

Bus & Motorcoach NEWS

WHAT'S GOING ON IN THE BUS INDUSTRY

Operators institute fuel surcharges with mixed results

With diesel fuel prices at their highest point in nearly 30 months, motorcoach operators are again turning to surcharges to help offset the escalating cost of keeping their coaches on the road.

"We try to get as much as we can without running people off," said Ralph Young of Young Trans-

portation & Tours in Asheville, N.C., who recently began adding a 3 percent fuel surcharge for new bookings.

He said the extra charge will remain in place until the end of March and then jump to 5 percent for at least the following two months.

"It's not covering everything but it's helping," he noted.

Young is among a growing number of operators around the country who — for the past six months — have been struggling to figure out the best way to cope with the climbing price of diesel fuel.

Diesel prices began rising last July and haven't stopped. They rose every week in December and January, jumping a total of 26.8 cents a gallon during those two months, according to the U.S. Department of Energy. The trend continued in February.

The energy agency, which

tracks national fuel prices weekly and is the source motorcoach operators use when setting fuel surcharges, said the most recent national average of \$3.53 a gallon is 77 cents higher than it was a year ago.

However, the price is even

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UNITED MOTORCOACH ASSOCIATION

New at MOTORCOACH EXPO 2011



More than 30 motorcoaches and buses, both new and used, were lined up for attendees at Motorcoach Expo to consider for their fleets. A look at what was new from manufacturers begins on Page 10.

New York City parking: The urgency mushrooms

NEW YORK CITY — A new effort is underway to help relieve the worsening parking conditions that charter-and-tour bus drivers find just about every time they make runs to the city's busy midtown section.

A special committee studying the problem said the issue must be dealt with immediately before it gets worse and further impacts plans by city officials to boost the number of tourists who visit the city annually.

"As New York City's economy grows, accommodations for the effects of that growth, including the demand for more bus parking, must be addressed," the bus subcommittee of the Mayor's Midtown Citizens Committee said in a new report and survey on the issue.

The group emphasized that steps must be taken immediately to man-

age charter-and-tour bus activity, which it called a segment of tourism that is becoming increasingly important to the local economy.

The full committee agreed with the assessment and announced it will follow up the report with meetings seeking support from elected officials, municipal agencies, community boards, private entities and others.

"New York is a very large bureaucracy and we will have to meet with a lot of different agencies and others," said William H. Daly, chairman of the citizens committee. "This will be the first step in a long process to reach our short- and long-term goals."

According to the report, short-term goals include finding additional curbside parking for charter and tour buses and upgrading

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Emissions rules accelerated for buses operating in California

SACRAMENTO, Calif. — In 10 months, all motorcoaches built between 1996 and 1999 and operating on California roadways, even by companies not based in the Golden State, must meet revised emissions standards that require the installation of particulate matter filters.

For 1996 and 1997 models the

requirement is particularly onerous because those coaches previously had been exempted from the filter requirement.

But, under revamped rules issued by the California Air Resources Board, buses built in those years must meet the same requirement as coaches built in 1998 and 1999 and have filters that block

particulates.

The board made the changes to the Statewide Truck and Bus Rule partially because of emission concessions it adopted last year for heavy-duty construction equipment, according to Elizabeth White of the state board.

She said the concessions, which were made in response to the sharp

downturn in the state construction industry, caused the board to juggle the deadlines for other vehicles to meet mandated statewide air pollution standards.

The standards were established using emission data for engines used in a cross section of on- and off-road commercial vehicles.

"They needed the changes to

meet their overall inventory," noted California-based motorcoach industry consultant James Seal. "That's the bad news."

In addition to changing the rules for '96 and '97 engines, the board also tweaked deadlines for some other models and established new credits for operators that in-

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Coach America loan provisions retooled, cash infused

DALLAS — Coach America and its lenders have entered into an amended and restated senior secured credit facility that could keep North America's largest tour-and-charter motorcoach operator from having to restructure financially.

A key aspect of the deal is an additional \$25 million equity investment from Coach America's owners and the conversion of \$24.5 million in second-lien debt held by an affiliate of the company's shareholders into common equity.

The amended credit terms reset

the applicable leverage ratio test, modify certain other terms of the credit facility, and provide the company with "additional operating flexibility" for the future.

Announcement of the loan accommodations came roughly two weeks after Moody's Investors Service downgraded Coach America's credit ratings and warned the company may soon have to engineer a financial restructuring.

Moody's questioned whether Coach America could avoid defaulting on some of its debt.

The \$24.5 million debt-to-equity swap apparently will reduce Coach America's second-lien debt from \$55 million to just over \$20 million.

Coach America's total debt before the announcement was more than \$370 million.

"This new investment and debt-to-equity conversion together represent almost \$50 million of equity investment, and reflect our continuing belief that there is significant potential for revenue and earnings growth," said Gregg Smart, manag-

ing director of Fenway Partners, Coach America's largest shareholder. "We are pleased we have crossed this watershed."

Added George Maney, president and CEO of Coach America: "This process and investment match up our debt financing with our business plan and give us important operating flexibility to continue to grow our franchise and serve our customers."

Early last month, Moody's, the leading credit-rating service, lowered Coach America's "corporate family rating" and "probability of

default rating" to Caa1 and Caa3, respectively, from B3.

The reduced corporate family rating "incorporates the expectation of continued high leverage and weak credit metrics due to ongoing softness in macroeconomic conditions, including persistent high single-digit unemployment levels," said Moody's.

The Caa3 probability of default rating "reflects the increased likelihood the company might have to enter into a restructuring due to the

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Big cities target practices of curbside operators

ALBANY, N.Y. — Intercity operators that pick up and drop off passengers along some of New York City's busiest streets would be required to pay for their curbside stops under legislation being considered by the New York State Assembly.

The proposal introduced by the assembly's powerful speaker, Sheldon Silver, would allow city officials to establish a permit system for curbside operators and designate pick-up locations for them.

"For too long, the streets of Lower Manhattan, and particularly Chinatown, have been overrun by

private, intercity buses that have no clear rules for where and how they are allowed to operate," Silver said.

"Because of a lack of adequate regulation of this industry, we have had to contend with traffic congestion, pollution caused by idling buses and dangerous conditions for pedestrians."

He said his legislation is aimed at bringing "order to that chaos" by allowing the city to regulate the bus industry in a way that will improve the quality of life for the community and make its streets and sidewalks safer.

Introduction of the legislation comes at the same time transportation officials in numerous other cities in the East are beginning to look at regulating curbside bus parking.

While most of them have strict parking regulations for large trucks and other commercial vehicles, very few have ordinances that address intercity buses.

Washington, D.C., recently released a pay-to-park proposal for curbside operators, but it is being revised following public comments and will not be ready for release until sometime later this month or

early next month, according to spokesman John Lisle.

The initial measure would have required intercity carriers to apply for specific parking places and pay an annual fee for them based on the size of the spaces and amount of time each day they would need them.

Eulois Cleckle of the D.C. Department of Transportation said curbside parking for intercity buses was a topic at the annual meeting of the Transportation Research Board in January and several major cities — Philadelphia and Baltimore among them — indicated they are

considering addressing the issue soon.

He said intercity buses have been "flying under the radar" for some time and need to be looked at now because of the large number of new companies that have entered the market.

Boston is one of the few cities that does not allow curbside parking for motorcoaches and instead requires them to use South Station, a city-owned terminal.

In New York, many of the buses that line the curbs are operated by

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THE DOCKET

Onboard recorder rule opposed, safety link questioned

ALEXANDRIA, Va. — One of the nation's largest independent trucking associations plans to oppose the proposed federal mandate requiring the use of electronic onboard recorders because it says there is no evidence the technology will improve highway safety.

"There's got to be a nexus between EOBR use and improved highway safety," said Christopher Burruss, president of the 700-member Truckload Carriers Association.

"The other issue that we have is that, rather than coming out with a mandate, we would like to see a pilot first."

The Federal Motor Carrier Safety Administration-proposed rule, announced at the end of January, would require nearly all interstate truck and bus operators to install electronic onboard recorders to monitor their drivers' hours-of-service compliance. (See February issue of *Bus & Motorcoach News*.)

FMCSA says it plans to have a final rule in place by June 2012, and that carriers would have an additional three years after that to comply.

