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Bus&MotorcoachNEWS

WHAT'S GOING ON IN THE BUS INDUSTRY

Court approves auction of Coach America; a break up?

WILMINGTON, Del. — Plans by Coach America for a quick-and-successful exit from U.S. Bankruptcy Court have taken a turn — a possible auction of all company assets.

U.S. Bankruptcy Judge Kevin Gross signed off on a bidding procedure for the sale barely four weeks after the nation's largest tour-and-charter operator filed for Chapter 11 financial reorganization.

The action came on a motion filed by Coach America, which said the auction is the second of two options it's pursuing as it struggles with $400 million in debt that has weighed it down for years.

"We are pursuing two parallel courses, the first being a successful reorganization and the second being a successful sale," said company spokesman Jonathan Morgan. "Either way, the reorganization process continues apace and we remain confident Coach America's substantial value will be fully recognized throughout the process."

He said the dual-course strategy was part of its initial plan when it filed the Chapter 11 petition in bankruptcy court here Jan. 3.

The court order allowing the auction set the bid deadline at April 13 and the auction for April 18 in New York. A hearing where the company would seek court approval of the sale to the highest and best bidder also was scheduled for April 23.

It was not immediately known if any motorcoach operators or investment firms are interested in acquiring the business, although some in the industry say they are hearing reports that potential buyers are looking into possibly filing bids for pieces of the company.

Brian Cjeka, the company's restructuring officer, said the marketing process already is under way and the bidding process will be fair and open.

Under bankruptcy rules for an "as is, where is" sale, the company is allowed to find a so-called stalking

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New motorcoach sales rise in 2011, climb 26 percent

Sales of new motorcoaches climbed 26 percent during 2011, as third- and fourth-quarter deliveries to private operators and a handful of transit agencies pushed totals well above 2010.

Owing to a series of anomalies, new coach deliveries during the final three months of 2011 reached 562, the best fourth-quarter sales performance since 2007.

For the year, a total of 1,606 new coaches were sold by ABC/Van Hool, MCI, Prevost/Volvo, Setra and Temsa.

The total for last year compares with 2010 new coach deliveries of 1,276, the worst sales year of the past decade. And, while 2011 saw a major sales rebound, the year was lack luster compared to each of past 10 years; 2011 ranked second worst.

Still, the gains during October-November-December 2011 meant there have now been four consecutive quarters of increasing sales. Also, last year's fourth-quarter sales were nearly 36 percent better than the final three months of 2010.

Imported coaches captured about 30 percent of the market last year, while 14.3 percent of the coaches went to Canadian operators.

MCI's J4500 continued as the most-popular model last year, with Prevost's H3-45 and X3-45 coming in second and third, followed by the Van Hool C2045 in fourth place.

Typically, the fourth quarter of the year has the most sales followed by the second and first quarters, with the third quarter normally having the lowest sales.

The numbers for the fourth quarter of last year were "very unusual because most of the manufacturers had some unique situation that boosted sales in one

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Van Hool plans 'low-cost' coach

KONINGSHOOIKT, Belgium — European bus builder Van Hool NV and its North American distributor, ABC Companies of Faribault, Minn., plan to introduce a "low-cost" motorcoach to the U.S. market, with Van Hool building a plant in Macedonia to assemble the coaches.

Van Hool and ABC expect to sell 300 of the low-cost coaches during the first three years after they are introduced.

In announcing its plans, Van Hool said ABC had prevailed on it to move into the "growing, 'low-cost' vehicle segment."

"This market segment is becoming increasingly successful due to local production and imports from China and Mexico, among others," Van Hool said in a statement issued last month. "Manufacture of this type of product in Belgium is impossible due to the much higher labor costs."

Van Hool added that it was "necessary" to enter the low-cost segment "to retain and expand its current important position in the American market."

"In America, the 'low-cost' vehicle segment is growing very quickly," said Filip Van Hool, executive director of the company bearing his family name. "Our very healthy ambition is to play a significant role in this, and thus retain

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Security planning urged in advance of possible TSA rule

WASHINGTON — Private bus and motorcoach companies should consider establishing security plans for their operations in anticipation of a Transportation Security Administration rule that could be issued late this year.

That's the recommendation of a TSA official who says that such a rule would establish domain awareness, training, and security requirements for the industry.

To help companies prepare security plans and programs — free of charge, TSA will provide on-site training, said Mark Messina, TSA highway and motor carrier security specialist.

While Messina said he could not discuss specifics of the pending rule, which could be completed and published by the third or fourth quarter, he offered suggestions on what actions operators could take that will likely put their companies into compliance with any rule that's issued.

"We have a proposed rule out there but I can't talk about it," he said.

"It deals with requirements to have over-the-road bus domain awareness, training, and security plan requirements. Here's what I can discuss: how I would prepare or plan and put into metrics what the government is going to look at and decide if you're in compliance — should such a rule hit the streets," he added tongue in cheek.

"Domain awareness" is security industry jargon for having a wide-ranging understanding of things that could impact the security, safe-

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Coach owners, drivers differ on hours-of-service rules

GRAPEVINE, Texas — Motorcoach operators appearing before a panel of federal regulators here last month said hours-of-service rules for interstate bus drivers don't need changing, but drivers speaking at the same session asked for more restrictions.

The differing comments about how to combat driver fatigue and improve safety for bus passengers and other vehicles came at a Federal Motor Carrier Safety Administration "listening session."

The agency conducted the hearing to gain input from operators, drivers and others on the current hours-of-service rules for motorcoach drivers.

Operators who spoke at the session asked for better enforcement of the current rules, saying a small number of companies are breaking the rules and getting away with it.

But drivers complained of long hours, especially driving for charter groups that prefer to travel at night.

"Many of us...work very hard to develop good practices to stay within the rules. It's frustrating to see those companies who work hard to circumvent those rules continue to operate," said Buddy Young, owner of Capitol Bus Lines in West Columbia, S.C., who called for a crackdown on companies that flout safety rules.

"It gives all of us a black eye in the industry," said Young. "It takes away the general public's view of what we do."

But several drivers testified they'd like to see stronger restrictions on the hours they can work without a mandatory break. At particular risk are school groups that travel overnight to save money, said Woody Bohley, a driver from the St. Louis area.

"They're basically using the motorcoach as a motel," Bohley said. Drivers of school groups must often drive entire shifts at night, even though their sleep cycle isn't used to those hours, he said.

Unlike truck drivers, who according to federal rules must drive no more than 11 hours in a 14-hour period before taking a mandatory 10 hours off, bus drivers are often required by their employers to split their work shifts over long periods, drivers told the panel.

Bus drivers can work no more than 10 hours in a 15-hour work shift — but, unlike truck drivers, their 15 hours don't have to be consecutive. For example, a driver might take a group on a five-hour, out-of-town trip, then spend six hours off duty — while waiting for the group — before making the five-hour return trip, all the while accumulating only 10 hours of work time over 16 hours.

"It's kind of a floating 15 hours, as opposed to a fixed 14 hours for truck drivers," said Larry Minor, associate administrator for policy at the FMCSA. Drivers are guaranteed only an eight-hour break after a work shift.

The FMCSA is gathering input about work hours and has no immediate plans to change the rules, said Jack Van Steenburg, the agency's chief safety officer.

In December, the FMCSA tweaked hours-of-service regulations for truck drivers, limiting use of the 34-hour restart and mandating half-hour breaks during shifts longer than eight hours.

UMA, service group develop ADA-compliance program for operators

ALEXANDRIA, Va. — With the Federal Motor Carrier Safety Administration more closely scrutinizing motorcoach operators' compliance with the Americans with Disabilities Act, the United Motorcoach Association is working with a non-profit group to develop ADA training programs for the industry.

Open Doors Organization, which trains companies in ADA compliance to both meet the requirements of the law and also to increase business within the disability community, and UMA conducted their initial ADA training program in late January in Platteville, Wis., to seven motorcoach operators from Wisconsin and Iowa.

Helping lead the training was Godfrey LeBron, vice president of Paradise Travel in Amityville, N.Y., a UMA board member and president of the Bus Association of New York Sate.

The UMA-Open Doors training is available industrywide upon request, according to Laurel Van Horn, director of programs at Open Doors Organization.

"It's a course that covers everything that has to do with meeting service requirements and meeting all the requirements of ADA rules," she said.

The training consists of a comprehensive one-day session. The morning component is designed for front-line staff, including management, sales personnel and drivers, and includes a disability awareness module.

The afternoon session is designed to assist managers with compliance issues, such as creating the proper policies, procedures, record-keeping regimens and other administrative requirements mandated by ADA.

The program is designed to be a "train-the-trainer" program, so employees who have taken the training can take the materials and

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THE DOCKET

Senate Democrats introduce bus, truck safety measure

WASHINGTON — A pair of Democratic U.S. senators, Frank Lautenberg, chairman of the Senate Commerce Subcommittee on Surface Transportation, and Jay Rockefeller, chairman of the Senate Commerce Committee, have introduced the Commercial Motor Vehicle Safety Enhancement Act, a bill that reauthorizes the Federal Motor Carrier Safety Administration and proposes a series of changes to federal truck and bus safety standards.

"We must do more to make sure large trucks and buses are not a threat on our roadways and are only operated by the most qualified drivers," said Lautenberg.

"While most drivers and companies put safety first, crashes still happen, and when they do, the consequences can be devastating. This bill will give the U.S. Department of Transportation the tools to kick unsafe drivers and carriers out of the industry and keep America's roadways safe."

Rockefeller echoed those sentiments: "We need to make sure that only the safest people are allowed to operate large trucks and buses and give the Department of Transportation the tools it needs to improve its oversight of the industry."

Specifically, the bill would:

• Require electronic onboard recorders be used on all trucks and buses used in interstate commerce to improve drivers' compliance with hours-of-service rules.

• Improve the U.S. Department of Transportation registration process by requiring an applicant to pass a safety proficiency examination and submission of a safety management plan as a precondition for operating authority.

• Bolster the FMCSA's ability to crack down on "reincarnated carriers" — carriers that attempt to resume operations after being put out of service — by increasing the agency's ability to revoke carriers' operating authority and by requiring new operators to disclose all relationships with other motor carriers over the past five years as a condition of receiving operating authority.

• Speed development of a clearinghouse for driver drug and alcohol test results.

There is little that's surprising or totally new in the Laurenberg and Rockefeller bill. The proposed EOBR mandate is controversial in many sectors of the over-the-road bus and truck industries *(see story below)*.

Committee studying EOBRs wrestles with thorny issues

WASHINGTON — The federal advisory committee studying electronic onboard recorders has failed to reach a consensus on the best way to transmit hours-of-service data from the vehicle driver station to roadside inspectors, but has offered recommendations on related items, such as safeguarding operator and driver privacy.

Last month, the Motor Carrier Safety Advisory Committee forwarded a report on an array of EOBR issues to the Federal Motor Carrier Safety Administration.

The report follows more than six months of study and wide-ranging debate over a remedial EOBR mandate that is supposed to go into effect in June but was rejected by a federal appeals court last year.

The 19-member advisory committee, comprised of executives from the trucking industry and law enforcement community, plus labor and safety advocates, was asked by FMCSA Administrator Anne Ferro to help the agency rewrite the EOBR mandates the 7th U.S. Circuit Court of Appeals rejected in August.

The appeals court said the agency's EOBR mandate for carriers with past hours-of-service problems, originally set to go into effect in June, did not adequately address or assure that carriers could not use the devices to force drivers to stay on the road even when they are tired.

Although the appeals court decision specifically addressed the 2010 final rule, FMCSA also will have to bring into compliance the rule it proposed last year, mandating that nearly all motor carriers equip their vehicles with EOBRs.

