts. State political observers say the war in Iraq has frustrated many Hoosiers, and turned them against President Bush, and Gov. Daniels' push for statewide daylight-saving time and the lease of the Indiana Toll Road angered some constituents.

Kubik said the national mood was a "huge factor" in Hill's favor.

During his term, Sodrel has served on the House transportation and infrastructure, agriculture, small business, and science committees.

Greyhound profits pop, fleet now compliant

NAPERVILLE, Ill. — Financial results for Greyhound Lines for the fourth quarter and all of fiscal 2006 were substantially better than those recorded last year.

The continuing turnaround at Greyhound bolstered the overall performance of its parent company, Laidlaw International. Greyhound's strong numbers are included in the fiscal year-end results announced by Laidlaw.

Laidlaw also revealed that Greyhound had met the federal Americans with Disability Act requirement that half of its line-run coaches be wheelchair-lift equipped. The deadline was in October, and Laidlaw said Greyhound "was in compliance."

Greyhound's operating income, plus depreciation and amortization, or what Laidlaw calls EBITDA, for the 12 months ended Aug. 31, was $152.1 million, a 49 percent jump over year-ago EBITDA of $101.9 million.

For the fourth quarter of fiscal 2006, Greyhound's EBITDA was $68 million, versus $55.5 million during the same period of fiscal 2005. The three months ending Aug. 31, are traditionally the strongest quarter of Greyhound's fiscal year because they include the summer travel season.

The EBITDA "margin" for Greyhound for fiscal 2006 was 12.2 percent, versus 8.5 percent a year earlier, and 19.5 percent for the final quarter of fiscal 2006, versus 16.4 percent the year before.

The EBITDA figures released for Greyhound and other Laidlaw subsidiaries do not include interest expense or other debt-related costs, "other" income, the impact of accounting rules changes, or taxes.

Total revenue at Greyhound for the 12 months ended Aug. 31 was $1.24 billion, up from $1.2 billion in fiscal 2005. For the fourth quarter of fiscal 2006, revenue totaled $347.9 million, up from $337.6 million the year before.

Greyhound's improving results were largely the result of three factors: completion of its system cutbacks and the operational improvements flowing from the restructuring (see related story below), and the ability to raise ticket prices.

Laidlaw said the revamping of the Greyhound route structure reduced variable costs and increased revenue per bus mile. And after years of static ticket prices it was able to implement a series of price increases that totaled nearly 11 percent.

The improved, meaning faster, schedule, together with higher gasoline prices during much of fiscal 2006, helped boost demand and sustain the higher ticket prices that Greyhound implemented.

Early last year, Greyhound embarked on a massive wheelchair-lift retrofitting program that involved at least three coach industry suppliers — Complete Coach Works, ABC Companies and Motor Coach Industries, installing lifts in hundreds of Greyhound coaches.

As of Aug. 31, 2004, only 18 percent of Greyhound's fleet used in fixed-route service was lift equipped. Today that number is at least 50 percent.

The next deadline for Greyhound and other large line-run companies is Oct. 2012, when all of their fixed-route coaches must be wheelchair-lift equipped.

Other Greyhound-related highlights from Laidlaw's fiscal 2006 financial report:

- As of Aug. 31, Greyhound had roughly 11,400 employees. That compares to 12,800 a year earlier, 14,200 two years ago, and 16,000 three years ago.
- As of Aug. 31, Greyhound had roughly 4,400 drivers. That compares to 4,700 drivers a year earlier, 5,600 drivers two years ago, and 6,500 drivers three years ago.
- On Jan. 31, Greyhound's contract with the Amalgamated Transit Union Local 1700, which covers 84 percent of its drivers and 45 percent of its 900 mechanics, expires. Negotiations are under way and drivers have been conducting rallies at Greyhound bus stations across the U.S. Drivers are particularly unhappy that the route cutbacks have resulted in less driving time and lower paychecks.
- As of Aug. 31, Greyhound had a fleet of 2,500 buses. It "retired" hundreds of coaches in fiscal 2006 and added 70. The average age of the fleet was 7.6 years. That compares to a fleet of 3,300 coaches on Aug. 31, 2005, 3,600 a year earlier, and 3,700 on Aug. 31, 2003.
- During fiscal 2006, Greyhound purchased 46.6 million gallons of fuel, representing 9 percent of its revenue. In fiscal 2005, it purchased more than 51 million gallons of fuel, representing 8 percent of revenue. In fiscal 2004, it purchased 56 million gallons, representing 6.6 percent of revenue.
- Greyhound now operates about 12,700 daily departures from 2,400 locations. That's down from 20,000 departures from 3,700 locations three years ago.