The agency says the rule would improve highway safety because

the technology would "enable motor carriers to track their drivers' on-duty driving hours accurately in order to prevent regulatory violations or excessive driver fatigue."

Yet, FMCSA has been cautious about drawing a direct link between EOBR use and improved safety because the agency said it doesn't have the ideal data to back up the connection.

For that reason and others, two other trade groups, the Owner-Operator Independent Drivers Association and the National Association of Small Trucking Companies, also have indicated they will oppose the mandate.

Both groups dispute claims that EOBRs will improve safety, and have complained they will be cost-prohibitive for their members.

Meanwhile, the giant American Trucking Associations is continuing to review the proposed EOBR rule. It seems unlikely, though, that the ATA will oppose the rule.

"As much as we have individuals in our industry who are unwilling to embrace electronic logging, it's going to happen," said Bill Graves, ATA president. "If you happen to be one of those folks, I suggest you start to think in those terms."

Many large trucking companies are already installing EOBRs because they say the technology not only helps them comply with the hours rule but also assists in fleet management.

A new wrinkle in the debate has cropped up: Many states don't have the technology to assure smooth

enforcement of carriers using electronic onboard recorders.

Members of the Technology & Maintenance Council's EOBR task force said law enforcement officials in some states currently lack the technology needed to download and analyze electronic driver records. Consequently,

EOBRs would have to be visually inspected during traffic stops, just like the paper logbooks they're designed to replace.

"Law enforcement is hampered right now," said Capt. Daniel Meyer of the Kansas Highway Patrol. "A lot of states don't have the technology. Kansas is one of them."

Report: Rural areas lose access

While intercity bus traffic has mushroomed between large cities in the northeastern and eastern United States, rural intercity bus transportation has plummeted.

The U.S. Department of Transportation Bureau of Transportation Statistics reports that intercity buses provided access to 78 percent of rural residents in 2010, more than any other mode, but down from 89 percent in 2005, or a drop of more than 14 percentage points.

Most of the decline was attributed to cutbacks by Greyhound Lines. Beginning in mid-2004, Greyhound eliminated hundreds of stops in states across the U.S.

As many as 3.5 million rural residents lost access to scheduled intercity transportation between

2005 and 2010, dropping the percent of rural residents with access to intercity air, bus, ferry or rail transportation to 89 percent, according to the report from the Bureau of Transportation Statistics (BTS).

Five years ago, BTS calculated that 93 percent of rural residents had access to intercity transportation.

An estimated 8.9 million rural residents lacked access to intercity transportation in 2010, up from 5.4 million in 2005.

Of the 71.7 million rural residents retaining access in 2010, 3.7 million lost access to more than one intercity transportation mode during those five years.

The report, entitled *The U.S. Rural Population and Scheduled*

Intercity Transportation in 2010: A Five-Year Decline in Transportation Access, draws its numbers from the BTS Intermodal Passenger Connectivity Database.

BTS defines access to transportation as living within 25 miles of a non- or small-hub airport, bus station, ferry terminal or rail station providing intercity service, and within 75 miles of a medium- or large-hub airport.

While buses continue to provide more intercity transportation access than any other mode, it also shrank the most of any form of ground passenger transportation during the 2005-10 period.

Air service coverage remained unchanged from 2005 to 2010 at 72 percent, while intercity rail access declined from 42 percent to 40 percent of the rural population.

All rural residents of five northeastern states, Connecticut, Delaware, Massachusetts, New Jersey and Rhode Island had access to at least one intercity public transportation mode in 2010, as they did in 2005.

At the same time, North Dakota had the lowest percentage of rural residents with access to intercity transportation. Only 52 percent had access to at least one mode in 2010, down from 59 percent in 2005.

Alabama saw the largest decline between 2005 and 2010 in the number of rural residents with intercity transportation access. In 2005, 94 percent of rural Alabama residents had transportation access. With almost 700,000 rural Alabama residents losing access, only 65 percent had coverage in 2010.

The full report is available on the BTS website, www.bts.gov. It provides more detail on rural coverage by mode, rural coverage by state, and rural coverage by mode and state.

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Penalties for nonpayment of UCRA fees can be steep

Enforcement of Unified Carrier Registration Agreement fees for 2011 began last month and, in many states, nonpayment can result in hefty fines.

For at least two states, penalties may include jail time.

States participating in the interstate commercial vehicle registration program sent bus and truck operators their 2011 UCRA report forms late last fall.

The starting date for roadside UCRA enforcement for this year — that is, the date by which operators need to have paid — was Feb. 1.

Below is a list of the UCR enforcement penalties by state.

Alabama: \$100 first offense; \$500 subsequent offense. No out-of-service requirement.

Arkansas: \$100-\$500 first offense; \$100-\$1,000 subsequent offenses.

California: Fine of \$300-\$1,000, plus specific fees that vary by county.

Colorado: \$1,100 first offense, \$2,200 second offense, \$3,300 subsequent. No out of service.

Connecticut: \$170 fine.

Georgia: None presently.

Idaho: Misdemeanor punishable by imprisonment in a county

jail not exceeding six months, or by a fine not exceeding \$1,000, or both. A citation would require a bond to be posted, the amount to be determined by a magistrate judge, but probably around \$300.

Illinois: \$300 first offense, \$500 second offense.

Indiana: \$100 first offense, \$1,000 subsequent offense.

Iowa: None presently.

Kansas: \$100-\$1,000 first offense, \$100-\$5,000 subsequent offense.

Kentucky: \$25 to \$250.

Louisiana: None presently.

Maine: Misdemeanor punishable by a maximum fine of \$1,000, or by imprisonment not exceeding six months or both.

There also is a government surcharge in Maine of 20 percent of the fine and a Victim Compensation Fund assessment of \$10.

Massachusetts: \$100 first offense, \$200 subsequent offense.

Michigan: Up to \$500 for for-hire carriers.

Minnesota: \$100 fine, plus \$78 in court costs.

Mississippi: Misdemeanor; \$125 first offense, \$150 second offense.

Missouri: Varies by county;

with an audit, state can impose a general fine up to \$2,000 per day.

Montana: Warning

Nebraska: Class IV misdemeanor with a minimum fine of \$100. If there is evidence of multiple ongoing violations, law enforcement would seek a greater fine.

New Hampshire: None.

New Mexico: \$50 penalty assessment misdemeanor. With formal proceeding, up to \$10,000 per day.

New York: With formal proceeding, up to \$5,000.

North Carolina: None.

North Dakota: None, but can hold IRP and IFTA renewals for UCR nonpayment.

Ohio: \$100 civil forfeiture.

Oklahoma: \$300 first offense, \$400 second, \$500 subsequent.

Pennsylvania: None.

Rhode Island: \$300.

South Carolina: \$232.50.

South Dakota: \$154 fine.

Tennessee: State base fine of

\$50, plus court costs that are county specific.

Texas: Class C misdemeanor, which is punishable by a fine of \$1 to \$500, plus court costs. The fine amount is set by the assigned judge noted on the citation.

Utah: CVSA inspection first time.

Virginia: Class IV misdemeanor, \$250 fine.

Washington: None.

West Virginia: \$100-\$1,000.

Wisconsin: \$750.

Community Spec clients won grants

ATHENS, Ga. — More than half of the motorcoach companies that were awarded over-the-road bus accessibility grants in the latest round of federal largesse used Community Spec LLC to write their grant applications, figures from the company show.

A total of \$20 million in grants were awarded by the Federal Transit Administration in December to 128 motorcoach companies to help pay for retrofitting buses with wheelchair lifts or to offset the cost of lifts on new coaches. (See Jan. 1 *Bus & Motorcoach News*.)

Community Spec says it wrote

grants for more than 70 transportation organizations and that 95 percent of the companies were awarded a grant.

“We are very excited for all of our clients and partners in the motorcoach industry who will be impacted by (these) awards,” said Anthony Vaccarello, president of Terrapin Blue, parent company of Community Spec.

“It is a humbling experience to have assisted so many people with this important project, and we look forward to years of continued success.”

The federal bus accessibility

grant program was designed to help motorcoach operators make their fleets compliant with the Americans with Disabilities Act through the purchase of new wheelchair lift equipment.

Retrofits, new wheelchair lifts and operational training of the equipment are all costs covered by the grant awards.

The program requires an operator match of 10 percent.