Neither EOBR rule has yet been finalized.

Because it could not agree on several issues related to the agency's EOBR regulatory mandate, the advisory committee forwarded a number of "non-consensus recommendations" that "illustrate the relevant issues and concerns with certain regulatory provisions."

Some of the agreed-upon recommendations were:

• An EOBR's hours-of-service data must be available to an inspector if he feels further investigation is warranted or if he cannot see the screen without entering the vehicle. This is a big deal in the trucking industry where many (if not most) inspectors are loathe to enter the truck cab.

In those instances, upon the inspector's request, a driver must provide the inspector with a hard copy (handwritten or printed) of the hours-of-service information from the EOBR. The driver must certify that the information in the hard copy accurately reflects the requested EOBR hours-of-service record.

• For failures that result in the inoperability of the EOBR, the driver must prepare paper logs for the current day and continue to do so until the EOBR is returned to normal service. In addition, a driver may need to prepare paper logs for previous days, subject to records availability.

• EOBR service providers and carriers must apply security measures consistent with those promulgated by recognized international standards bodies.

• When a motor vehicle is stationary for five minutes or more, the EOBR must default to on-duty/not-driving status, and the driver must enter the proper duty status.

• At a minimum, a driver must be identified in EOBRs by first and last name, a personal identification number (PIN) and the last four digits of his or her commercial driver license.

The committee wrestled with several other issues, including balancing the pros and cons related to cost and security issues when hours data are transferred from the EOBR to roadside inspectors.

For example, not all members of the committee thought vehicles should have EOBR printers, and some felt GPS capability was not a necessary EOBR component

While the committee discussed at length the need for security with hours-of-service record transmission, it did not define the necessary level of security.

Some of the data transfer methods discussed included bar codes, USB devices, secure digital cards, Bluetooth and wireless networks.

FMCSA: When you pay a fine you've admitted guilt

WASHINGTON — The Federal Motor Carrier Safety Administration has issued a clarification intended to close a loophole that has permitted some motor carriers to pay a civil fine in full without admitting guilt or liability of a violation.

In a notice of proposed rulemaking filed in the *Federal Register*, the FMCSA said it is clarifying its "rules of practice" to inform carriers that when they pay a fine for a violation, they will lose their right to appeal it at a later date.

Payment of a fine also will be construed by the agency as an admission of guilt, the agency proposal said.

"Payment waives respondent's opportunity to further contest the claim, and will result in the Notice of Claim becoming the Final Agency Order," the notice said.

The proposal noted that carriers have in some cases argued that payment, with written objection, terminates the proceeding without an admission of liability.

The agency proposed in December to clarify its rules to state that carriers, brokers and others cannot submit payment for a violation with a written denial of that violation and be free from liability.

The FMCSA proposal would assure that a company's safety record encompasses all the operator's violations, instead of skipping the ones to which the company does not plead guilty.

The FMCSA has not yet indicated when or if it will issue a final rule.

The agency began allowing denials in 2005, when it had a backlog of litigation from its enforcement efforts. The move was meant to "increase the efficiency of agency administration enforcement procedures."

This allowed the FMCSA to decrease its backlog of cases that had been open for more than six months by about 70 percent, according to estimate.

But FMCSA officials have more recently begun to reject denials of guilt that accompany payments. There is evidence the agency backlog is starting to build again.

Motor carriers faced with notices of claims, based on questionable facts, will simply be encouraged to litigate the proceedings to the end, further re-directing FMCSA enforcement resources from the most high-risk carriers, some observers believe.

One trucking organization has warned that FMCSA "must therefore be prepared to allocate the additional manpower and resources needed to resolve an increased number of disputed enforcement actions if the system is to continue to operate efficiently."

Others are concerned that companies that are not guilty of the accusations may admit guilt only to avoid legal costs associated with appeal.

In fact, one group says the system appears to be "a bit of a guilty-until-proven-innocent approach that isn't fair to non-violating companies who make a business decision to take the least expensive way out of a difficult situation."

Another aspect of the FMCSA proposal, one aimed at preventing companies it shuts down from creating new companies to continue operating, also is being criticized.

The Institute for Makers of Explosives said that some of its members that transport explosives own multiple fleets that could be considered the same fleet under the proposal. The group has "concerns" over the standards for declaring fleets to be one in the same, it said.

The standards the FMCSA would consider include common officers, mailing addresses and facilities, it said. Those factors indicate that owners might be trying to evade laws or regulations by using another fleet they own, the agency wrote.

"The similarities between different entities may be caused by legal or other regulatory requirements," IME wrote, urging the FMCSA to clarify the standards it would use before finalizing the rule.

Another transportation group questioned whether the FMCSA has the legal authority to make such a regulation, noting that it has previously asked Congress for that authority.

Did early cell phone research overestimate risk of crashes?

DETROIT — A Wayne State University study published in the journal *Epidemiology* says two influential early studies of cell phone use and crash risk may have overestimated the relative risk of conversation on cell phones while driving.

In the new study, Richard Young, Ph.D., professor of research in Wayne State University's Department of Psychiatry and Behavioral Neurosciences in the School of Medicine, examined possible bias in a 1997 Canadian study and a 2005 Australian study.

The two studies used cell phone billing records of people who had been in a crash and compared their cell phone use just before the crash to the same time period the day (or week) before — the control window.

Young said the issue with the studies is that people may not have been driving during the entire control window period, as assumed by the earlier study investigators.

"Earlier case-crossover studies likely overestimated the relative risk for cell phone conversations while driving by implicitly assuming that driving during a control window was full time when it may have been only part time," said Young. "This false assumption makes it seem like cell phone conversation is a bigger crash risk than it really is."

Following his own study, Young concluded that the crash risk for cell phone conversation while driving is one-fourth of what was claimed in previous studies, or near that of normal baseline driving.

Young added that many well-controlled studies with real driving show that the primary increase in crash risk from portable electronic devices comes from tasks that require drivers to look at the device or operate it with their hands, such as texting while driving.

Five other recent studies concur with his conclusion that the crash risk from cellular conversations is not greater than that of driving with no conversation.

"Tasks that take a driver's eyes off the road or hands off the steering wheel are what increase crash risk," said Young. "Texting, emailing, manual dialing and so forth — not conversation — are what increase the risk of crashes while driving."

The National Transportation Safety Board has recommended that all 50 states and the District of Columbia ban the non-emergency use of portable electronic devices for all drivers.

"Recent real-world studies show that cell phone conversations do not increase crash risk beyond that of normal driving — it is the visual-manual tasks that take the eyes off the road and the hands off the wheel that are the real risk," said Young.

More distraction

Using a cell phone while driving is not the only distraction leading to crashes today, says the Property Casualty Insurers Association of America (PCI).

"Cell phone usage is only one of many bad habits that are distracting American drivers," said Robert Passmore, senior director of personal lines for the association.

Passmore says the issue of distracted driving should be addressed on multiple fronts including laws, enforcement, public education, but mostly the driver's personal responsibility.

Event recorder mandate advocated

NTSB wants 'em on trucks, buses

WASHINGTON — Tucked away in the same document in which the National Transportation Safety Board recommended cell phone bans for all drivers (see Jan. 1 *Bus & Motorcoach News*) was a reiteration of previous recommendations that video event recorders be required in all over-the-road trucks and buses, to study whether collision-avoidance systems should be mandated, and other commercial vehicle issues.

The NTSB again said the Federal Motor Carrier Safety Administration should require all heavy commercial vehicles be equipped with video event recorders that capture data in connection with the driver, the outside environment and the roadway in the event of a crash or sudden deceleration.

Additionally, the board wants the FMCSA to require motor carriers to "review and use video event recorder information in conjunction with other performance data to verify that driver actions are in accordance with company and regulatory rules and procedures essential to safety."

Also in the recommendations to the FMCSA: Develop a comprehensive medical oversight program for interstate commercial drivers that combats the "inappropriate issuance" of medical certificates for drivers.

This is an area where the agency appears to be making progress. A final rule setting up a National Registry of Certified Medical Examiners will probably be published before the end of the year. It's also in the process of drafting a proposal to update rules on conditions ranging from cardiovascular disease to sleep disorders.

It also reiterated a previous recommendation to the National Highway Traffic Safety Administration to look at mandating collision warning systems with adaptive cruise control, active braking and electronic stability control systems for commercial vehicles.

Still more states eyeing increases in fuel taxes

The declining state of many roadways and bridges, plus burgeoning congestion, is becoming more difficult to ignore, and more state legislatures are now openly discussing the likelihood of hiking fuel taxes.

In Pennsylvania, House Democratic leaders have called for transportation infrastructure to be a 2012 legislative priority, even if Pennsylvania drivers must pay more at the fuel pump in an election year.

One proposal would see a portion of the state's gasoline tax uncapped. The proposed increase would generate an estimated $1.36 billion in new annual revenue.

Democrats have not said how much of an increase they might push for, but in the summer of 2011, Gov. Tom Corbett's Transportation Funding Advisory Commission estimated an increase of up to 10 cents a gallon.

In Virginia, Republican Gov. Robert McDonnell has proposed increasing the percentage of the existing state sales tax revenues dedicated to transportation from 0.5 percent to 0.75 percent during the next eight years, but some delegates are saying that still won't be enough as it shifts money from other areas of the state budget.

Eventually, legislators say, Virginia will need to do something to fix its long-term problem — declining revenue from state fuel taxes.

Without additional revenue being added to the state's transportation trust fund, money for new construction is projected to be gone within about five years. As cars have become more fuel efficient, the value of the gasoline tax has declined.

Some legislators want to increase the gas tax or index it to inflation. Some also have suggested changing how it is calculated, such as charging a percentage-based sales tax instead of a per gallon price.

Meanwhile, in Iowa, there is bipartisan support for raising revenue to address aging and deteriorating roads and bridges, and several proposals have already been put forward, including a phased increased equivalent to a 10-cent per gallon hike in fuel taxes, and a highway user fee.

The state Senate Transportation Committee has recommended raising registration fees for new vehicles from 5 to 6 percent — to make it the same as the state sales tax — and establishing a user fee for hybrid vehicles.

Those recommendations, it says, would generate between $184 million to $320 million in yearly revenue for critical transportation needs.

Iowa House Transportation Committee Chairman Dave Tjepkes has filed a bill request for a plan to raise the excise fee on vehicle purchases from 5 to 6 percent, along with 4-cent increase in state fuel taxes between 2013 and 2014.

Transportation issues inch along

Work schedule slows Congress

WASHINGTON — Congress failed to make much progress during January on key ground transportation issues.

But then lawmakers had only a few working days in the month in which to address them.

Lawmakers returned to Washington Jan. 17, but the Senate had only seven days scheduled for legislative work in January, and the House just six.

Things should begin cranking up this month.

The temporary extension approved in September to keep transportation safety programs and highway projects operating across the country expires at the end of March.

The Senate did continue work on the two-year surface reauthorization bill that is moving through committees there.

On the House side, however, no reauthorization bill has been introduced.

House Speaker John Boehner, R-Ohio, said the House in "the coming weeks and months" will vote on a bill he supports to fund surface transportation programs by expanding oil drilling offshore and in the Arctic National Wildlife Refuge.

House acts to rein in regulations

WASHINGTON — In an effort to slow the Obama Administration's pace of issuing regulations, the House passed HR 10, the Regulations from the Executive in Need of Scrutiny, or REINS, Act.

The bill amends the U.S. Code to require that major rules of the executive branch shall have no force or effect unless a joint resolution of approval is enacted by Congress.