During its route downsizing, Greyhound also has eliminated 20 percent of its management team, including cutting six officers and 15 directors.

For fiscal 2006, Laidlaw International earned $141.2 million from continuing operations on revenue of $3.13 billion. That compares with a $5.6 million loss on continuing operations and revenue of $3.03 billion in fiscal 2005.

On a per share basis, Laidlaw earned $1.44 per share on continuing operations in fiscal 2006, compared to a 6-cents-per-share loss in fiscal 2005.

Laidlaw directors increased the company quarterly dividend to 17 cents per share, from 15 cents, with the first dividend payable at the higher rate on Dec. 6, to shareholders of record Nov. 27.

Laidlaw is forecasting a 2 to 4 percent increase in revenue for fiscal 2007, aided by the full-year effect of higher ticket prices at Greyhound, plus volume growth at its school bus operation.

Earnings from continuing operations were forecast at between $1.35 and $1.55 per share.

Greyhound route restructuring is analyzed

MANCHESTER, N.H. — During 2006, Greyhound Lines wrapped-up the massive route restructuring it had kicked off in mid-2004, resulting in more than 22,000 miles and nearly 1,200 stations being chopped from its system.

In its latest issue, *Bus Industry* magazine notes that the nationwide restructuring impacted 170 routes or route segments, and resulted in a 20 percent decrease in the number of miles operated by Greyhound and the abandonment of 37 percent of its stations or bus stops.

"Another way to appreciate Greyhound's restructuring is to look at its *Station Directory*, a loose-leaf tabulation supplied to ticket agents," writes *Bus Industry* Editor-in-Chief Loring M. Lawrence. "The edition of 1 February 2004, prior to the cutbacks, contained 309 pages; in the 1 January 2006 edition, the number of pages had shrunk to 238."

Lawrence also notes that one of the impacts of the system overhaul was to increase Greyhound's load factor by 17 percent, or roughly 5 passengers per trip, and boost revenue per mile by nearly 20 percent.

And, in many cases, travel times were significantly shortened. For example, the regular run between Nashville, Tenn., and Birmingham, Ala., was cut from nearly 6 hours to just over 4, with the elimination of 4 intermediate stops. Non-stop express service between the two cities is 3 hours 20 minutes.

Similarly, the run between Wichita, Kan. and Oklahoma City previously took 4½ hours. Now, it's a 2-hour, 45-minute trip with the bypassing of 5 intermediate stops. Or as Lawrence observes, the 156-mile trip now takes 165 minutes, city center to city center.

Through the pages of *Bus Industry*, which is a publication of the Bus History Association, Lawrence has exhaustively tracked and analyzed the Greyhound cutbacks since they were announced (see July 15, 2004 issue of *Bus & Motorcoach News*).

Greyhound reorganized its system in a five-phase program, beginning in August 2004, with cutbacks in northern states and the Pacific Northwest. Next were states in the Southwest (see Feb. 1 and March 15, 2005 issues of *Bus & motorcoach News*).

The axe fell on the Southeast and Atlantic sea-coast states in middle of last year (see June 15, 2005 *Bus & Motorcoach News*), and between August and October of last year the final phase hit New England, lower Great Lakes states, plus Texas and Colorado.

The bulk of the process took 14 months, faster than Greyhound initially anticipated, but clean-up "pruning" continued up until September of this year.