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CARB OKs cap-and-trade plan

SACRAMENTO, Calif. — The California Air Resources Board has endorsed the concept of a cap-and-trade program that will eventually set limits on emissions by transportation fuels.

The regulation, which still is being developed, is expected to take effect next year, with industrial sources of greenhouse gas emissions, such as utilities, targeted first, and then expand in 2015 to include distributors of transportation fuels.

CARB endorsed the program to achieve greenhouse gas emis-

sion goals set by a climate change law, AB 32, California passed in 2006.

The program will set limits on greenhouse gas emissions with the aim of creating a price incentive to stimulate investment in cleaner fuels and more efficient use of fuel.

The move comes as the U.S. Congress has abandoned a national cap-and-trade program, which had been stoutly resisted by business interests and many Republicans on grounds it amounted to a tax on energy.

Law seeks to make CARB more transparent

SACRAMENTO, Calif. — California has a new law designed to make the California Air Resource Board's enforcement efforts more transparent.

CARB is now required to:

- Provide a clear explanation of how penalties are assessed on a per-unit basis

- Develop a written, consistent penalty policy that ensures the largest penalties are imposed on serious violations that adversely impact air quality (due this month)

- Report penalties to the legislature annually

Commented one state senator who drafted and sponsored the legislation: "CARB holds businesses accountable when they violate the California regulations they oversee.

"The problem is that there was nothing that held CARB accountable in how the penalties were determined or the reason for the violation. This important piece of legislation is a significant step in the right direction in showing the business community that the state of California is willing to work with them."

The agency, however, had said it already does what the law requires, working closely with companies to explain fines.

Critics have contended it wasn't clear how CARB applied criteria or policies when it assessed penalties.

Proponents of the bill said the agency's practices resulted in a subjective, ad hoc enforcement program that did not clearly or consistently distinguish serious violations that harm air quality from minor administrative glitches.

CARB rules

CONTINUED FROM PAGE 1

stall filters on their vehicles before the deadlines.

Under the old rules, 1998 to 2000 engines were to be equipped with the filters no later than Jan. 1, 2012. That deadline now applies to all coaches built between 1996 and 1999.

The deadline for 2000 engines was moved ahead one year to Jan. 1, 2013, the same deadline set for 2001 to 2004 engines. The deadline for 2005 and 2006 engines re-

mains at Jan. 1, 2014, as does the deadline for 2007 and newer engines that are not already equipped with particulate filters.

There were no changes made for engines built before 1995, all of which do not require filters but which are either to be phased out of service or re-powered by an engine that meets 2010 emissions standards. For 1993 and older buses, that compliance date is Jan. 1, 2015, and for 1994-95 coaches, the compliance date is Jan. 1, 2016.

Although advancing the deadlines was considered a blow to op-

erators that have older coaches in their fleets, Seal said the board's actions did contain some good news.

Among them is a reward for motorcoach operators that opt to equip their entire fleets with the filters before 2012 — they will be allowed to operate those vehicles until 2023, three years longer than the original 2020 deadline.

In addition, those that retrofit any of their coaches by July 1, will be allowed to exempt until 2017, one of their other coaches on a one-to-one basis.

Seal suggested that the pre-

ferred alternative for some motorcoach operators to meet the emission standards might be the percent of fleet option, which allows operators to put filters on a certain percentage of their fleet each year over a five-year period beginning in 2012.

He said while the deadlines were unchanged, the phase-in option now allows for credits for 2007 and newer engines if purchased prior to Jan. 1, 2012. Annual reporting is required for this option, he said.

Under the phase-in option, op-

erators can comply with the emission regulations by equipping 30 percent of their fleet with filters by 2012, 60 percent by 2013, 90 percent by 2014 or 2015, and 100 percent by 2016.

All of the revised emission rules extend not only to buses and trucks registered in California but also to those that travel into the state from other states and Canada.

For more information about the regulations, go to www.arb.ca.gov, click on "A-Z Index" and then scroll down to "Statewide Truck and Bus Rule."



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Tire producers raise prices as rubber costs climb

Truck and bus tire manufacturers have boosted prices by up to 12 percent in recent weeks, pointing to rising raw materials costs.

At the same time, industry analysts have raised concerns about future supplies because of climbing sales of new over-the-road trucks and trailers.

A double-digit price increase would mean that a tire that previously cost \$350 would now be at least \$35 more. A 12 percent increase would push the tire price to \$392.

Increases by Bridgestone Bandag, Michelin, Continental Tire, Goodyear Tire & Rubber Co., Yokohama Tire Corp., and Double Coin have been reported.

Prices for two key tire components — natural and synthetic rubber made from petroleum — have risen dramatically, reports the Tire Industry Association.

Rubber has nearly quadrupled in price during the past two years, to \$2.15 a pound, and oil has surged to around \$90 a barrel.

The surge in big truck and trailer sales wasn't anticipated, complicating production plans. Most tire manufacturers reduced capacity and

idled plants to manage their inventories last year.

Industry executives say 2010 caught them by surprise. The market prediction for growth of big rig sales was low single digits, but the growth percentage ended in the high teens.

Some estimates show that indus-

try inventory levels are at an all-time low and production capabilities are limited due to shortages in raw materials. Given the squeeze, industry analysts say tire demand could outstrip supply for the next couple years.

The latest price increases began taking effect in December.

Yokohama raised prices up to 6 percent, while Continental levied an increase of up to 8 percent. Michelin also raised prices an average of 8 percent in December.

Goodyear has not publicly announced its pricing actions, but a 12 percent increase has been reported

for the U.S. tire maker.

Rubber prices now are about 50 percent higher than they were when crude oil hit its all-time high of \$147 a barrel in 2008. And, there is fear rubber prices could spike even higher based on pricing actions on some world commodity exchanges.

MV Transportation buying regional dealer BusWest of California

FAIRFIELD, Calif. — A unit of MV Transportation, the nation's largest provider of paratransit services and the largest privately-owned transportation contracting firm, plans to purchase the assets of BusWest, one of the nation's largest regional bus dealers.

MV Sales and Leasing Inc., a wholly-owned subsidiary of MV Transportation, announced it had signed a definitive agreement to acquire the assets of BusWest, which is headquartered in Carson, Calif., and has bus sales and service facilities in Nevada, New Mexico, Arizona, Texas, Hawaii and California.

Among the bus offerings of BusWest are Caio motorcoaches, Turtle Top and Ameritrans cutaways, and Thomas Built school buses.

MV Transportation is buying BusWest from Velocity Vehicle Group of Los Angeles, which owns Los Angeles Freightliner, San Diego Freightliner, Las Vegas Freightliner, Crossroads Lease & Finance, and several other trucking-related businesses.

Based in Fairfield, MV Transportation employs more than 12,500 people and operates more than 190 paratransit, fixed-route, shuttle and Medicaid contracts in 26 states, the District of Columbia and British Columbia. It had sales of roughly \$750 million in 2010.

The deal is expected to be completed within the next few months and includes BusWest's equipment/inventories, employees and parts/service operations — most everything except liabilities.

"BusWest couldn't be more fortunate than to be acquired by such a fine group," said Jim Bernacchi, president of BusWest. "We are eager to facilitate a quick and smooth transition to MV Sales and Leasing."

BusWest management and operations will continue to be directed by Bernacchi, with all people and positions expected to remain for the foreseeable future.

Gary Willms, president of MV Sales and Leasing, said the acquisition would further MV Sales and Leasing's goal for a "near-term, market-effective distribution program."

Later this year, MV Sales and Leasing will begin distributing the new MV-1, the first mobility vehicle designed specifically for wheelchair accessibility. The MV-1 is being

launched by a Miami company called Vehicle Production Group and built by America General at a plant in Mishawaka, Ind.

MV Sales and Leasing has been named the exclusive distributor of the MV-1 to the municipal paratransit market in the U.S.

"We see tremendous potential with this acquisition as we continue with our strategy of steadily expanding our product and services portfolio in the transportation market," said MV Transportation Chairman Jon Monson.

"Moreover, this acquisition has exciting synergies and affords (MV Sales & Leasing) instant market access, capable distribution and critical support systems for the MV-1 paratransit vehicle."

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Transportation funding becomes political football

WASHINGTON — Proposed spending for transportation is something of an anomaly in President Obama's fiscal 2012 budget submitted to Congress last month.

While planned appropriations for most federal programs are reduced or flat in the Obama budget, suggested spending for transportation is increased — a lot.