The measure would essentially give the Congress veto power over the regulatory process, usurping a tremendous amount of authority from the executive branch and throwing every major issue into the highly politicized Congressional arena.

The matter is unlikely to receive any consideration in the Senate unless, of course, control of the Senate changes hands as a result of the 2012 elections.

Operators face flood of rising highway, bridge tolls

Toll rates — as any regular reader of *Bus & Motorcoach News* knows — are climbing on roadways, bridges and tunnels across the country, but it is not just because of the weak economy and Congress' inability to come up with long-term highway funding legislation.

Some toll hikes are helping pay for new construction.

Tolls along the Eastern seaboard are going up so much and so fast that making the four-hour trip from Baltimore to New York City could cost commercial vehicles as much or more in tolls than paying the driver and buying fuel.

Tolls went up last year in Maryland, Pennsylvania, and on the bridges and tunnels connecting New York and New Jersey. And officials are looking at hikes in Maine and upstate New York soon.

Experts say times are tough and states are looking for any revenue they can find, particularly for transportation.

The toll surge is happening even though many of the agencies that run toll facilities are insulated from the fiscal pressures hitting states generally.

Fuel taxes, for example, have steadily decreased in buying power as politicians at both the state and federal level have resisted raising them. But, unlike most state highways, toll roads typically do not depend on it.

There are many factors behind the avalanche of toll increases. Some states are trying to make up for lost revenue from thinning traffic. Others have decided they can no longer afford to put off crucial repairs.

And still others — the most controversial of the toll increases — will pay for new construction.

Big city, controversy

Last summer, the Port Authority of New York and New Jersey, which operates three Hudson River crossings, riled almost everyone with a massive toll hike proposal. (See *Sept. 15 Bus & Motorcoach News*.)

Even after the Port Authority slimmed down its plan and refashioned it to shift some of the burden of the hike from cars to commercial vehicles, motorist groups still hated it. As would be expected, truck and bus operators were particularly outraged.

A lawsuit was filed trying to roll back the increases, which are to continue climbing through 2015 under the plan. (See Oct. 15 *Bus & Motorcoach News*.)

The Illinois Tollway Authority, which runs a network of roads in northern Illinois, also approved major toll hikes last summer. Tolls nearly doubled on some stretches of road.

The toll authority expects to raise $8 billion over 15 years, to go toward a major highway construction program. Much of the effort is focused on improving the agency's existing roads over the next 15 years.

The toll hike will help fund some new construction in Illinois, as well. Most noteworthy is the extension of a suburban highway to the west side of O'Hare airport, which is currently only accessible from the east.

When tolls went up last month it was the first time most Illinois motorists paid an increase since 1983.

In Maryland, tolls have gone up on bridges, tunnels and highways around the state. State officials cited the need to catch up on maintenance — as well as paying for a new toll road called the Intercounty Connector, a segment of which opened this past fall.

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Americans oppose raising taxes on fuel, favor tolls

LOS ANGELES — A majority of Americans believe new transportation projects should be paid for with user-fees instead of tax increases, according to a poll of 1,200 adults on cell phones and land lines.

The Reason-Rupe poll finds 77 percent of Americans oppose increasing the federal gas tax, while 19 percent favor raising the tax.

The public thinks the government wastes the fuel tax money it receives.

Sixty-five percent say the government spends transportation funding ineffectively, and 23 percent say the money is spent effectively.

The survey indicates Americans believe new roads and highways should be paid for by the people driving on them, with 58 percent saying new roads and highways should be funded by tolls. Twenty-eight percent say new road capacity should be paid for by tax increases.

The Reason-Rupe poll finds broad support for user-fees. If a toll road would save drivers a "significant" amount of time, 59 percent of Americans say they would pay to use it. And 57 percent favor converting carpool lanes, or high-occupancy vehicle lanes, into high-occupancy toll lanes.

Those polled are much less supportive of variably-priced toll lanes, however. Half of those surveyed oppose, and 39 percent favor, variably-priced tolls that rise and fall with traffic levels.

In terms of transportation spending priorities, 62 percent want to prioritize funding for road and highway projects, while 30 percent want to prioritize funding for mass transit projects.

As the debate over high-speed rail continues in California and elsewhere, a solid majority of Americans, 55 percent, say the private sector should build high-speed train systems where it thinks riders will pay to use rail.

Just 35 percent of Americans believe federal and state governments should build high-speed rail systems where they think the trains are needed.

Fifty-five percent of Americans support using public-private partnerships to build critical infrastructure projects.

Flood of tolls

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Routine increases

Maine drivers could face a toll hike, thanks to one byproduct of the down economy: fewer drivers on the road paying tolls to support the system. This is unusual for the state. For six decades, the Maine Turnpike Authority never saw a decline in revenue; the streak ended in 2008.

Declining traffic remains a problem. Last year's traffic was down 1 percent from 2010, with a corresponding drop in revenue. That is one reason, says an agency spokesman, the turnpike authority is looking at raising tolls by about 25 percent in 2013.

The extra $25 million would also help pay for the reconstruction of bridges. There are 176 spans along the 109-mile road, and many are reaching the end of their projected life.

Plus, the agency is preparing to expand an eight-mile stretch of the road from two to three lanes in each direction. The turnpike authority put the widening project on hold because of the recession. But it is still upgrading the bridges in the area so they will be able to accommodate the wider road.

In Florida, state law requires the Florida Turnpike Enterprise to raise tolls by next summer. A 2007 law directed the agency to raise its tolls within five years to keep up with inflation, and now that deadline is approaching.

The Pennsylvania Turnpike enacted toll increases for the fourth year in a row when it scheduled hikes this year. It also approved a plan to hike those rates again in 2013 and 2014. The hikes include money the turnpike must hand over to the state to help pay for other transportation needs.

Tolls on the New Jersey Turnpike and Garden State Parkway took a big jump at the beginning of the year.

The toll hikes represented the second half of a two-phase increase adopted by the New Jersey Turnpike Authority in October 2008 under former Gov. Jon Corzine.

North Carolina entered the toll-road business quietly at the first of the year when the state Turnpike Authority began collecting electronic payments from drivers on the Triangle Expressway.

The first 3.7 miles of the six-lane expressway, which stretches N.C. 147 south from Interstate 40 through Research Triangle Park to the 540 Outer Loop, was opened.

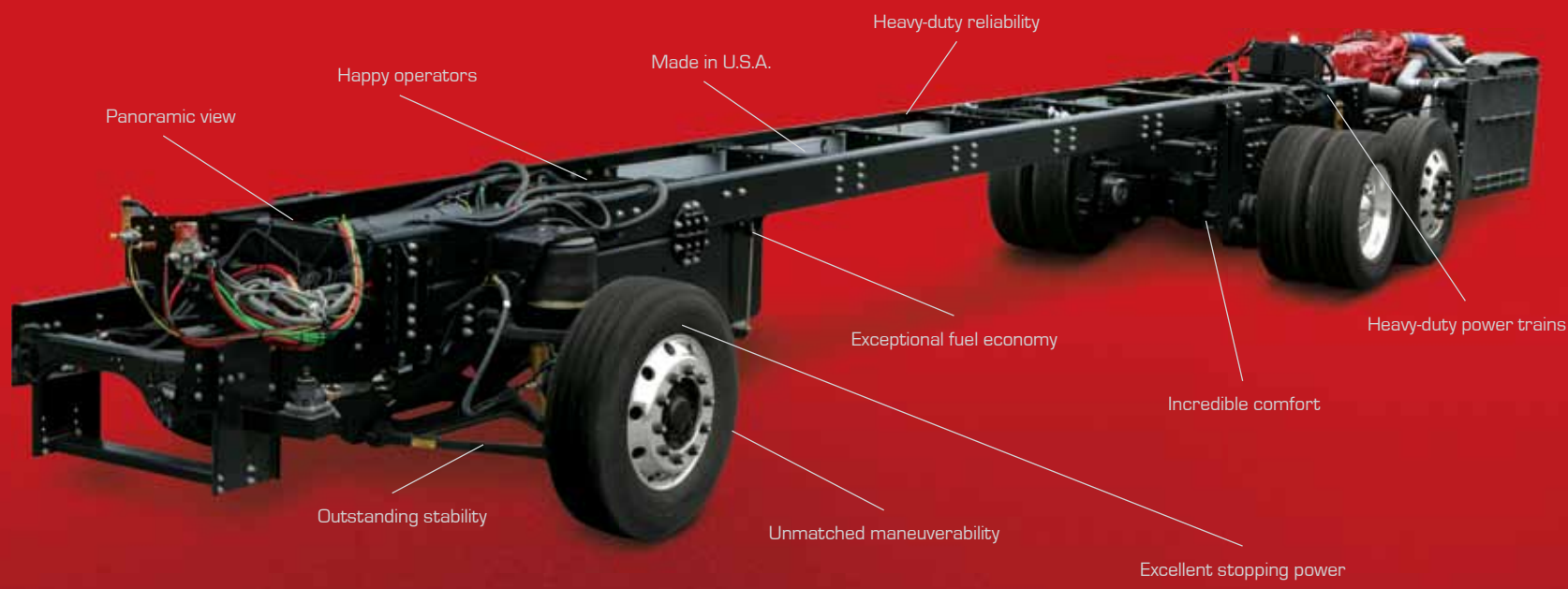
Construction is under way on the rest of the road, extending 540 through western Wake County. By the end of 2012, drivers will be paying tolls on 18.8 miles of the TriEx, as the tollway is called, from Research Triangle Park to Holly Springs.

The toll road has exits conveniently close to major Research Triangle Park destinations, but it also is a quick path for bypassing the park altogether.

While the Triangle Expressway isn't the first U.S. toll project to be built without coin collection booths, North Carolina — which was the last East Coast state without a toll road — apparently is the first state to begin tolling without ever having collected cash from drivers.

More toll bridges and roads are in the works from Charlotte to the Atlantic coast, and most or all of them will be operated without tollbooths.

And, on the opposite side of the U.S., tolling began on Seattle's Highway 520 Bridge, one of Washington state's busiest bridges.



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Letter to the Editor

The article entitled "Revised ADA regulations clarify, confuse operators" in the Jan. 15 issue contained some factual errors which we would like to correct.

The U.S. Department of Transportation has not made any changes to its Americans with Disabilities Act regulations for motorcoach operators, neither with regard to service animals nor other provisions mentioned in the article.

It is true that the U.S. Department of Justice issued revised title II and title III ADA regulations on Sept. 10, 2010. These included amended provisions for service animals and also introduced a distinction between "wheelchairs" and "other powered mobility devices."

As of March 15, 2011, only dogs and, in some instances, miniature horses are now recognized as service animals under titles II (state and local government) and III (public accommodations and commercial facilities).

These changes, however, to the DOJ's regulations do not affect the USDOT ADA regulations covering public and privately-operated transportation.

Applying the new DOJ provisions could put motorcoach operators out of compliance with USDOT ADA regulations. To alleviate the confusion, the Federal Transit Administration has posted an ADA Technical Assistance statement on the topic at its website (*www.fta.dot.gov*).

At present, then, motorcoach operators should continue to accept service animals of all types. 49 CFR Part 37 defines a service animal as "any guide dog, signal dog or other animal individually trained to work or perform tasks for an individual with a disability."

If you are not sure if the animal is a service animal, you may ask if it is a pet or a service animal. You may also ask what type of tasks the service animal is trained to perform. Do not ask about the individual's disability.

> 'Passengers who require a lift must be allowed the same opportunity to embark and disembark as other passengers.'

Certification or identification for the animal is not required. The service animal does, however, have to be properly behaved and under the owner's control at all times.