And, while Greyhound was lopping off thousands of route miles and closing hundreds of stations, it also was adding 865 miles of more direct or shorter routes and opening or reopening 25 stations, Lawrence reports.

Greyhound's three principal line-run subsidiaries, Vermont Transit Lines, Carolina Trailways and TNM&O Coaches, also were "severely impacted" by the route streamlining, Lawrence points out.

For example, Vermont Transit lost 35 percent of its route miles. Carolina Trailways, whose system once stretched from Washington, D.C., and Philadelphia to Wilmington, N.C., closed 43 stations in North Carolina and Delaware, which largely became its new northern terminus. However, it added Charleston, S.C., and Savannah, Ga., to its routes going south.

Lawrence says Greyhound's resizing was "a painful experience, especially for the communities losing services, but it was undoubtedly necessary and a vital step in ensuring Greyhound's healthy survival."

Income drops at bus insurer Nat'l Interstate

RICHFIELD, Ohio, — National Interstate Corp. has reported sharply lower earnings for the third quarter because of a spike in accident loses.

The parent company of motorcoach industry insurer National Interstate Insurance Co., said its earned $6.5 million, or 34 cents per share fully diluted, for the three months ended Sept. 30.

That compared to profits of $8.2 million, or 43 cents per fully diluted share, for the third quarter of last year.

National Interstate said the near-21 percent decline in third-quarter net income this year was largely attributable to "increased severity from new losses occurring during the quarter and expenses that were more in line with expectations than the favorable expenses that were incurred during last year's third quarter."

Helping offset the higher losses this year was a big jump — 42.5 percent — in investment income during the third quarter.

National Interstate experienced strong single-digit growth rates for both gross and net premiums written during the third quarter.

Net income at National Interstate for the first nine months of 2006 was $24.3 million, or $1.26 per diluted share, an increase of 8.6 percent over same-period 2005 earnings of $22.4 million, or $1.18 per share diluted.

A 13.7 percent increase in revenue offset higher operating expenses during the first three quarters of the year, producing the profit gain for the period.

"We were pleased with the improvement in our top line and investment results," said Alan Spachman, chairman and president of National Interstate. "We were not surprised that losses spiked upward in the third quarter of this year due to an atypical number of large losses, or that the unusually low underwriting expense ratio returned to a more normal level when compared to the same quarter last year.

"We historically have accurately projected loss results over 12-month periods, but can and do experience loss ratio peaks and valleys in any specific month or quarter. Our underwriting expense ratio during the third quarter was consistent with our expectations even though it was higher than the same quarter last year. We highlighted the favorable one-time expense variances when they occurred last year and remain satisfied with operating expenses at the current levels," Spachman added.

What *not* to do when a driver rolls a motorcoach

You probably hadn't thought it necessary before, but you may want to consider inserting a new page in your driver training manual.

It might say something like this:

"If I am ever involved in an accident and the coach I am driving rolls over, landing on its side, and passengers are injured, including some with broken bones and bad bruises, I will NOT:

- "Load the passengers — injured and non-injured alike — on a sister bus that's following mine.
- "Fail to call authorities until hours later and inform them of the crash.
- "Heed demands of some passengers to continue on to the next stop, which is 300 miles down the road."

If that seems like a bit of lunacy, it's not.

It's what two — yes, two — coach drivers did last month.

At least nine people were hurt when their bus rolled on Interstate 70 near Richfield, Utah. But, instead of reporting the crash and getting medical help for the injured, the driver and his passengers boarded a second bus and continued on their way.

A witness found the empty bus after the 4:55 a.m. wreck and reported it to the Utah Highway Patrol. Investigators weren't sure what they were dealing with until nearly four hours later when the driver, 49-year-old Caciano Galvez, called and reported the crash.

After the call, a trooper pulled the second bus over on Interstate 15 south of Cedar City, Utah, and nine people were taken to a Cedar City hospital with injuries, including broken bones, cuts and bruises. The injured ranged in age from 1 to 65.