But even as the president was proposing, Republicans in the U.S. House of Representatives were focusing on cutting government programs, including some of Obama's high-profile transportation projects.

Not only does the president's fiscal 2012 budget propose increased transportation and infrastructure spending for the year but it also outlines a huge jump during the next six years.

Obama, if lightening should strike and his wishes be endorsed by Congress, would increase federal support for transportation to

\$128 billion in fiscal 2012, compared to \$77 billion in 2010.

The administration also wants a \$556 billion, six-year transportation bill, nearly double what was approved in SAFETEA-LU, the last and now expired six-year transportation legislation.

Though the White House gave no indication where it intends to find the money to support these measures, the president has said that any increased spending must be compensated through reduced spending elsewhere or revenue increases.

Some funding would apparently come from a bipartisan transportation trust fund, though no such plan or proposal yet exists.

The Obama budget attempts to justify the \$50 billion increase for fiscal 2012 by arguing that joblessness remains a significant problem. The transportation spending, the administration con-

tends, would create thousands of jobs for the unemployed.

Though the administration would increase funding for road construction from \$41 billion to \$70 billion, that increase is dwarfed in percentage terms by proposed spending hikes for transit, which would more than double from \$8 billion annually to \$22 billion.

Over six years, spending on capital improvements for public transportation would add up to \$119 billion.

In addition, the White House has endorsed a major increase in spending for its controversial livability program; a \$4.1 billion competitive grant mechanism would be established to fund projects that aid in the construction of such improvements as streetcars, busways, bike paths and sidewalks. (See February issue of *Bus & Motorcoach News*.)

An infrastructure bank, which would fund meritorious programs through a competitive process, remains on the president's agenda after having been proposed for two years in a row without much of a response from Congress.

The I-Bank, as the administration is now referring to it, would receive \$30 billion in start-up funds to begin providing grants. At the same time, \$32 billion in funds for a state-based competitive grant program would be distributed by the USDOT. The aims of these programs have yet to be put forth by anyone in the administration.

In addition to its general budget proposals, the White House earlier revealed it would be pushing for a six-year, \$53 billion plan to expand the nation's high-speed rail network.

The 2012 budget would include \$8 billion for the proposal and merge existing Amtrak subsi-

dies into the intercity rail program. This implies that the national rail carrier would have to begin competing with other groups, including private corporations, to offer services on corridors which the Federal Railroad Administration or states are upgrading.

Meanwhile, many House Republicans have announced their intention to slash funding for high-speed rail and other transportation projects. Many Republicans are convinced they have a winning electoral position in opposing big transit spending plans, and especially high-speed rail.

At the same time, House Transportation and Infrastructure Committee Chairman John Mica, R-Fla., and Senate Environment and Public Works Committee Chairwoman Barbara Boxer, D-Calif., say they have begun work on their own version of a multi-year transportation reauthorization bill.

Survey: Transportation ranks high, but 'no more money'

A super majority of Americans rate the upkeep of roads, bridges and transit systems a high priority, but by an even greater margin they don't want to pay more for it, according to a survey released last month.

Seventy-eight percent of those questioned said private investors should be tapped to help rebuild the country's aging infrastructure.

The poll was commissioned by the Rockefeller Foundation, which has made transportation one of its major initiatives, and was conducted by Hart Associates, a marketing communications firm.

"Transportation infrastructure affects so many critical issues for the country — economy, social mobility and energy — and it drives our economic growth," said Nicho-

las Turner, a managing director of the Rockefeller Foundation.

The telephone poll of 1,001 registered voters came four months after a bipartisan panel of 80 transportation experts warned that the U.S. transportation system was deteriorating so rapidly it would undermine the nation's ability to compete in a global economy.

Headed by two former transportation secretaries — Norman Y. Mineta and Samuel K. Skinner — the group estimated that an additional \$134 billion to \$262 billion must be spent per year through 2035 to rebuild and improve the nation's roads, rail systems and air transportation.

Their report said a major increase in the federal gas tax, which

has remained unchanged at 18.4 cents per gallon since 1993, might be the most politically palatable way to boost revenue in the short term. In the long term, however, Americans should expect to pay for each mile they drive, the report said.

The Rockefeller Foundation infrastructure survey found that Americans don't support either as an option to raise revenues, or support any approach that would tax them directly.

Seventy-one percent opposed a gas tax increase, 64 percent were against new tolls on existing roads and bridges, and 58 percent said no to paying for each mile they drive.

While 66 percent said they thought spending on infrastructure is important, the same number said

the government didn't spend transportation money efficiently.

"People are willing to pay if they have faith they are getting quality," Turner said.

Almost as many said they would support President Obama's proposal to create a national infrastructure bank.

The bank is seen as a way to insulate government investment from the political process, keeping the focus on the most important projects and encouraging investment from the private sector. Approaching transportation from a banker's perspective, advocates say, would emphasize making investments in projects that have demonstrable financial returns.

The survey was released at

about the same time the Obama administration and Congress began their federal budget debates, and while House Republicans embarked on their effort to reduce spending by \$100 billion, and the long-term transportation bill remained stalled in the House and Senate.

The partisan split was underscored when the Obama administration proposed spending \$56 billion over the next six years to develop a high-speed nationwide rail system.

House Transportation Committee Chairman John L. Mica, R-Fla., who has spoken out in favor of high-speed rail in the Northeast corridor, fired back that the projects should be privately financed and operated.

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People

SAN FRANCISCO — **El Camino Trailways**, a motorcoach company with operations in California and Nevada, reports it has hired *Jo Ann Davis* as its director of sales. Davis has 20 years experience in the tour, travel, conventions, meetings, incentives and hospitality industries.

Kumar Shah, El Camino Trailways' chairman, said that with steady growth of the company's tour and travel business, combined with the acquisition of a Nevada-based company two years ago, "we were looking for a sales executive to lead our tour and travel, conventions, and...market-development initiatives."

"In Jo Ann (Davis) we found a unique sales executive with an impressive track record and ability to lead all those market development initiatives for us."

NTA forming religious travel unit

LEXINGTON, Ky. — NTA, formerly the National Tour Association, is developing a religious travel division in the wake of the shutdown of the World Religious Travel Association.

"As a former partner to the World Religious Travel Association, NTA is developing a faith-travel division to continue the momentum established by the WRTA," said Lisa Simon, NTA president.

Simon expects the division to be launched during the second quarter of this year.

Faith-based tourism is estimated to be an \$18 billion worldwide market and 35 percent of NTA tour operators offer religious tour product.

The World Religious Travel Association filed a voluntary Chapter 7 petition in the U.S. Bankruptcy

ORLANDO, Fla. — **iTransit Inc.** has announced that *Laurie Lynne* has joined the company as parts manager of its vehicle service center.

"Laurie has 30 years of experience in the motorcoach industry, mainly within parts and service," said *Jack Farrell*, iTransit director of vehicle services. "Her knowl-

edge in this field will be hugely beneficial to job productivity and customer service."

Most recently, Lynne worked for **Daimler Buses North America** as parts supervisor. At iTransit she will be responsible for estimating, ordering and processing all parts for the service department, and supporting the sales department.

Wright told a travel information website that maintaining the

association had proven to be "an expensive proposition."

The association's mission was to raise the visibility of the religious travel market, and to help provide a focal point for growing the market.

Wright told the travel information website he believed the association had succeeded in establishing faith-based tourism as a key aspect of the travel industry.

In September 2008, the NTA and the World Religious Travel Association announced a cooperative agreement, saying the two organizations would work together to educate members on the value of the faith-based travel market and bring new business opportunities to members of both groups.

NTA helped manage the WRTA's principal annual event.

TAMPA, Fla. — **Prevost Car** has honored two of its sales executives with Sales Team Leader Awards. Receiving the awards were *Glen Gendron* and *Ward Hicken*. Gendron is Prevost's regional sales manager for western and central Canada, and Hicken is regional sales manager for the western United States.

BANY appoints executive director

ALBANY, N.Y. — Godfrey LeBron, president of the Bus Association of New York, has announced a restructuring of the organization's staff, as well as plans for this year's legislative outreach program.



Tammy St. Louis

Tammy St. Louis has been named executive director of the 73-year-old association. St. Louis has been involved with BANY in various positions since 2006, and has an extensive background working with nonprofits and governmental agencies.