Emotional support animals are not by definition service animals since they are not trained to perform a task but rather are innately comforting to their owners. While you are not required under the ADA to accept emotional support or comfort animals, a company can set its own policy in this regard or make an exception in the best interest of a customer, for example, a child with autism who needs his pet lizard to remain calm on a class trip.

You are, however, required to accept psychiatric service animals as these are trained to perform specific tasks for their owners, such as reminding them to take medication or interrupting repetitive behaviors.

USDOT regulations concerning when and where lifts must be deployed have also not changed. Passengers who require a lift must be allowed the same opportunity to embark and disembark as other passengers, including at intermediate and rest stops.

Part 37.167 states that a public or private entity "shall not refuse to permit a passenger who uses a lift to disembark from a vehicle at any designated stop, unless the lift cannot be deployed, the lift will be damaged if it is deployed, or temporary conditions at the stop, not under the control of the entity, preclude the safe use of the stop by all passengers."

In practical terms, this may mean moving the bus a short distance from the usual disembarkation point to safely deploy the lift.

Another issue raised in the article concerns a passenger's choosing, as is his right, to remain in his wheelchair or scooter.

If the individual has been advised that it would be safer to transfer to a seat but declines to do so, the article suggests that the carrier ask him to sign a statement to that effect. This is not something which the USDOT is likely to look on favorably as it is tantamount to a waiver of liability.

Instead, the driver should call dispatch and explain the situation so that it is documented should a problem arise later. Note that a passenger riding in a mobility device may also decline use of a seatbelt unless all passengers have seatbelts and are required by company policy to wear them.

Laurel Van Horn
Director of Programs
Open Doors Organization

Unemployment taxes rates are going up for employers

ARLINGTON, Va. — The next time someone smirks when you complain about burdensome government mandates and taxes, explain to them the facts of life as they relate to the unemployment taxes your business pays.

The nation's state governments and the U.S. government have created a quirky mess to fund the unemployment compensation system. Not only does it not make a lot of sense but it is, in fact, a drag on increased employment.

Here's how it works (in this case, we use the term "works" loosely):

When times are good, the states, which run the basic system, don't need to raise unemployment compensation tax rates to fund current needs.

But, like most units of government, they tend to ignore the inevitability of economic cycles and are reluctant to raise unemployment compensation tax rates to create a reserve for bad times.

Instead, during a recession, states are apt to rely on loans from the federal government to tide them over until unemployment once again slackens and new unemployment compensation tax revenues (from increased employment) again fill the pot.

The current downturn — that began in late 2007, producing high unemployment that remains with us today, has changed the dynamic.

First, states have had to pay more unemployment compensation benefits and for a longer time than usual. Forty states ended up having to borrow from the feds to keep their unemployment compensation funds solvent. (That borrowing, of course, exacerbated the nation's debt problem.)

But most of those states weren't able to pay off their loans on time.

As of September, the federal government started to charge interest — about $1 billion worth for 2012 — on outstanding loan amounts.

Now, more than half the states have to raise unemployment compensation taxes, or figure out something else to do to both raise the money to cover the interest payments and the continuing unemployment compensation benefits.

In addition, the federal unemployment compensation tax goes up for employers in states that haven't repaid the federal loans.

The effect of all this, says Robert Pitcher, who edits a state laws newsletter, can be startling.

In 2009, Florida employers paid $8.40 in unemployment compensation tax per employee. As of last month, they began to pay at the rate of $172 per employee.

In other states, where the unemployment compensation benefits are higher, the rates also are higher.

In Rhode Island, for instance, although the average employer will see an increase per employee of only $23 this year, that addition will make the per-employee amount $753.

Some states are trying to find ways around further burdening their employers, says Pitcher, but there seems to be no easy way out.

How to contact us

To submit or report news, Letters to the Editor, articles, news releases or to report corrections:

E-mail: bsankey@busandmotorcoachnews.com
Fax: (405) 942-6201
Mail: 3108 NW 54th Street
Oklahoma City, OK 73112
Call: (866) 930-8421

To subscribe or inquire about your subscription:

E-mail: ebalm@busandmotorcoachnews.com
Fax: (405) 942-6201
Mail: 3108 NW 54th Street
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Call: (866) 930-8421

To advertise or to mail advertising-related materials:

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E-mail: jsteger@busandmotorcoachnews.com
Mail: 2200 N. Yarbrough, Suite B
Box No. 336
El Paso, TX 79925

To send advertisements or photographs via the Internet:

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It's a blast from the past: U.S. oil production surges

Can you even remember the last time you read something like the following about U.S. energy production?

"You'll know the U.S. energy industry is really on the rebound when North Dakota's newfangled Bakken oil field starts pumping more crude than Alaska's stalwart Prudhoe Bay. Energy experts expect it to happen this year," reports the *Wall Street Journal*.

"Dwindling production from the once-mighty Alaskan field has been a symbol of what was once seen as the slow, inexorable decline of U.S. oil. But new technologies have turned that overall decline into an increase, led by the Bakken shale, which in July produced 424,000 barrels a day, to Alaska's 453,000.

"Rising oil production from the Bakken and other nontraditional fields is expected to add 250,000 barrels of oil a day to U.S. production, according to the International Energy Agency, even as conventional oil production falls.

"If overall trends continue, daily U.S. oil output could be up by 1 million barrels a day by 2016, to 6.6 million," said the *Journal*.

"Crude-oil imports are falling, balance-of-trade payments are improving and thousands of oil-field jobs are being created from Texas to Ohio, from West Virginia to Wyoming. Moreover, the U.S. is beginning to export a significant amount of diesel and gasoline refined from crude and could begin exporting chilled natural gas next year.

"The Bakken wasn't discovered so much as unlocked. The energy industry figured out that a combination of technologies — hydraulic fracturing and vertical wells that turn underground to run horizontally through oil-rich rock — could free petroleum and natural gas trapped in dense rock formations," the *Journal* continued.

"New technologies are now being applied to the Eagle Ford oil field in south Texas. In August, the field produced about 109,000 barrels a day, according to state records, compared with 3,100 barrels two years earlier. Output is expected to quadruple over the next five years.

"Next up: The Utica oil field in eastern Ohio and Pennsylvania. Its existence was disclosed last July, and activity is ramping up.

"Chesapeake Energy Corp.'s chief executive, Aubrey McClendon, said last summer that 'pound for pound, foot for foot, the Utica rock is going to be better than the Eagle Ford.'" As more wells are drilled in 2012, this boast will be tested.

Economist touts megabus business model

When conservatives and liberals talk privatization, one of the things the liberals always ask is: "How can we possibly privatize public transportation?"

One word: megabus.com.

megabus' regular price for a roundtrip ticket between Washington, D.C. and New York City is $8 per person. Compare that to a one-way ticket on Amtrak ($80) or Acela Express ($142).

Economist Mark Perry had this to say about the company:

"megabus is a great example of a competitive, flexible, low-cost (sometimes free), consumer-driven, market-based solution to intercity transportation that has thrived without any government subsidies, tax breaks or taxpayer funding.

"Contrast that alternative to government transportation options like Amtrak and high-speed rail proposals that are the opposite: non-competitive, inflexible, high-cost, politician-driven and not market-based, requiring massive amounts of taxpayer funding and subsidies."

Regulatory zeal is creating problems on top of problems

By Dave Millhouser

No. 27833 still rings in my head — 38 years later.

It was the part number for the "improved" wheel we were shipping by the pallet load to everyone operating our newest model of bus.

The front wheels on the sleek coach were cracking and we were terrified that a catastrophic failure would launch one of those puppies off the road.

New federal regulations decreed that buses had to meet a more stringent stopping standard. Not a bad thing.

In this case, our engineers had altered weight distribution to make the brakes more effective, but the added weight on the steering axle was too much for the wheels.

Our competitor increased wheel size as part of its effort to meet the mandate. The larger tires whacked their HVAC duct on every bump, degrading climate control.

A well-intended regulation had serious, unforeseen, consequences.

Currently, the motorcoach industry is subject to regulation by the FMCSA, NHTSA, USEPA, USDOT, state and local jurisdictions, plus thousands of pages of IRS regulations. The health care-system overhaul hovers like an amorphous cloud; no one is certain what it will precipitate.

These agencies are well intentioned, and it's hard to argue with safety, a clean environment, and good business practices.

On the other hand, it appears the number of unintended consequences multiplies geometrically as the volume of regulation grows.

It's not politically correct to say it but achievement in pursuit of these admirable goals must be graded on a "curve."

No one is against safety but there is a limit to what we can afford. A 5-mph speed limit would do the trick, but that's unreasonable. What IS reasonable? We're looking for a balance…one that is carefully adjusted as technology and knowledge move forward.

Require too much mandatory safety and emissions equipment and operators can't afford new coaches (and must continue to operate older, less safe ones). Force old buses off the road, and people will ride in cars that are more dangerous and exacerbate congestion and pollution.

Whenever there's an accident, well-intended people call for more inspections, although few accidents are caused by mechanical failure. Audits can identify log violations, which do matter, but do nothing about aggressive driving.

Currently, we have the specter of a company, forced out of business by the FMCSA, popping up again and again. More inspections won't end this episode of Whack-a-Mole. Good companies navigate a maze of rules, while convicted bad guys evade them and roll on.

Clean engines are great, but how clean? The cost of meeting recent mandates has driven one engine manufacturer from the market, leaving less competition. Often cleanliness is achieved at the sacrifice of fuel economy, engine life and maintenance requirements, and they cost a ton more.

There comes a tipping point where regulation begins to do more harm than good.

We're there.

Well-intended folks, people who want to "make a difference," as well as opportunistic politicians and lawyers, are creating unforeseen consequences that will shrink our industry, waste energy, befoul the environment, and hurt people.

The cost of buying equipment, conforming to government mandates at every level, and administering all the "stuff" is driving good companies out business.

Folks, we are the greenest, safest, most fuel efficient form of ground transportation, and they're bleeding and killing us.

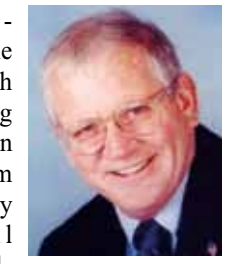
When charter companies disappear, people either don't go or take cars, increasing congestion and pollution. Tourism suffers.

A myriad of federal, state and local regulations makes it difficult to start scheduled-run service, and hundreds of small towns are left without service. Entrepreneurs decide it's just not worth it.

That may be OK with some politicians. They create a problem and then use government to fix it, gaining power as they go.

The elderly, students and the poor suffer most — at the hands of people who think or claim they're helping. Give us a break, and we'll get folks where they need to go without spending billions on inefficient rail projects, and with far fewer subsidies.

Another unintended consequence of overregulation is the burden it places on small companies. Large companies don't love regulation, but they have some economies of scale in dealing with drug testing, accounting and other disciplines.


Dave Millhouser

Government lacks the moral "high ground" as long as it depends on revenue from demonstrably unsafe toll booths, or allows transit authorities to operate under less stringent regulations. Any business that traded safety for revenue in similar fashion would be castigated.

It would help if regulators were successful veterans of the industry they control. They might try talking to each other, so there's less conflict and overlapping. We need fewer rules but we do need consistent, predictable enforcement.

Oxygen is good. It's 20 percent of the air we breathe. Divers know that if you breathe it in the wrong proportion, it's toxic.

Regulation is the same. In the correct proportion, it can benefit an industry and the public. Apply too much pressure, and it will kill the industry and those it serves.

Dave Millhouser is a bus industry marketing consultant and freelance writer. Contact him by email at: Davemillhouser@gmail.com.