Utah Trooper Brian Bairett boarded the bus and found the battered passengers. "Some people had their hands raised and were holding their heads. … One woman was just wailing away," he told a Salt Lake City newspaper.

Both buses were owned by Los Angeles-based Sol Azteca Tours and were on their way from Denver to California. Galvez said the bus overturned on an icy patch of I-70 about 36 miles east of Richfield when he braked to avoid an animal. The other coach was not far behind and pulled over after the crash.

The second bus driver "just picked them up and didn't take them to the hospital," said Bairett, who stopped the second bus about 9 a.m., 12 miles south of Cedar City and about 160 miles from the crash site.

Galvez said he asked the passengers several times if they wanted to go on or to a hospital. "They said they wanted to go on, that families were waiting for them in California."

When Galvez finally called police he said people were hurt and they were going to Las Vegas and stop and see a doctor. Instead, both drivers were issued citations for failure to report an injury accident and leaving the scene of an accident, class A misdemeanors. Bairett also confiscated their CDLs.

Utah Highway Patrol Sgt. Marc Nichlos said the owner of the company, Al Sherrer, told him the conduct of the drivers was unacceptable.

"He said the drivers should have known better and that it could be their last day [employed]," Nichols said.

States add cable barriers, but can they stop a bus?

OREM, Utah — A cable barrier used in the median of Interstate 15 is being credited with slowing an out-of-control Greyhound coach and keeping it from careening headlong into cars traveling in the opposite lanes.

The incident occurred the same week last month that a wire service reported an increase in the number of states adopting cable barriers as a lower-cost way of preventing cross-over highway fatalities.

The Greyhound that hit the cable barrier south of Orem had been hijacked by a nutso passenger who thought other passengers were out to get him. On a Greyhound you never know.

The man kicked through the Plexiglas barrier that protects Greyhound drivers and fought to take control of the bus. Moments earlier he had demanded the driver make an emergency stop. The driver refused, telling the man he would have to wait for a designated stop.

As the driver and passenger struggled, bus barreled along at more than 60 mph, drifting into the median and hitting the cable barrier. Three steel cables were ripped from their posts and stretched to the limit around the bus.

The cables apparently helped cause the southbound bus to come to a lurching stop in the outside lane of northbound I-15, but kept it from completely crossing the highway.

That, of course, is what cable barriers are supposed to do.

Utah Highway Patrol Lt. Al Christianson told a Salt Lake City newspaper he has seen the cable system work many times since Utah began installing barriers two years ago.

"I've seen countless lives saved by the cable system," he told a local television station. Though he admitted he had never before seen it stop a bus.

Robert Hull, director of traffic and safety for the Utah Department of Transportation, said that stopping the bus was "surprising because the cable is not really intended to handle that size of vehicle, the angle hit and the speed of the bus. It's exciting to see that."

One study has indicated that one in every 20 vehicles that have collided with cable barriers have snapped them.

Utah is not the only state installing cable barriers.

Ohio has spent $5.5 million to install cable barriers along more than 80 miles of highway and is in the process of placing cables along 30 additional miles of its roadways at a cost of about $2 million.

Missouri has raised cables along 200 miles of its interstate highways.

Illinois has installed cable barriers in the counties of Will and Kankakee counties and engineers are exploring other areas where the barriers would be effective.

A study by the Washington state department of transportation pegged the cost of cable barriers at about $44,000 a mile, compared with $72,000 for guardrails and up to $419,000 for concrete dividers.

Highway engineers also point out that it only takes a few hours to reinstall cables torn out in a crash.

UMA directors are elected

ALEXANDRIA, Va. — Four incumbents and two newcomers have been elected directors of the United Motorcoach Association.

The new board members are Gladys Gillis of Starline Transportation in Seattle, elected from Region I (the West), and Marcia Milton of First Priority of Trailways, elected from Region III (the Northeast).

David Brown of Holiday Tours and Brian Scott of Escot Bus Lines were re-elected from Region II (the Midwest and Southeast).