Arthur "Jerry" Kremer will continue to function as BANY's legislative counsel. A former member of the New York legislature, Kremer has long lobbied on behalf of BANY in Albany.

LeBron also announced that March 21-22 will be BANY's annual Advocacy and Lobbying Days in Albany.

For info, go to www.banybus.org, or call (518) 383-4621.

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*Based on a comparison of the Automotive News classification of full-size commercial vans. Freightliner Sprinter MiniBus is upfitted by Daimler Buses North America.

New at MOTORCOACH EXPO 2011

Setra unveils S 407 coach, takes aim at new markets

TAMPA, Fla. — Daimler Buses North America was the only major motorcoach supplier to introduce a new bus at UMA Motorcoach Expo 2011.

The new Setra ComfortClass S 407, targeted for both the scheduled-service and charter markets, was officially unveiled at the Tampa exposition.

Based on the proven Setra 400 series platform, the Setra ComfortClass S 407 has a number of features aimed at making the new model more economical to operate in the demanding environment of line-haul service.

Daimler and Setra have been active in North America for more than 25 years, building a reputation primarily as a supplier of luxury touring coaches.

The S 407 is designed to expand Setra into additional market segments, and represents Daimler's commitment to increasing its presence in the North American motorcoach industry, say company executives.

Daimler is the largest producer of buses and coaches in the world.

In 2009, the company built more than 8,500 units for Europe alone. The Setra plant, in New Ulm, Germany, manufactured nearly half that number.

In addition to six European factories, Daimler also has manufacturing facilities in Turkey, South America, South Africa and India.

After conducting extensive market research with operators in the U.S. and Canada, Setra identified design parameters for a new coach that fell into two categories.

The new 45-foot model needed to be rugged and simple to maintain, while being less costly. Familiar features from the Setra S 417 would simplify operations for existing customers.

The S 407 is the product of that research.

The new coach utilizes virtually the same frame as the S 417 — which was introduced to North America in 2003.

Stainless alternative

Setra engineers say that steel treated by Daimler's unique cathodic dip process is both lighter and stronger than the stainless steel frames traditional to North America. It offers ample corrosion resistance, while being easier to repair in the event of an accident.

The entire coach frame is submerged in rust preventative chemicals, while an electric charge is applied. The process has been used successfully for years on coaches built for Europe and North America. And Setra provides a 10-year warranty to its customers.

Both the S 417 and the S 407 meet the stringent European ECE R66 frame strength regulations. Currently, there are no equivalent North American regulations to the ECE R66 rules.

The two coaches also share suspension, brakes, most body panels and doors, as well as exterior glazing, and drive train. A newly designed lavatory offers inside maintenance access and a safer, rear-facing seat.

Styling is a bit different, and the S 407 features rub rails on baggage doors; U.S.-made, energy-absorbing bumpers on the front and rear, and large mirrors in the style and position favored by American coach drivers.

All exterior lighting (and most interior) is LED, offering the benefit of reduced electrical load and the possibility of bulbs lasting the life of the coach.

New seats, too

Setra is the largest manufacturer of coach passenger seats in Europe, and it has designed a unique seat for the S 407 called Setra Route. In addition to reducing weight and cost, it uses less space, allowing for a nominal passenger capacity of 56.

The Setra Route seats are available with two- or three-point seatbelts that meet stringent European standards. An additional passenger seating option from American Seating, the Premier, providing a three-point seatbelt, also is available.

Cost savings for the S 407 were realized by using proven parts and systems currently installed on other coach models being assembled in New Ulm. Buying them in large quantities not only saves money as the vehicle is being built, but the high volume means they will be both available and inexpensive for maintaining the coach.

The HVAC, along with the simplified color dashboard, entertainment system, and passenger service modules are used in a number of Setra and Mercedes-Benz buses and coaches and are examples of



Setra's new S 407, based on North American design concepts, was a popular draw at Expo.

areas where costs are reduced without sacrificing quality.

In some cases there are fewer features, but reliability and durability remain intact.

The S 407 is built on the same assembly line as many other models, including the S 417.

One of Setra's hallmarks, say company executives, is a commitment to quality control that is embedded in the manufacturing process. Rather than trying to inspect quality into the coach at the end of production, it passes through a number of "gates" where problems are identified and corrected by the workers who made the installation.

What's in back?

Setra was the first North American motorcoach supplier to commit all its production to meeting 2010 emissions standards. U.S. emissions regulations permit technology similar to what they'd been building in Europe for several years, so the new engine configuration for the U.S. market has an established track record as far as Setra is concerned.

The S 407 and the S 417 share the same power train, using the Mercedes OM 471 coupled to an Allison WTB 500 transmission, with the ZF Astronic available as an option.

The OM 471 is virtually the same engine being offered by other coach manufacturers in North America as the Detroit Diesel



Kevin DeHart, vice president of new motorcoach sales for Daimler Buses North America, exits the new Setra TopClass S 417 that was displayed on the Expo floor. The coach was purchased at Expo by Canadian operator Trius Tours of Charlotte Town on Prince Edward Island. Trius Tours' fleet includes 15 Setra touring coaches.

DD13, with service and warranty repairs available at Detroit Diesel Service Centers.

Both the 450 horsepower and 410 horsepower versions of the engine are offered in the S 407, as well as several variants of drive axle ratios, in an effort to optimize the drive train to the customer's operation.

The extra equipment required to meet 2010 emission standards required a re-design of the engine compartment for Setra coaches. A down side is that it is no longer possible to install a wheelchair lift in the right rear corner of the coach.

ADA-equipped coaches will have a cassette-type lift installed in

the bottom of a luggage bay, behind a newly redesigned door. Luggage can be stacked on top of the cassette, minimizing the loss of space.

One benefit of the new engine installation is the use of three 140-amp, air-cooled alternators. Each has a separate belt, and a coach may be able to limp home on just one. This adds both electrical capacity, and redundancy to an already proven multiplex electrical system.

Since the launch at UMA Motorcoach Expo, Setra has had the S 407 on the road, showing operators across the country the new ComfortClass coach.

First deliveries are expected during the third quarter.

Prevost milestone reflects commitment to industry

TAMPA, Fla. — Prevost marked a major milestone at UMA Motorcoach Expo 2011, showcasing its 15,000th vehicle — a newly redesigned 2011 H3-45.

Since 1924, when cabinetmaker Eugène Prevost was asked to build a custom bus body for a REO truck chassis and received several repeat orders after delivering the first one, Prevost Car has been producing popular coaches for the North American market.

The 15,000th coach is reflective of Prevost's continued commitment to the motorcoach industry, say company executives.

The H3-45 is Prevost's flagship coach, of course, and the redesigned 2011 model is intended to demonstrate sound innovation, premium quality and customer appeal.

The three principal elements of the new H3-45 exterior — the front end, side profile and rear section — have been restyled, redesigned or refined.

The new front end features proprietary headlamps that, Prevost says, deliver the highest halogen light output ever on a Prevost coach.

Extra space has been carved out behind the restyled front bumper, making it convenient for operators to use fuel-efficient, super-single tires.

Contributing to the sharper side profile are new sculpted wheel arches.

The redesigned rear section features wrap-around tail lamps, which Prevost says are the largest in the



Prevost's redesigned H3-45 turned heads at Motorcoach Expo with its oversize tail lamps and full-width engine compartment door.

industry; a reduced number of air vents made possible by advanced air-flow management in the engine compartment; a full-width engine door, and a top-panel door that provides additional access.

Inside, at the driver station, the new Prevost instrument cluster provides a "driver information display" designed to communicate information more clearly and easily.

A fuel data management function allows better management of fuel stops to optimize trip planning.

An option is a "pre-trip inspection" feature. Among the tests it

will perform are exterior light and air leakage checks.

Prevost has moved controls for key functions from the dashboard to the steering wheel. Controls frequently used by drivers, including cruise control, shifting, engine brake and electric sun visor, have been moved to the steering wheel.

Also new...

New-product introductions offered by Prevost at its 2011 Motorcoach Expo stand also included Prevost AWARE — an adaptive cruise braking system. The tech-

nology helps drivers stay alert, and can slow the coach with an automatic braking system.

Key features of the system:

- Adaptive cruise control: When cruise control is on, AWARE adjusts the coach cruise speed to maintain a safe following distance, taking into consideration the position of the vehicle ahead.