Int'l Motor Coach Group gets president, loses Kilka

OVERLAND PARK, Kan. — Steve Klika, the long-time president of International Motor Coach Group and a familiar face at major industry events during the past decade, has left the organization and is now managing a pair of sister companies in the employment staffing business.

"It was just time to move on in life and do something different," he said of his resignation, which was effective last month.

His replacement is Bronwyn Wilson, an experienced travel and tour industry executive and former president of the North America unit of Australian Pacific Touring in North Hollywood, Calif., a travel and tour company with worldwide operations.

She was selected by the IMG board from a field of more than 175 applicants.

Klika, who headed IMG for 11 years, is now president of AdKore Staffing Group and Megaforce, both of which are headquartered here and have offices in Minneapolis, Tulsa, Okla., and Chattanooga, Tenn.

The companies specialize in temporary and permanent employment in a variety of professions and skilled trades, including engineering, health care, aerospace and information technology.

Although he has moved into a different industry, Klika said he will stay in touch with bus and motorcoach transportation issues as a member of the boards of the Kansas City Transit Authority and the Global Passenger Network.

Kansas City Transit is the public transportation agency for metropolitan Kansas City, and PCN promotes the motorcoach industry internationally as a viable and ecological alternative to private car use.


Steve Klika

While with IMG, Klika was active in industry activities, including hosting and serving on numerous panels at United Motorcoach Association Expos and other conferences.

Klika, who joined IMG as president in 2001, said the change in leadership at the organization will be a major benefit to the group and its membership of select motorcoach carriers from throughout North America.

"They will have a really fresh perspective and there will be an exciting time ahead for them," he said.

Wilson, meanwhile, takes over an organization that for many years has been at the forefront of promoting safety and quality service in the industry and helping the public identify carriers that adhere to the organization's mission.

"I am looking forward to future opportunities in the marketplace," she said of her move into a new but related industry.

Wilson, who has been involved in the travel and tour industry in North America for 25 years, served on the boards of both the United States Tour Operators and National Tour associations.

Her first day on the job at IMG was Feb. 1.

Tourism Cares notes successes

CANTON, Mass. — Tourism Cares, the nonprofit organization that works to preserve the travel experience for future generations, reports it expanded its volunteer, financial assistance and educational efforts in 2011.

The group:

- Gave $10,000 grants to 12 national and international nonprofits
- Gave more than $100,000 in scholarships to students studying tourism
- Hosted its largest Give Back event at Mystic Seaport in Mystic, Conn., with more than 420 volunteers
- Launched a job board for interns — InternInTourism.org

"In these challenging economic times, many of the cultural landscapes, historic centers and natural sites are at risk from the forces of nature and face very real and escalating threats to their survival, and future professional colleagues do not have the funding to pursue their academic ambitions," said Desiree Whitney, Tourism Cares director of development.

"They need our help and support now," said Whitney.

It is "up to everyone; travelers and the travel industry itself, to take the steps to ensure that the reasons why we travel will be there for future generations, and that educating the next generation of travel and tourism professionals is vital to our industry," she added.

Tourism Cares also is seeking support; for information, go to *www.tourismcares.org.*

People

FARIBAULT, Minn. — *Brenda Borwege*, who has headed marketing and public relations at **ABC Companies** for the past dozen years, has been promoted from vice president of marketing to senior vice president of strategic accounts.

With 20 years experience in sales and marketing, Borwege's background includes sales and management positions in the retail clothing field, as well as conceptual design and product development for a major textile mill.

She joined ABC Companies in 1999, where her responsibilities have included trade show management, corporate and regional public relations and advertising, new product introductions, and promotion.

During her years at ABC, she has been active both in the industry and the community.

For the past five years she has been on the board of governors of the **American Bus Association Foundation**, serving as fundraising committee chairwoman. In 2007, she was named Alliance Partner of the Year by the **International Motor Coach Group**.

In 2010, she completed the certification program and earned the designation Certified Trade Show Marketer. The CTSM program is sponsored by **Exhibitor Media Group** in conjunction with Northern Illinois University Outreach.


Brenda Borwege

More recently, she became a member of the important meetings committee of the **United Motorcoach Association**.

She also is involved in various community committees and advisory boards.

Creative Bus buys dealers in Ariz., N.M.

CHINO, Calif. — Creative Bus Sales, the nation's largest commercial bus dealer, has completed the acquisition of Phoenix-based Arizona Bus Sales and Albuquerque-based New Mexico Bus Sales.

Under the terms of the agreement, Creative purchased a substantial portion of the companies' assets.

The two bus dealers will continue to operate under the names Arizona Bus Sales and New Mexico Bus Sales from their current locations in Phoenix and Albuquerque.

Creative Bus Sales President Tony Matijevich said his company welcomes "Paul Miller and his entire organization into the Creative family of companies.

"Paul and his staff are industry experts with decades of experience that will greatly benefit our current operations."

Matijevich said the two companies "will benefit tremendously" from the resources and systems that will be provided by Creative Bus Sales. He added that it was his intention to grow the companies and expand their services.

Arizona Bus Sales and New Mexico Bus Sales are major providers of para-transit buses to the states of Arizona and New Mexico, as well as transit agencies and private operators.

Creative Bus Sales, which has been around since 1980, calls itself the largest commercial bus dealership in the country, offering products from 12 of the largest school and commercial bus manufacturers. It has multiple locations.

Greyhound year-end revenue rises

ABERDEEN, Scotland — Revenue at Greyhound Lines rose nearly 6 percent during the final three months of 2011, the corporate parent of the nation's largest line-run company reported last month.

FirstGroup plc said revenue growth at Greyhound accelerated between Oct. 1 and Dec. 31, "in line with our expectations."

"Greyhound Express continues to perform well and attract new customers and we are expanding the service from our southeast hub in Atlanta to new markets in Florida, including Jacksonville, Orlando, Tampa, Miami and Fort Lauderdale," FirstGroup said in a trading update.

Greyhound Express is the limited-stops service Greyhound launched last year between select city pairs.

In Canada, FirstGroup said Greyhound continues "to make good progress in right-sizing the network and reducing uneconomic routes," and is on track "to deliver our profit recovery plan."

The final three months of 2011, which is FirstGroup's fiscal third quarter, produced overall results that met company expectations.

First Student made "good progress" in "executing our business recovery plan." First Transit results continue "in line with our expectations."

Cell phone use factors in crash award

HOUSTON — A 24-year-old Colorado woman who was injured in a roll-over crash, involving a Greyhound bus in rural Texas four years ago, has been awarded $7.2 million, including $4.8 million in punitive damages, by a Dallas jury.

In her suit, Ashley Reedy alleged the Greyhound driver was using a cell phone while driving in icy conditions on Interstate 40 in Wheeler County, Texas.

According to one of Reedy's attorneys, the driver braked "improperly" as he approached a wreck on the highway, losing control of the bus. The coach rolled, injuring Reedy's head, neck and back.

Reedy's attorneys attacked Greyhound on four fronts, contending the driver:

- Was unqualified and should not have been hired
- Was improperly trained
- Failed to control his speed, causing the bus to flip
- Was talking on his cell phone

Attorney Ryan Zehl presented evidence the driver had received three speeding convictions shortly before Greyhound hired him, and he had used his cell phone 17 times in the three hours before the accident.

Jurors awarded Reedy $2.2 million in damages, plus the $4.8 million in punitive damages, after finding Greyhound and the driver to be negligent.

D.C. monument remains closed well into 2013

WASHINGTON — The Washington Monument will remain closed well into the next year, the National Park Service announced.

The 555-foot-tall obelisk suffered cracking and chipping to its stone blocks on Aug. 23 during a 5.8-magnitude earthquake that rocked the Washington area.

Repair work won't begin until late summer and is expected to take up to a year, Park Service officials said.

They also announced a donation of $7.5 million – half the estimated amount of the repairs – by billionaire philanthropist David M. Rubenstein.

Rubenstein, a co-founder of the global asset-management group Carlyle Group, and the son of a Baltimore postal worker, has donated $25 million to the John F. Kennedy Center for the Performing Arts.

Last year he gave $4.5 million to the National Zoo and $13.5 million to the National Archives in Washington.

Int'l Trailways splits with Trailways, adopts new name

BIRMINGHAM, Ala. — International Trailways has severed its formal ties with Trailways Transportation System and changed its named to Vectour Group.

The ground transportation company, which has been associated with the Trailways network of motorcoach companies since its founding nearly five years ago, plans to use the breakup as an opportunity to expand its operations into new markets, said Reggie Haslam Sr., chief executive and co-founder.

He said in addition to continuing to focus on large sports, entertainment and commercial events, as it has in the past, the company also will pursue long- term contracts for smaller activities such as transportation services to cities, states, federal agencies, schools, colleges and businesses.

"Vectour Group will continue to pursue business opportunities across the nation and around the world," he stressed.

Haslam said that although the company is no longer officially connected with Trailways, it will maintain a working relationship with the national network, including using Trailways-affiliated carriers for some of its business.

However, he said it also will use other leading carriers throughout the United States and Canada that maintain high standards of fleet quality and maintenance.

In its past association with Trailways, it was required to give priority to motorcoach companies that carry the Trailways brand. Trailways has 84 affiliated operators in 33 states, three in Canada and one each in Germany and Holland.

Haslam and co-founder and chief operating officer, Alan Thrasher, would not detail specific reasons for the Jan. 1 breakup other than to stress that they wanted to take the company in a different direction.

Gale C. Ellsworth, president and chief executive of Fairfax, Va.-based Trailways, said the move is not expected to have a negative impact on her organization or its members.

"I think it is going to be a 'win-win' for everyone because they still will be working with the Trailways team," she said.

She suggested that by going out on its own, and not being restricted by Trailways trademark requirements, will allow Vectour to become more diverse and increase business, which could result in more work for Trailways carriers.

Thrasher maintained, too, that it will give Vectour new opportunities to greatly expand its business, including taking advantage of a new trend that he sees developing in the industry.

He said many large corporations no longer contact individual motorcoach companies, but, instead, hire transportation management companies such as his to handle all facets of their transportation needs.

Vectour and other transportation management companies do not own motorcoaches but service their clients by bringing in single or multiple carriers to do the work.

In addition to providing the motorcoaches, many of them also offer related services such as transportation system designs, route planning, demand modeling, scheduling and loan zone operations.

"Our new vision will enable us to move quickly to provide coach companies with revenues in the evolving world of event transportation," Thrasher said. "Vectour Group will build upon the success of International Trailways to continue to build relationships between coach providers and the corporate world."

Thrasher emphasized that the split with Trailways will not affect

CONTINUED ON PAGE 22 ▶

Coach America

CONTINUED FROM PAGE 1

horse bidder that would submit a minimum purchase price agreed upon by the company and its lenders who are first in line to be paid if the company is sold. The minimum bid would become the starting point for the bidding and increases would be accepted in increments of $250,000.

If only one qualified bid is received, the auction would be canceled and the company would have to seek approval from the court to accept the bid. However, if the amount of the single bid is not sufficient to pay the first-position lenders, then the company also would have to obtain permission from those creditors to complete the sale.

The stalking horse bidder would be paid a 3 percent fee if it does not win the bid and the company is sold to others.

Although a single buyer appears to be the goal of the company, the motion for the sale approved by the judge gives Coach America and its current lenders the right to accept bids for pieces of the business rather than the entire company.

However, the company has the option, with the approval of its lenders, to cancel the auction at any time and pursue confirmation of a restructuring strategy that would maximize the value of the company.

The court action involving the auction came just a week after Coach America's President and Chief Executive George Maney said in an interview he expected the company to emerge successfully from the bankruptcy proceedings by midyear.