Bill Allen of Amador Stage Lines was re-elected from Region I and Dale Krapf of Krapf Coaches was re-elected from Region III.

Todd Holland of Ramblin' Express and Steve Haddad of Carl R. Bieber Tourways did not seek re-election.

James River Bus operates service

RICHMOND, VA — A subsidiary of James River Bus Lines has taken over operation of the shared-ride ground transportation service at Norfolk International Airport.

James River's Carey VIP Chauffeured Services division initiated the new service, called Carey VIP Airport Connection, last month.

The company purchased new vehicles, including 2007 Ford Crown Victoria sedans with extended legroom, and Ford vans with individual seating and center aisles that ease passenger boarding.

All of the vehicles are equipped with video surveillance and satellite tracking systems.

Drivers for the new service wear uniforms and received extensive safety and customer service training, said company spokesman Craig Treanor.

"Carey VIP's ability to offer ground transportation with superior customer service at affordable prices should solve a major competitive issue for organizations trying to attract conventions, meetings and businesses to the region," said Treanor.

Toll-road controversies take football-like bounce

Toll roads, which have long been a political football in the U.S., are stirring up about as much controversy these days as the BCS rankings in college football.

Item: A bipartisan commission in Pennsylvania has recommended the state privatize its east-west turnpike.

Item: New Jersey is considering converting several existing highways into toll roads.

Item: Mississippi is considering allowing construction of toll roads.

Item: Indiana Democrats took back control last month of the state House of Representatives in the wake of the controversial Republican-led leasing of the Indiana Toll Road.

Item: The American Trucking Associations has come out strongly against the privatization or leasing of existing toll roads and bridges to fund highway projects

The Pennsylvania Transportation Funding and Reform Commission made a recommendation last month to the legislature that the state enter into public-private partnerships to turn the 531-mile Pennsylvania Turnpike into a privately funded and maintained highway.

A state transportation official says Pennsylvania also may explore turning Interstate 80 into a toll road, but that would require federal approval. I-80 is about 130 miles shorter than the turnpike. Both connect New Jersey with Ohio.

The issue is likely to be taken up by the Pennsylvania legislature when it reconvenes in January.

The Trenton *Star-Ledger* reported that New Jersey is considering a plan that could add tolls to Interstate 95, 80, 78 and the Pulaski Skyway. A request for proposals was issued soliciting the aid of consultants to study the effects of the possible toll conversions.

The 75-year lease of the Indiana Toll Road to a private Spanish-Australian company was a factor in a number of legislative races in Indiana this year but it was not the only contentious state issue. The switch to daylight-savings time also was a hot topic.

The vote in Indiana last month turned the 52-48 Republican majority in the state house into a 51-49 Democratic majority. In line to be the next speaker is Rep. B. Patrick Bauer, a Democrat from South Bend, who had predicted the toll road would be a leading factor in the election.

The chairman of the Mississippi House Transportation Committee has asked that a bill be drafted that would authorize tolls roads in the state. Currently they are prohibited.

Meanwhile, the American Trucking Associations has voiced its opposition to the lease or sale of existing toll roads, bridges or tunnels to private parties.

Bill Graves, the association's CEO, said he supports a toll-free national highway system where funds to finance highway improvement primarily come from highway user fees, such as the fuel tax.

Graves, a former governor of Kansas, said revenue generated through the lease or sale of existing toll infrastructure comes "at great expense to the trucking industry and taxpayers, and with potential negative impacts on highway safety, security and the motoring public."

Calendar

DECEMBER 2006

5-7 Commercial Motor Vehicle Brake Safety Symposium, Hyatt Regency Indianapolis, Ind. Info: Go to *www.cvsa.org*, or call (202) 775-1623.

JANUARY 2007

3-6 Tennessee Motor Coach Association 2007 Convention & Marketplace, Gaylord Opryland, Nashville. Info: Go to *www.tmca.com,* or call (423) 288-8622.