The system automatically returns the coach to the original cruise speed when it is safe to do so. AWARE will decrease speed to try to maintain adequate distance, and if the system realizes that this

intervention will not be sufficient, it will activate the "impact alert," telling the driver to brake.

- Impact Alert: This feature will alert the driver if the distance between coach and the vehicle ahead closes too quickly, giving the driver an opportunity to take action. Impact Alert is always active, protecting the coach (in cruise or not).

- Following Distance Alert: Reminds the driver to keep a safe following distance by indicating when the coach is following too closely behind the vehicle ahead.

MCI emphasizes key features in top-selling coaches

TAMPA, Fla. — Motor Coach Industries returned to UMA Motorcoach Expo this year, offering new environmental, safety and style features for its D-, E- and J-model coaches.

All 2011 MCI models feature electronic stability control, automatic traction control, all-wheel disc brakes and antilock braking, SmartWave® tire-pressure monitoring, Amerex fire suppression system, and optional three-point passenger seatbelts.

Showcased on the Expo floor was MCI's top-selling J4500.

"The 2011 J4500 matches the industry's leading comfort and safety features with the most reliable and eco-friendly powertrain in North America," said Patricia Ziska, MCI vice president and chief customer officer.

The 2011 J4500 comes standard with the Cummins ISX, 11.9-liter clean diesel engine that generates near-zero emissions and better fuel economy with an Allison B500 automatic transmission.

Later this year, the new Detroit Diesel DD-13 engine will be available in MCI coaches.

In addition to its standard wide-ride suspension and patented spiral staircase, the J4500 offers several new options, including:

- The FireCaddy Flame Out foam suppression system

- A steerable tag axle similar to that on the MCI E4500 that reduces turning radius to 45 feet, two feet tighter than the basic configuration

- An upscale interior with a three-point seatbelt on the driver's seat

- LED accent lighting.

A J4500 with the steerable tag axle was available for Expo attendees to test drive. A D-series coach with the new Actia multiplex system also was on hand.

Best sellers, again

MCI again had the three top-selling coaches in North America during 2010, with its J4500, D4500 and D4505 models, according to

figures compiled by *National Bus Trader* magazine.

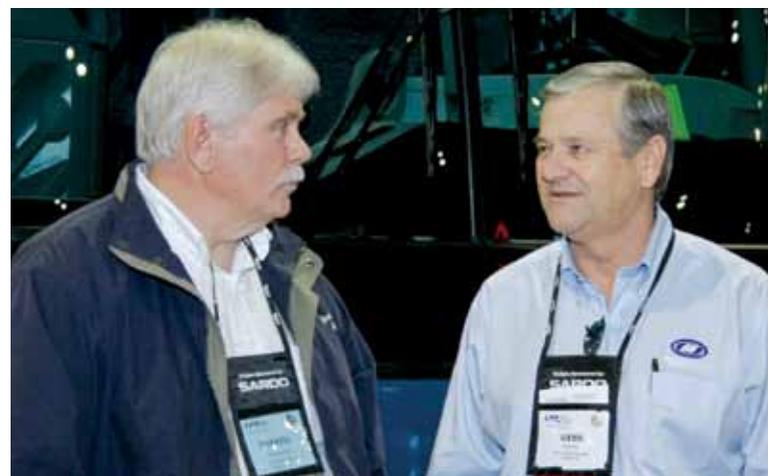
The J4500 has been the sales leader for seven consecutive years.

"We've enjoyed top rankings before but what's particularly gratifying for us is that our latest luxurious, environmentally friendly coaches are attracting new generations of riders that might not have made coach transport part of their daily commute or vacation planning even five years ago," said Ziska.

"We see this as a very hopeful development for our industry and we're very happy to have the right products right now for our operators to serve their growing markets."

Rick Heller, who was named MCI's CEO in November, was at Motorcoach Expo to meet customers and vendors, and to explain the company's strengthened financial status under the ownership of KPS Capital Partners, which acquired controlling interest in MCI in August.

"Our company now has the fi-



Darrell Steverson of Good Time Tours in Pensacola, Fla., left, discusses the 2011 MCI J4500 with Gene Hall of the MCI Sales and Service Center in Orlando, Fla.

financial stability and direction to create even higher standards of product reliability and customer service at a time when people are opening their eyes toward more cost-efficient and environmentally friendly ways to travel," said Heller.

There was a large selection of pre-owned MCI coaches on the Expo show floor. And MCI used

the occasion to build familiarity with its three-level pre-owned coach sales program that features Certified ++, Select + and Deal coaches.

Another MCI booth featured representatives from MCI's after-market services operations, including parts and services, MCI Financial Services, and customer training.

IC Bus rolled into UMA Motorcoach Expo with this HC Series Bronze model that serves as a shuttle for the Chicago Blackhawks National Hockey League team. The HC Series Bronze is available in wheelbases from 158 to 200 inches, and seating for 17 to 29. It has a MaxxForce 7 200-horsepower engine, Allison 1000, hydraulic disc brakes, and multiplex wiring. Skates are optional. More info at www.icbus.com.



CAIO North America

brought its 45-foot G3600 to Expo. The G3600 combines an integral body, produced by Brazilian bus maker Caio Induscar, with a Freightliner XBP three-axle chassis. The result is a well-equipped, 57-passenger, 102-inch-wide coach with a long list of standard and optional features, including Cummins engine, Allison B500, and Carrier HVAC. A 37-foot, two-axle CAIO is also available. More info at www.CAIO-NA.com.



Photos by Dave Braun, David Braun Photography, Las Vegas.



The Temsa TS35 was back at Expo 2011 as the only recognized 35-foot monocoque coach available in North America. The Turkish-built Temsa features an American drive train, stainless steel frame and seating for 38-to-42 passengers. More info at www.chbussales.com.



The Stallion Bus 900 Series returned to Expo but the coach has a new manufacturer, TMC Group and Ameritrans Bus of Elkhart, Ind. The Stallion features a Higer body from China on a Freightliner chassis, using a Cummins-Allison powertrain. It has a five-year warranty. More info at www.tmcstallion.com.

It's a 'new look' for both new and old coaches at ABC

TAMPA, Fla. — For ABC Companies, UMA Motorcoach Expo 2011 was largely about achieving a “new look.”

The ABC stand featured a “new look” 2011 Van Hool C2045 coach, and 2001 C2045 that looked like new as a result of a coach refurbishing program ABC introduced at Expo.

ABC said that in response to customer input, as well as market trends, the newest C2045 Van Hool offers upgraded features designed to increase the coach's curb appeal and passenger experience, as well as provide more durability for operators.

“As one of our most high-demand units, we anticipate that operators will respond favorably to the newly re-styled C2045 and how it can upgrade their fleets,” ABC President and CEO Dane Cornell says of the coach.

Among the style upgrades, body enhancements and new features are:

- Redesigned curved entry with safety lighting (see related article)
 - Taller baggage door rub rails to improve lower door protection
 - Stainless steel moldings under side windows
 - New “bright white” base color paint that enhances operator graphics
 - One-piece integrated front bumper and painted-to-match headlight bezels
 - Driver's map light
 - Updated engine door vents to increase ventilation
- New options for the C2045 include:
- Glass roof with double-pane glazing
 - Blue LED accent lighting
 - Wood-grain flooring
 - Contoured parcel racks with 22-inch LCD monitors
 - 110-volt tamper-free outlets
 - Van Hool seats with leather headrests and three-point seatbelts
 - ISRI 6800 driver's seat with three-point seatbelt
 - Adaptive aiming headlights
 - Perimeter lighting

ABC's new refurbishment program offers a menu of services that will enable operators to revitalize their coaches to the extent it makes good business sense

“Basic” refurbishing options range from such big-ticket items as new Amaya seats with three-point seatbelts, to rebuilt Cummins engine or Allison transmission, to new front cap or rear cap with window, to new interior.

Also on the menu are such items as rebuilt A/C compressor, new paint, new REI A/V system with flat-screen monitors, and a long list of mechanical fixes and upgrades.



An optional glass top and body-styling improvements are designed to give the Van Hool C2045 added sizzle; other new features enhance operation.

Redesigned C2045 entry provides 'wow moment'

TAMPA, Fla. — For many bus guys, half the fun of attending UMA Motorcoach Expo is visiting all the manufacturers' stands, kicking the tires and seeing what's new.