Coach America turned to the bankruptcy court Jan. 3 after it was unable to redo terms of its heavy debt, which it said created costly long-term problems that made it tough to be competitive.

Especially damaging was a downgrade of its credit worthiness early last year by Moody's Investors Services, which publicly questioned whether the company could meet its debt payments — without a financial restructuring.

Coach America, which is owned by the private investment firm of Fenway Partners in New York, tried to negotiate its way out of trouble by reworking terms of its debt with its lenders, but those efforts failed.

As the year ended, the company was hit with more bad news — another downgrade of its credit, this time by Standard & Poor's, which also warned that the company could violate its debt covenants without financial support from its equity sponsor (Fenway Partners).

By then, the company was left with one acceptable option: A bankruptcy filing seeking a Chapter 11 reorganization.

Before making the trip to court, though, Coach America's senior lenders tossed it a lifeline in the form of a $30 million debtor-in-procession fund that has allowed the company to continue normal business operations during the court proceedings.

"It's business as usual," said Maney, emphasizing that the company remains in operation and employees and vendors are being paid.

"We have been operating with a good cash flow," he said. "We had a growth year in 2011 and even got some of our charter work back."

Coach America may have grown in 2011, but the growth failed to staunch the red ink. The company's losses fell last year by $153 million, to a net loss of $27 million on revenue of $417 million. The company had a total loss of $180 million in 2010, when its revenues reached $433 million.

Coach America's debt, however, remains its No. 1challenge.

The company currently owes more than $403 million, including $318.7 million in first-lien loans and revolving credit, and $30.5 million in a second-lien loan. It also owes another $39.5 million in secured motorcoach and equipment loans to yet unnamed businesses and about $15 million in unsecured vendor bills.

According to bankruptcy court filings, the first and second liens, most of which are due in 2014, are held by more than three-dozen large and small banks and investment firms. Among the best known are JPMorgan Special Credits Group, Wells Fargo, Bank of America, Citigroup Alternative Investments, Prudential Investment Management and The Goldman Sachs Group.

Several companies in the motorcoach industry also are on the unsecured list of lenders (see accompanying list), including ABC Companies, which is owed $428,185; MCI Service Parts Inc., $401,790; Bridgestone/Firestone Inc., $271,889; Prevost Car Inc., $110,969; Florida Detroit Diesel Allison Inc., $97,024, and Bridgestone Retail Operations, $64,191.

The biggest single unsecured creditor is Valerie S. Rybka of Vero Beach, Fla., who is owed $1.25 million from a litigation settlement the company declined to discuss. "It was a legal case that we mediated and settled," Maney said, adding that the company does not talk about lawsuits.

ABC Companies and Ryvka are members of the court-approved committee of unsecured creditors, which also includes National Diagnostics Inc., and The Sign Company.

Top 30 Coach America creditors

Here is a list of the top 30 unsecured creditors of Coach America and the amount each of the creditors is owed, as listed in the company bankruptcy filing:

Valerie S. Rybka	$1,250,000
Universal Studios Inc.	$671,041
SC Fuels	$573,135
ABC Companies	$428,185
MCI Service Parts Inc.	$401,790
Bridgestone/Firestone	$271,889
Mansfield Oil Co.	$160,293
The Sign Company	$150,000
Kaiser Fnd. Health	$142,089
National Diagnostics	$134,333
Peoplenet	$128,100
Green Petroleum	$116,010
Penske Truck Leasing	$115,498
Prevost Car Inc.	$110,969
Al Park Petroleum Inc.	$104,041
Florida DDA	$97,024
Chambliss LTD	$95,670
Metro Shore Services	$92,571
Total Truck Parts Inc.	$71,236
Bridgestone Retail	$64,191
Medical Mutual of Ohio	$55,878
Smith Power Products	$55,863
Legoland California	$51,964
Ports Petroleum	$49,094
WW Williams	$47,634
Drivecam Inc.	$46,078
City of Los Angeles	$45,833
Seaworld San Diego	$43,416
Fleetpride Inc.	$40,188
Kenworth of Cntrl, Fla.	$36,317

Fullington Trailways' CEO Aerial Weisman dies at 62


Aerial Weisman

CLEARFIELD, Pa. — Aerial Fullington Weisman, a vibrant individual who was one of the nation's best-known and most-admired women motorcoach operators, died here late last month. She was two months shy of being 63 years old.

Mrs. Weisman had suffered from cancer for years and had received a variety of treatments that would keep the malignancy at bay for a time. But, in the end, it claimed her life.

Mrs. Weisman was born into the bus industry but it took 30 years before she decided to make it a career.

Fullington Auto Bus Co., now also known as Fullington Trailways, was founded by Mrs. Weisman's great-grandfather in 1908. Her father, J. Richard Fullington Sr. and her mother, Tillie, bought control of the business in 1956.

Mrs. Weisman once said that "my father's first child was the bus company. And then he went on to have three more children."

While Mrs. Fullington and her two brothers were reared in the business, attending industry events, working at the company, she charted a different course.

A good student, she attended Pennsylvania State University, receiving a degree in nursing in 1972. She was employed in the cardiac unit at Allegheny General Hospital in Pittsburgh, eventually becoming a cardiac medical sales representative.

In 1984, she married Milton H. Weisman, who is vice president of intercity coach service at Fullington Trailways.

In 2003, at age 54, Mrs. Weisman returned to Clearfield to assist her family at the company, becoming president and CEO.

Leading the family business she earned respect as a smart, strong business woman and a "wonderful" boss.

"She was a remarkable business woman," said one individual who considered her a friend. "She always managed to have a bright smile and kind word for everyone. Such a lovely, intelligent and life-loving person."

An employee called her "the most caring boss I've ever known. There will never be another like her."

Her family said Mrs. Weisman's greatest joys in life were her family, her close friends, and the "Fullington family of employees," whom "she valued and respected very much."

She was a life member of St. John Lutheran Church in Clearfield and a member of the church council. In 2007, she was honored as one of the "Best Fifty Women in Business" by the state of Pennsylvania.

She served on the executive committee and the board of the Pennsylvania Bus Association and the Trailways Transportation System.

Elaine Farrell, executive director of the Pennsylvania Bus Association, described Mrs. Weisman as a "phenomenal leader on all fronts" and said she will "certainly be missed by everyone."

Victor Parra, president and CEO of the United Motorcoach Association, said he was very saddened by Mrs. Weisman's death. "She was a great supporter of UMA," he said. "She stood for what was right, not what was politically expedient. I will miss her."

Besides her husband, Mrs. Weisman is survived by her brother Michael L. Fullington, who is chief operating officer of the company, and his wife Lory, a vice president in the company; brother John Richard Fullington Jr., and sister-in-law Loretta Peters

CONTINUED ON PAGE 22 ▶

Calendar

FEBRUARY 2012

8 2012 State Association Summit, Long Beach, Calif. Info: *www.motorcoachexpo.com*, or call (800) 424-8262.

8-12 UMA Motorcoach Expo, Long Beach, Calif. Info go to: *www.motorcoachexpo.com*, or call (800) 424-8262.

11 United Motorcoach Association Board of Directors Meeting, Long Beach, Calif. Info go to: *www.motorcoachexpo.com*, or call (800) 424-8262.

15-16 Wisconsin Motor Coach Association 2012 Annual Convention, Double Tree Milwaukee City Center. Info: *www.witruck.org*, email *ctuhus@witruck.org*, or (608) 833-8200.

19-21 Motorcoach Association of South Carolina Roadeo, Anderson, S.C. For more info: *www.scmotorcoach.org.*

23 New England Bus Association Mid-Year Board Meeting, DATTCO body shop facility, Randolph, Mass. More info: *www.newenglandbus.org*.

26-29 Trailways 2012 Annual Stockholders Meeting and Conference, Bonita Springs, Fla. Info: *www.trailways.com*.

Top safety officials will speak

LONG BEACH, Calif. — Two of the nation's top transportation safety officials, Federal Motor Carrier Safety Administration Administrator Anne Ferro and National Transportation Safety Board Chairman Deborah Hersman will speak at UMA Motorcoach Expo here next week.

Both Ferro and Hersman are scheduled to speak at Expo's annual "Legislative & Regulatory Update" Thursday morning, Feb. 9.

Motorcoach Expo will run Feb. 8-12 at the Long Beach Convention Center.

For Ferro, this will be her third Expo appearance since becoming FMCSA administrator.

"We are once again pleased to have Administrator Ferro join us at EXPO," said Victor Parra, UMA president and CEO. "Her participation signifies the importance and relevance of this event and her commitment to our industry."

Hersman was honored at UMA Motorcoach Expo 2005 in Las Vegas for her support of industry safety initiatives during the years she worked on the staff of the U.S. Senate Committee on Commerce, Science and Transportation.

This will be her first visit to Expo since becoming NTSB chairman in July 2009.

"Chairman Hersman has long been a strong advocate of bus and motorcoach safety, and we are thrilled to have her join us," said Parra.

To allow Hersman to experience the latest safety technologies being utilized on coaches today, UMA has arranged for her to be transported from Los Angeles International Airport to Long Beach via a new MCI coach featuring advanced safety technologies.

"On her ride from LAX she will have the opportunity to see firsthand how new safety technology is being utilized to assure motorcoaches continue to be the safest form of travel," said Parra.

UMA Motorcoach Expo 2012 will feature education sessions on topics critical to motorcoach professionals, plus there will be 150 industry suppliers on the tradeshow floor and a variety of functions open to all attendees.

To learn more about Expo, go to *www.motorcoachexpo.com*, or call (800) 424-8262.

Community bankers to talk money availability at Expo

LONG BEACH, Calif. — The continuing tight lending practices of bigger U.S. banks has prompted leaders of the United Motorcoach Association to meet with officials of the Independent Community Bankers of America, which represents the nation's community banks, and invite them to exhibit at UMA Motorcoach Expo here next week.

UMA is eager to see how the two organizations might work together in the future to mutually benefit their members.

"Community banks are a great resource to our motorcoach operators who may be having a difficult time securing financing through traditional routes or who just want to bring their banking business closer to home," said Victor Parra, UMA president and CEO.

"We hope by working together with ICBA, we can help raise the profile of motorcoach operators with their community bank and vice versa."

Officials from the community bankers organization will be at booth No. 435 during Motorcoach EXPO to help educate operators about the benefits of working with community banks in their area.

As an added resource, the group operates an online community bank locator at *www.banklocally.org*.

Sponsors help Expo succeed

LONG BEACH, Calif. — The United Motorcoach Association has released the list of key sponsors for UMA Motorcoach Expo 2012 here next week. The companies and their sponsorships are:

- ABC Companies, Platinum
- Motor Coach Industries, Platinum
- Prevost Car, Platinum
- Setra, Platinum
- Bridgestone Americas Tire Operations, Vision Awards' Cigars & Cordials
- Motor Coach Industries, Green Highway Award
- Sardo Bus & Coach Upholstery, badge holder
- Sardo Bus & Coach Upholstery, food and beverage
- Temsa, Leadership Luncheon
- Bergen Auto Upholstery Co., Passport
- Capacity Coverage Co., Passport
- Protective Insurance Co., bag stuffer
- Sardo Bus & Coach Upholstery, bag stuffer

UMA Motorcoach Expo will be Feb. 8-12 at Long Beach Convention Center.

Council unveils operator PR kit

Penny Parts Program also being promoted

LONG BEACH, Calif. — The Motorcoach Marketing Council will unveil an Operator Tool Box — at UMA Motorcoach Expo here next week — designed to supplement and enhance the marketing efforts of motorcoach operators large and small.

The toolbox will provide "a robust package of 'plug and play' marketing tools, templates and programs to assist with new media, as a means of increasing operators' exposure both locally and regionally," said Motorcoach Marketing Council Executive Director Heather Horton.

In addition to the toolbox, the council will use Expo as a forum to encourage motorcoach companies to enroll in the Penny Parts Program, a voluntary, opt-in program where operators elect to donate one half of one percent (.005) of their vehicle parts purchases — through ABC, MCI, Prevost and Setra — to the council.

"This program, along with the council's annual silent/live auction, campaign bus wraps and other fundraisers generate sustainable revenue for the (council's) campaign, and allow the council to increase the reach and frequency of its advertising efforts to generate awareness of motorcoach transportation nationwide," said Horton.

In the recent months, the council has launched a new bus wrap campaign for this year, but also has released a series of new ads in *USA Today* magazine, and the online/print visitor guides of Savannah, Ga.; New York; Washington, D.C.; and Atlantic City,

Entry into the council's parts program is nominal, said Horton. Contribution levels are relative to fleet size and annual parts purchases. Operators with a fleet size between one and nine coaches contribute approximately $60 per year to the program.

ABC, MCI and Prevost match operator contributions to provide additional support to the campaign.

With the renewed financial commitment from Wells Fargo Equipment Finance, the council will continue to offer new parts program registrants a $50 incentive at the time of enrollment, as a means of thanking them for their support.

Operators who enroll at UMA Motorcoach Expo in Long Beach will additionally be entered to win a $100 cash prize raffle drawn on both Friday, the 10th, and Saturday, the 11th, as an added bonus.

Active parts program participants also will receive free access to the Operator Tool Box for each year they remain in the parts program.

"We're thrilled to make these exciting new programs available to the industry this winter," said Horton. "The raffle, gift cards and Operator Tool Box incentives will provide a number of tangible items operators can implement in their marketing strategy to heighten their visibility with prospective and existing clients."

The Motorcoach Marketing Council will be at booth No. 123 during exhibit hours at Expo, which runs from Feb. 8-12.

Motorcoach Council auction supports consumer campaign

LONG BEACH, Calif. — The second annual Motorcoach Marketing Council Benefit Auction will be conducted here next week at UMA Motorcoach Expo.

Expo attendees will get an early look at the "hundreds of auction items" on Thursday, Feb. 9, during the Expo Exhibit Hall Sneak Preview event.

Everyone at Expo will have an opportunity to "support the motorcoach industry's only consumer-facing PR campaign, while helping themselves to some great opportunities," said Motorcoach Council Executive Director Heather Horton.

"Look for travel packages to exciting destinations like New York, Las Vegas, Washington, D.C., Nashville or Atlantic City, then check out the council booth, No. 123," said Horton.

"Or, perhaps something to increase profitability on popular tour destinations speaks to you. Then bid on group admissions to attractions like D.C.'s Newseum, Madam Tussaud's President's Gallery, New York or Hollywood locations, or tickets to grand productions like Texas and a fun group meal at any Buca di Beppo location nationwide," she continued.

"Come browse and bid at the council Silent Auction, starting Thursday evening and all day Friday."

Horton said there also will be auction tables with motorcoach-related products from companies like MCI, Prevost, Petro Canada, Awash Systems, Translite Glass, Chempace, and Michelin.

Additionally, there will be Universal Orlando, Hershey, Virginia Beach, Branson, and Splash Lagoon vacation packages. QVC has donated a variety of popular items "for pampering the body and soul."

And, there are autographed and authenticated photos of sports Hall of Famers and legends, plus vintage lithographs.

On Saturday morning, Feb. 11, there will be a live auction with items ranging from golf packages, to five-star resort stays, to a first-class trip on the scenic Grand Canyon Railway, to a secret escape to Las Vegas.

The list goes on and on, says Horton.

"Be sure to visit the Motorcoach Marketing Council booth No. 123, and support the educational outreach campaign designed to communicate the luxury amenities, conveniences and ecological attributes of motorcoach transportation."

National Interstate affiliate recognized for innovation

RICHFIELD, Ohio — National Interstate Insurance Co. announced that its affiliate, Safety, Claims and Litigation Services, has been recognized for its accident event recorder program in the "Innovators Showcase" published in the January issue of *Best's Review* magazine.

The program provides National Interstate's commercial transportation customers with access to accident event recorder technology.

Accident event recorders, which record video and audio when a driving incident occurs, can help to improve driver performance, reduce accidents and save lives while controlling losses and reducing insurance premiums.

Since launching its program six years ago, Safety, Claims and Litigation Services has helped install more than 14,000 of the recorders in customers' vehicles.

"This project achieves its objective by gathering or assembling and making available to clients, in a convenient format, relevant data to which clients would not normally have access," noted Best's reviewer William Panning, executive vice president of Willis Re.

"The focus is on proactive preventive actions rather than on post-loss attempts to minimize loss costs."

Dave Michelson, president of National Interstate, said the accident event recorder program "has proven to be very successful in helping commercial transportation companies become safer operators while significantly enhancing their safety programs."

National Interstate Insurance is one of the nation's largest insurers of motorcoach companies.

Vectour

CONTINUED FROM PAGE 17

his own motorcoach company, Birmingham-based Thrasher Brothers Trailways, where he is president.

"It is a separate company and it will remain in the Trailways network," he said of the charter-and-tour business.

Haslam and Thrasher formed International Trailways in 2007, as a minority-owned venture. Most of its work has been providing and managing transportation services for short-term sports, entertainment and corporate events, including the U.S. Open golf tournament in Bethesda, Md., last year, the Winter Olympic Games in Vancouver, B.C., in 2010, and the Democratic National Convention in Denver in 2008.

It also provided transportation services for workers who were involved in the cleanup of the Deepwater Horizon oil spill in the Gulf of Mexico off the Louisiana coast in 2010.

International Trailways was at the center of a major industry controversy after the Winter Olympic Games in Canada when it was unable to immediately pay many of the carriers it employed for the event because of a contract dispute between the Olympic Committee and another transportation management company that hired it to help with the job.

The committee maintained that it paid the lead transportation company for the work under its contract, while the transportation company contended it was not fully paid.

The issue was eventually settled after months of negotiations and mediation and all of the carriers hired by International Trailways were paid by the end of the year.

Aerial Fullington

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Fullington.

Memorials in Mrs. Weisman's name have been established with the Clearfield Food Bank, c/o Trinity United Methodist Church, 121 S. Second St., Clearfield, PA 16830; St. John Lutheran Church, Children's Education Fund, 217 E. Pine St., Clearfield, PA 16830; Clearfield Hospital Hospice, P.O. Box 992, Clearfield, PA 16830, and Memorial Sloan-Kettering Cancer Center, 1275 York Ave., New York, NY 10065.

TSA offers baggage screening equipment to operators

ASHBURN, Va. — File this under "suspicions confirmed."

When the Transportation Security Administration loaned baggage screening machines to a large, unidentified, line-run carrier, it found 79 guns and 7,856 knives in passengers' bags, not to mention lots of drugs, alcohol, chemicals and even explosives.

With results like that it's easy to understand why the TSA is ready (perhaps even eager) to loan its X-ray and explosive trace-detection machines to motorcoach operators.

"This is still doable," Mark Messina, TSA highway and motor carrier security specialist, said during a session of the United Motorcoach Association's Safety Management Seminar here.

"If anyone wants to take me up on using some of this equipment out there — all you really need to have is a policy describing prohibited items in your organization, give us a call, and we'll help you get the equipment down there to some of your terminals."

TSA set up a pilot program at bus terminals in Houston and Los Angeles from December 2010 to March 2011, Messina said. During the test, the equipment found:

- 7,856 knives
- 4,439 pairs of scissors
- 2,144 sharp objects
- 151 martial arts objects
- 79 guns
- 550 restricted tools
- 5,948 containers with alcohol
- 733 drugs (presumably illegal)
- 177 explosive materials
- 248 chemicals

"That's one company, folks," Messina said. "It was a big company and that's going on in your vehicles right now."

Well, maybe.

Many charter bus operators probably don't buy it.

Setting up a similar baggage screening pilot project could help establish a baseline for carriers wanting to know what contraband passengers are carrying aboard their buses, says Messina.

Using the information, a carrier could establish and tailor a security program that could help reduce those numbers.

"If you want to see what's going on in your neck of the woods in terms of actual contraband getting on board," setting up a similar baggage-screening program could help, he said.

"Are you going to get the knives, scissors and guns, especially, down to zero in one day or during the year?" Messina asked. "Probably not. But you could do maybe 10 to 20 percent a year improvement and get those trend lines going in the right direction."

Messina made his offer to loan the baggage screening equipment as part of a larger presentation on improving motorcoach security in a time of war and unrest in the world. (See story on Page 1.)

Messina may be reached at (571) 227-2870, or via email at *mark.messina@dhs.gov*.

Security planning

CONTINUED FROM PAGE 1

ty, economy or environment of the U.S. bus industry and companies operating in the industry.

Messina also advises operators to have employees take antiterrorism training, and document who was trained, the location of the training, the date of completion, and some kind of certificate or letter verifying the training took place.

Carriers also might want to identify a designated security coordinator, Messina said.

"If you should do all of that in advance of any law or proposal or rule that is put out there, if you could forward it to the highway and motor carrier division of TSA …you will be in excellent shape — should such a law hit the street," he said.

Carriers should email the information to *highwaysecurtity@dhs.gov*.

One training program TSA offers is called BASE, for Baseline Assessment for Security Enhancement. Under this program, experts from a variety of security fields come to the carrier's facility and examine the existing security program from top to bottom, and then, using measurable metrics, work with the carrier to improve it, he said.

"That's available and that's free. We will come out to your location and do the base assessment …we'll look at security plans, we'll look at perimeter security and internal security, (information technology) security — just about every aspect of your program."

When TSA arrives on-site to conduct a training program, the agency often asks local law enforcement and first responders to join in. That way, they benefit from the same training company employees receive, he said. Local law enforcement often lacks this kind of specific terrorism-related training, he noted.

TSA also offers First Observer antiterrorism domain awareness and training, which is the training arm of the public service campaign known as "See Something, Say Something," said Messina.

The training helps individuals recognize suspicious behavior, so they may report it to authorities.

The program trains employees "how to accurately observe, assess and report — in a nonconfrontational way — suspicious activity or hostile terrorist behavior," Messina said. "We don't want any front-line employees of yours rushing into an event, especially if there is imminent danger."

There are other organizations that offer security training programs, Messina noted, some of which are excellent. But those usually cost money, while the TSA training is free.

"It's not the only option out there," he said. "There are other ones out there that are excellent, but they do come with a cost.

"I think the advantage with the TSA program is we come to your location, we train your folks, and a lot of times we'll ask if it's OK if the public safety team, which means law enforcement, fire, federal security directors, also train with you.… So you get the added benefit. Not only your employees train directly, but they also train directly with the first responders who you will be working with should an incident occur."

Messina was a speaker at the United Motorcoach Association Safety Management Seminar late last year.

ADA training

CONTINUED FROM PAGE 3

lessons back to their company and provide further training, she noted.

In addition to the classroom-like training, UMA and ODO are working to develop an online ADA learning program, Van Horn said. That program is not yet available but should be later this year through the UMA's Bus & Motorcoach Academy.

There is an upsurge in demand within the motorcoach industry for ADA-related training because the FMCSA now includes an ADA review as part of its safety compliance audits, Van Horn said. Carriers that have not been paying attention to ADA requirements are now being caught and fined.

There is also confusion within the industry because of recent U.S. Department of Justice regulations implementing ADA provisions, some of which at first glance could appear to conflict with U.S. Department of Transportation ADA regulations.