Always a highlight is when lookers (who may also be potential buyers, of course) come across a new feature on a new coach and they're stopped in their tracks.

There were a lot of wow moments at UMA Motorcoach Expo here this year when operators and others stepped up to the new Van Hool C2045 that was occupying 45-feet of floor space.

The 2011 C2045 has a redesigned curved-staircase entry that knocked more than a few socks off.

Not since MCI pioneered the curved entry with its Renaissance (now the E) model 15 years ago has a manufacturer come up with an entry/staircase as bright, dramatic and customer-friendly as the one on the new C2045.

What makes the entry so special is its subtle curve and stunning lighting.

Whether walking up to it or using it,



It glows: New C2045 curved entry features step nose safety lighting.

the entry's LED lights do credit to a television studio. They create the sensation that there must be at least a half-million tiny light emitting diodes implanted in the stairs, risers, step noses, side panels and ceiling.

It is particularly spectacular at night but even glows in the daylight.

ABC Companies' technical guru Louis Hotard said impetus for the redesigned entry came from customer feedback, but actual development was a collaboration between Van Hool and ABC. He said it took roughly a year and a half to execute because of all of the engineering and modifications required.

For example, it required extensive under-floor revamping to accommodate the redesigned curved stairs, including changes to a number of front-end systems like the defroster.

The resulting one-piece fiberglass entry incorporates the LED lighting that gives the entry its vivid look.

“It's a much more customer-pleasing entryway,” says Hotard. “It's very well lit.” Indeed it is.

There also are options such as Wi-Fi, KVH satellite TV, 110-volt outlets, and Saucon TDS with Navman.

ABC says the program's elements may make “sound economic sense” for many coach operations.

Other items being promoted by ABC included a new “Grab 'n Go” webcast program.

The program offers on-demand webcasts — delivered in 15 minutes or less — that can be downloaded, providing convenient learning on important topics. For more information, go to www.abc-companies.com and click on the Grab 'n Go icon.



ABC promoted its coach refurbishing program with this updated/upgraded 2001 C2045 that looked like new.



Turtle Top brought two models to Expo, the 35-foot Odyssey XL, built on a Ford F-550 chassis, and the 23-foot VanTerra XLT, built on a Ford F-350 chassis. Both are upscale models with tons of features and lots of options. They were created with motorcoach operators in mind; that is, for operators who don't want cutaways that mimic airport parking lot shuttles. The Odyssey XL has a sticker price of \$124,000, while the VanTerra XLT lists for \$83,000. Sixty-month, 3.88-percent financing was offered at Expo. More info at www.turtletop.com.



Easily the most unusual 'bus' at Motorcoach Expo was the Dupont Industries Multicar. Quebec-based Dupont built the Multicar on a rugged Kenworth T800 frame. It is 45 feet long, 102 inches wide, over 13 feet tall, and has 17 19-inch TVs. It seats 32 with 8 tables, and it sleeps 32. It has 3 refrigerators, a microwave, restroom and 2 auxiliary heaters. Get more info at www.tng1.ca.

Calendar

FEBRUARY 2011

27-March 2 Trailways 75th Annual Stockholders Meeting and Conference, Scottsdale Plaza Resort and Spa, Scottsdale, Ariz. Info: www.trailways.com.

MARCH 2011

6-8 Virginia Motorcoach Association Operators Meeting and Coach Rodeo, Embassy

Suites and Hampton Convention Center, Hampton, Va. Info: Go to www.vamotorcoach.com.

22 Florida Motorcoach Association Operators Meeting, Palm Beach, Fla. Info: www.florida-motorcoach.org, or call (866) 376-7770.

22 Bus Association of New York 2011 Advocacy Day, New York State Capitol, Albany. Info: Email BANY@BANYBus.org, or go to www.BANYBus.org.



Krystal Enterprises' International 3200 model is a midsize cutaway featuring seating for 27 to 39 passengers. A MaxxForce engine, roof-mounted A/C and a long list of options, are available. The

3200 comes in lengths up to 38 feet and all are 102 inches wide. The touring coach model is equipped with Amaya seats and A/V system. More info at www.krystal.cc.



The Glaval Bus' Synergy model is a body on (Freightliner) chassis coach that seats up to 41 passengers, with lavatory. It's powered by Cummins and Allison, and utilizes a Carrier roof-top

A/C system. The coach sells in the \$260,000-\$265,000 price range. The Synergy is getting a makeover this year from Glaval. Get more info at www.glavalbus.com.

In August: 'A Gathering of Buses'

HIBBING, Minn. — "A Gathering of Buses" in Hibbing, birthplace of Greyhound Lines, is expected to attract owners of vintage buses, as well as contemporary coaches, from across the U.S. and Canada in mid-August.

Hibbing is home to the Greyhound Bus Museum, the only free-standing bus museum in North America, which will serve as the focal point for the three-day gathering of bus aficionados and owners.

The museum houses a collection of 18 restored Greyhound buses, plus other displays, a theater and a gift shop.

Activities during the Gathering will include tours of the museum, a bus industry flea market, a sight-seeing bus tour of the area, oppor-

tunities for bus enthusiasts to visit, and a dinner. The tour will include a trip to one of the largest open-pit iron ore mines in the world.

Hibbing is in north-central Minnesota and can be reached by auto, RV, private plane or commercial airline (Delta Commuter via Minneapolis).

There is no line-run bus service available. Minneapolis and Duluth, Minn., are the closest points served by intercity buses.

However, one of the event's coordinators, Stan Holter of Richfield Bus Co. in Bloomington, Minn., is offering motorcoach service and a lodging package for the Gathering from the Twin Cities, Duluth, St. Cloud and Rochester, Minn.

To learn more about these pack-

ages, call or email Holter at (952) 881-1111 or stan@richfieldbus.com.

Organizers say Hibbing has many lodging and eating establishments. The Hibbing Park Hotel will be the host hotel and location of the dinner. "Modest" fees will be charged for the various activities.

For those traveling in converted coaches or RVs, dry camping is available. A commercial campground also is nearby for those who wish full hook-ups.

For more information or to make inquiries regarding the Aug. 16-18 event, contact Holter or Charles Wotring of Royal Coach in Mechanicsburg, Pa., at (717) 691-1147 or charleswotring@comcast.net.

For info about the museum, go to www.greyhoundbusmuseum.org.

When refurbishing makes operational, economic sense

By Dave Millhouser

THIS was West Point...no room for sloppiness here.

The full-bird colonel looked at the just-delivered GM 4905s with an eye towards having the graphics applied, and he was appalled by all the rivet heads on the side of the bus. They would be difficult to work around.

The civilian who managed the West Point bus fleet was vacationing, and the colonel decided to teach him a lesson in efficiency and aesthetics.

He had all the rivet heads ground off, flush with the coach's side.

In ye olden days, many coach frames were partially monocoque, a French word which, loosely translated, means "don't touch my skin."

The outer shell of the coach contributes mightily to the vehicle's overall strength. This only works well if the skin is actually fastened to the bus, hence those pesky rivets.

Before the 4905s sagged significantly, someone noticed the problem, and the buses were gingerly trucked to a body shop for reconstructive surgery.

It was the colonel who learned

the lesson; in this case, if you're going to mess with a bus, think about the consequences before you start cutting or grinding.

In recent months bus refurbishing has been a hot topic. It's clear that, for certain types of over-the-road bus operations, refurbishing makes good operational and economic sense.

How do you decide if you're one of those operations, and more to the point, how do you define refurbishing?

There's a buffet of processes that can be included in a refurb program.

They range from taking a relatively new coach and adding amenities like Wi-Fi, 110-volt outlets, and high-end entertainment systems.

Then there are the extremes that Greyhound and Trailways used to perform that involved stripping the coach to its frame and replacing every component with new or rebuilt stuff.

Many of those rebuilt buses ran three million miles, which in charter bus terms could be 60 years of normal use.

Can you imagine trying to sell a charter customer on riding your 50-year-old coach by telling them it

still has 10 good years in it?

Clearly, this is "reductio ad absurdum," Latin for "are you NUTS?"

The point is that one size does not fit all when it comes to bus refurbishing.

Modern engines sometimes go a million miles, and charter coaches typically run 50,000 to 70,000 miles a year. At 10 years, it may not need a new or rebuilt engine. A line coach does 150,000 miles annually. So, at 10 years, it's grinding through its second motor.