In fact, there was sufficient confusion over DOJ's regulations regarding service animals and the definition of wheelchairs, which took effect in March 2011, that the Federal Transit Administration subsequently issued a "technical assistance note" stating in part:

"These changes to DOJ's regs do not affect the DOT ADA regulations, which cover transportation (both public and privately-operated). The DOJ regs do not compel transit operators to make any changes to their service animal policies or the manner in which they regard mobility devices, nor should transit operators elect to make any changes on this basis. In fact, because the DOT and DOJ regulations now read differently in this regard, changes to accommodate DOJ regulations could result in a grantee being out of compliance with the DOT ADA regulations."

Therefore, motorcoach operators should continue to abide by the USDOT's definition of service animals: "any guide dog, signal dog or other animal individually trained to work or perform tasks for an individual with a disability."

"If you are not sure if the animal is a service animal, you may ask if it is a pet or a service animal," Van Horn advised in a note to *Bus & Motorcoach News*.

"You may also ask what type of tasks the service animal is trained to perform. Do not ask about the individual's disability. Certification or identification for the animal is not required. The service animal does, however, have to be properly behaved and under the owner's control at all times."

So-called emotional support animals are not, by definition, service animals and therefore not required to be allowed onto a bus, she continued, but a company may set its own policies and should consider exceptions in the best interest of a customer.

Psychiatric service dogs, however, must be accepted since they have been trained to perform a specific task for their owners.

Operators have also expressed confusion over when and where to deploy their lifts in compliance with ADA rules, especially if conditions at the bus stop are not conducive to deploying the lift.

Those rules remain unchanged, according to Van Horn.

"Passengers who require a lift must be allowed the same opportunity to embark and disembark as other passengers, including at intermediate and rest stops," Van Horn stated.

The regulations state the only exceptions are if the lift cannot be deployed, the lift will be damaged if deployed, or if temporary conditions at the stop preclude the safe use of the stop by all passengers.

"In practical terms, this may mean moving the bus a short distance from the usual disembarkation point to safely deploy the lift," Van Horn stated.

Another area of confusion involves whether a disabled passenger may choose to transfer to a seat or to remain in a wheelchair or scooter.

The passenger has the right to make that choice, Van Horn said, even if advised being in a seat may be safer, and the driver should contact dispatch to document it in case a problem subsequently arises.

'If a bus company posted this…'

WASHINGTON — The Transportation Security Administration has introduced a toll-free telephone help line for air travelers with disabilities and medical conditions.

The only problem is the help line doesn't appear to measure up to Americans with Disability Act standards — certainly as they apply to the bus and motorcoach industry.

"TSA Cares" is the new service set up by the federal agency where individuals with disabilities can call — (855) 787-2227 — before they travel "for answers to questions about screening policies, procedures and what to expect at the security checkpoint.

"TSA recommends passengers call about 72 hours before traveling so that when needed, TSA Cares can coordinate checkpoint support with a TSA customer service manager at the airport."

Now, if a bus or motorcoach company tried to get away with a 72-hour requirement you can bet the U.S. Department of Justice would be all over it.

Anything more than 48 hours would result in the rack for a coach operator.

Small businesses should keep eye on bigger picture

WASHINGTON — A University of Maryland business college professor says owners and managers of even small businesses should keep an eye on national and global events.

Writing in *The Washington Post*, Dr. Cliff Rossi, executive-in-residence and Tyser Teaching Fellow at the Robert H. Smith School of Business at the University of Maryland, says there are four areas to which small business owners and managers should be particularly attuned:

1. Market psychology. By checking consumer confidence indices, you can "get a pulse on customer psychology to help determine whether 2012 will be a year of playing offense or defense."

Advice: Don't make any major moves until the outlook remains positive for several months.

2. Economic policy. 2012 is an election year, so you can count on hearing lots of plans and promises for helping small business.

Advice: Don't expect helpful policy measures to emerge until after next year.

3. Credit. After a record-breaking year in 2011, the Small Business Administration will be unlikely to lend as much in 2012, and credit from banks will remain tight.

Advice: Watch for government initiatives but focus on exploring private sources of capital for borrowing needs.

4. Economic performance. The debt crisis in Europe is the real wild card for 2012. As long as it lingers, it will depress financial markets.

Rossi also sees unemployment remaining high as long as the housing market is weak.

His advice overall: Focus on maintaining your business' core value, don't overreach in your market, and preserve capital where possible.

IRS announces 'mileage' rates

WASHINGTON — The Internal Revenue Service has announced rates for 2012 income tax deductions for miles driven for business and other purposes.

The business rate stays at 55.5 cents a mile, the same as it has been since last July.

A deduction of 23 cents a mile will be allowed for medical or moving travel, and 14 cents a mile on travel for charitable purposes.

Low-cost coach

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and even expand our position in the global American market.

"Without this important foreign investment Van Hool's position in the American market was under threat," Van Hool said.

Van Hool said it picked a location in Macedonia, near the capital city of Skopje, after conducting an in-depth feasibility study.

For the geographically challenged, the Republic of Macedonia is in the central Balkans of southeast Europe. It is one of the successor states of the former Yugoslavia, from which it declared independence twenty years ago.

A landlocked country, Macedonia is bordered by Kosovo to the northwest, Serbia to the north, Bulgaria to the east, Greece to the south and Albania to the west. Skopje, the capital, has roughly a half-million residents.

Macedonia remained largely peaceful through the Yugoslav wars of the early 1990s but it was seriously destabilized by the Kosovo War in 1999, when an estimated 360,000 ethnic Albanian refugees fled to Macedonia.

Most of the refugees left after the war but Albanian nationalists on both sides of the border took up arms in pursuit of independence for the Albanian-populated areas of Macedonia.

The Albanian insurgents and government soldiers fought a short civil war in the north and west of the country between March and June 2001. NATO intervened, resulting in a ceasefire and relative calm. Since then, efforts have been made to provide greater political power and cultural recognition to the Albanian minority.

A Macedonian source indicated plant construction would begin in two to three months.

"ABC is proud to support and share the long-term vision of our valued Van Hool partner," said Dane Cornell, president and CEO of ABC Companies. Van Hool owns 35 percent of ABC.

"We are excited about this decision to expand production capacity, which was solely driven by our shared vision to invest in the North American market," said Cornell.

"The commitment to increasing their manufacturing capabilities directly correlates with growing U.S. demand for European technology that enables American operators to continuously evolve and innovate fleet operations," Cornell added.

Cornell's comments were included in a statement from ABC, noting that the new plant will enable Van Hool to continue to deliver products that offer North American operators "consistent long-term pricing and greater scalability, as well as reduced cycle time from order to delivery."

The Van Hool announcement essentially confirms reports that have circulated in the U.S. motorcoach industry for months that ABC was investigating importing a lower-cost motorcoach to fill the void left by the collapse of Bus & Coach International and its BCI Falcon, and to compete with the Volvo 9700, which is built in Mexico, and meet competition from others who import coaches from countries with lower wage rates, notably China, Turkey and Brazil.

The announcement from Van Hool was coupled with a statement that ABC also has committed to buy and distribute 210 Van Hool coaches made in Belgium. These would primarily be Van Hool models ABC has been distributing in recent years, including the C2045, the T2145 and the TD925.

Dane Cornell

"Over the next few years, 210 coaches will be built in Belgium for the American market," said Van Hool. "Without the investment in a new manufacturing plant abroad, Van Hool would never have won this order," the bus builder noted.

The No. 1 North American customer for Van Hool/ABC has become megabus.com, which buys double-decker TD925 model Van Hools by the boat load. In December, Stagecoach Group, the Perth, Scotland-based parent company of megabus and Coach USA/Coach Canada, announced it planned to purchase 95 more double-decker Van Hools this year for its North American network.

The $62.6 million purchase, or roughly $660,000 per coach, calls for the 81-seat coaches to be delivered between now and summer.

Many of them will run out of megabus' newest hub, in Atlanta, to 11 cities in Alabama, North Carolina, Tennessee, Florida and Georgia. megabus now links 72 cities in the U.S. and Canada. The Atlanta hub is operated under contract by Coach America.

In addition to buses and coaches, Van Hool produces industrial vehicles, primarily tank and truck trailers. Established 65 years ago, it employs more than 4,000 people.

Coach sales

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particular area," noted Larry Plachno, editor of *National Bus Trader* magazine, which compiles the industry sales figures.

"Van Hool's numbers were up on their popular C2045 because deliveries got concentrated in the fourth quarter. Temsa and CH Trading had a similar situation with their TS-35," said Plachno.

"Prevost saw an increase in sales of X3-45 coaches (in the fourth) quarter because of the NYMTA order, and MCI likewise saw an increase in sales of D4000 coaches because of the CNG order for Los Angeles."

In spite of these special situations, Plachno said the overall numbers still look good.

The out-of-kilter market upset a number of sales benchmarks tracked by Plachno. For instance, the top three seated-coach models represented a market share of only 39 percent in the fourth quarter. That was down from 44 percent in the third quarter. During the past year, the top three seated-model coaches have represented from 45 to 50 percent of the market.

The market share of imported coaches in the fourth quarter was about 32 percent, compared with 27 percent in the fourth quarter of 2010.

The import market share was as high as 33 percent in the third quarter of 2010 and came in at 31 percent in the second quarter of 2011.

The elevated fourth-quarter 2011 figure reflects the bunched-up deliveries of Van Hool C2045s and Temsa TS-35s.

Sales into Canada, traditionally around a 10 percent market share, fell off the table in the fourth quarter of 2011, dropping to 4.6 percent.

During the first three quarters of last year, the percentages were 22, 17 and 20 percent.

The market share for Canada was below 5 percent in the third and fourth quarters of 2010.

Deliveries of conversion shells were up slightly during the final quarter of last year, but flat on a percentage basis. A total of 24 shells were sold during the final three months of last year, or 4.3 percent of the total. That compares with final-quarter 2010 shell sales of 18, also 4.3 percent of that period's total.

The abnormal fourth-quarter sales pattern also played havoc with the National Bus Trader "Hit Parade of Popular Seated Coach Models."

The seated model posting the most deliveries during the quarter was the Prevost X3-45, aided by the big New York MTA order.

No. 2 was the Van Hool C2045, which had deliveries concentrated in the fourth quarter.

No. 3 was the Prevost H3-45, which was a strong sales performer throughout the year.

No. 4 was the MCI D4000, boosted by the large order from the Los Angeles Department of Transportation.

No. 5 was the J4500

No. 6 was the MCI D4500

No. 7 was the Temsa TS-35, which had 33 deliveries bunched at year end.

A year ago, the most-popular seated models were the J4500, MCI D4505, H3-45, Van Hool T2145, Setra S 417, D4500 and C2045.

For more information, contact Plachno by phone at (815) 946-2341, or email at *lplachno@busmag.com*.

MCI reliability starts at the core.

At MCI, we are totally focused on building the most reliable coaches in the industry.

Engineered for reliability. At MCI, the details are in the product. Our Semi-Monocoque construction is strong, safe and the foundation of our coach reliability. From the beginning, our experienced engineering team designed features into the J4500 frame, such as crafting it from stainless steel to resist the elements. In addition, they use one-piece tubing in critical areas for enhanced strength. Finally, our technicians meticulously weld to exacting standards, creating the fundamental building block for reliability. The assembly is then completed in our ISO 9001 certified facilities.

Reliable components. Our teams constantly ask "Will it be reliable?" and "Can we make it better?" These questions along with customer feedback drive us to use proven components and constantly refine our product for long life and reliability.

At MCI, reliability is not only at the core of our structure, it's also our core belief.

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