No. 1, you'll want to understand your operation to decide how far to go. Replace components unnecessarily and you're giving a gift to either the coach's next owner or the junk yard. Ignore their normal lifespan and you have a spiffy bus you can't trust.

Refreshing paint and interiors, adding the amenities and safety features passengers expect on new coaches, and replacing worn components can be substantially less expensive than buying new equipment.

If your customers are happy, and it helps you compete in the marketplace, it can be a great decision. You know how the equipment has been maintained, and your drivers know

how to operate it.

A couple of caveats (more Latin).

Money pumped into refurbishing a coach is rarely returned in resale value. Everything you do needs to pay for itself while you own the coach. Finance companies know this and will likely only fund this type of work for strong credits. Insurers need to be told up front of extra value added to a bus.

If you're a high-mileage carrier, don't fall into the trap of replacing components alone. A frayed freon line, broken wire or leaking air hose can end a trip just as abruptly as a transmission spilling its innards. Often it's the hoses and wiring harnesses concealed in the body of older buses that let go. You may be able to replace the whole glom for the cost of a single interrupted trip.

When your maintenance system is based on caring for new buses that you sell after five years, operating older coaches is going to bring new challenges. No matter how complete the refurbishment, your shop is going to deal with types of repairs they haven't done in the past.

Before you invest a ton of money in a coach, make sure the platform is



Dave Millhouser

sound. Some coach models age better than others, and each has its idiosyncrasies. Ask around about your model, and check for cracks and corrosion in areas where other operators have found problems.

Find out how many years and miles you can expect THIS chassis to survive, or how long your market (and your state inspector) will accept it.

The trick is to match the refurbishment to the bus, the market and realistic economics.

You don't want to be like an undertaker, putting makeup on a corpse that looks great but isn't going anywhere.

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

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NYC parking

CONTINUED FROM PAGE 1

parking information now available to drivers.

The committee said an undetermined number of locations in midtown between 30th and 60th streets have been identified as potential locations and those sites will be passed on to the city Department of Transportation for evaluation and possible use.

It cautioned, however, that many of the sites are in areas slated for residential development and within the next five years could be closed to traffic during construction activities and subsequently could become unfit for bus parking.

Additionally, the committee said that a bus parking map published by the city and available to bus drivers should be turned into two separate publications, one showing parking locations for motorcoaches and another listing parking for public transit buses.

Currently the map combines the parking locations for both pri-

NYC draws record number of visitors

NEW YORK CITY — A record-breaking 48.7 million individuals visited the Big Apple last year.

The higher-than-projected 6.8 percent increase over 2009 keeps the city on pace to meet its goal of attracting 50 million visitors during 2012 — a goal set by the Bloomberg Administration in 2007, prior to the national recession.

The New York hospitality industry added 6,600 jobs during the year, employing more New Yorkers in 2010 than ever before.

The city also set a record for hotel rooms added and hotel rooms sold, while attendance at cultural institutions rose.

“The strength of our tourism industry is one of the reasons New York City was less impacted by the national recession than other cities, and it continues to be one of the reasons we’re growing faster than other cities today,” said Mayor Michael Bloomberg.

During the year:

- Visitors spent \$31 billion, supporting restaurants, shops, ho-

tels and cultural institutions

- 39 million of the visitors were from the U.S., and 9.7 million from abroad — both records

- 25.7 million room nights were sold, a record, exceeding the previous high by 2 million room nights

- A net total of nearly 7,000 hotel rooms were added to the city inventory, a 7 percent increase over 2009

- Average daily room rates rose to \$330 in December, an 8.9 percent increase over 2009

vate and public buses, which can cause confusion among drivers.

The committee also suggested establishing a special city-operated telephone number that drivers could call to obtain up-to-date information on parades and other public events that impact traffic and parking.

Long term, the committee repeated earlier calls for the building

of several parking garages for charter and tour buses where drivers could rest, eat and have easy access to passenger drop-off and pick-up locations throughout midtown. Such parking facilities have been suggested in the past, but have been put aside by city officials for financial reasons.

“It should be noted that bus garages are relatively inexpensive to

build,” the committee noted in the report. “The most difficult and expensive proposition would be to find appropriate, available sites on where to build the structures.”

The short- and long-term goals noted by the committee were among recommendations by many of the 104 bus operators who took part in the survey conducted late last year by the bus subcommittee.

Daly said the motorcoach industry will be asked to continue offering its comments and recommendations as the process advances.

“We look forward to working with motorcoach companies and will be seeking their input,” he emphasized.

According to the survey results and other research, there are believed to be about 260 charter and tour buses being driven around midtown daily and only 177 curbside parking spots designated for them. However, it was pointed out that as many as half of those spaces are used frequently by illegal parkers — jitneys, limousines, trucks and other large vehicles, leaving far fewer for coaches.

“Many respondents (to the survey) complained of that situation in their comments,” the report noted.

The committee also found that the busiest months of the year are May, December and November, and the busiest days are Wednesdays and Saturdays, and the busiest hours are between 10 and 11 a.m. and between 2 and 7 p.m.

Fuel surcharges

CONTINUED FROM PAGE 1

higher in some parts of the country, including the Northeast and California where diesel has topped \$3.74 a gallon.

Operators faced a similar run-up in 2008, when it went over \$4.70 a gallon before backing down and remaining fairly stable for months.

Young said the price has gone up so rapidly the past several months that, in addition to establishing a surcharge for new bookings, he also is re-negotiating long-term contracts he has with corporate and college clients.

“We have been working with them on an individual basis and most of them seem to understand,” he said.

Understanding customers

Martha Newnum, vice president of Two Ladies Bus Co. in Saint Joe, Ind., said she, too, has found an understanding public and very little resistance from customers over a 5 percent fuel surcharge she put into effect in November.

“None of our customers have complained yet,” she said, adding that they see gasoline prices going up for their own cars and trucks just about every week, which helps them understand the need for carriers charging extra for fuel.

Todd Holland of Rambling Express in Colorado Springs said his customers have responded well to his fuel surcharges as well, al-

though they have had a long head start.

He developed an automatic step-up surcharge pricing system about six years ago, and he not only tells his customers about it up front but he has also published its terms on his company website. (Go to www.ramblinexpres.com, click on the Fuel Surcharge link on the left side of the splash page.)

“At the end of the day, people seem to understand and they don’t focus as much on the surcharge as they do on the overall price,” he said.

Holland’s surcharge plan starts at 3 percent when diesel prices are between \$2.70 and \$3.09 a gallon. It moves up in increments of 3 percent as fuel costs rise, topping out at 18 percent when the cost hits \$4.70 a gallon.

“It’s not a perfect scale, but it seems to be working for us along with some tweaking of our rates,” Holland explained.

Acceptance out West

Customers of Tour West America in Phoenix also appear to accept getting charged extra when fuel costs rise between the time they book a charter and when the trip actually takes place, according to Peter Shelbo, company president.

“They seem to understand what we are doing,” he said.

Shelbo said customers who schedule charters two months out are told up front that their rates could be adjusted upward or downward, depending on the price

of diesel fuel at departure time. The amount of the surcharge is based on the average diesel price issued each week by the U.S. Department of Energy’s Energy Information Administration.

He said long-term contracts Tour West has with regular customers also contain a clause that allows the company to adjust the price, again based on the weekly report from the federal agency.

“We show them a range that it could go, up or down,” he added.

William “Chip” Desautels of

Bob Clemmer dies

LANCASTER, S.C. — Bob Clemmer, founder, owner and president of Lancaster Trailways of the Carolinas and Lancaster Trailways of Charleston (S.C.) died late last month after a brief illness. He was 74.

One long-time friend described Mr. Clemmer as “one of the most decent men I have ever known. ... The last of a breed.”

Mr. Clemmer founded Lancaster Tours in 1981, and built it into a two-location operation, with a third being planned. The company has a fleet of 22 large coaches, three midsize cutaways and 11 minibuses. It joined Trailways in 2001.

He is survived by three daughters, Sandra Haigler, Robbie Dahl and Susan Hardin. Sandra Haigler and Robbie Dahl worked with their father in the company.

Premier Coach Co. in Colchester, Vt., said his company also writes language in its long-term contracts that allow for price adjustments based on current fuel costs.

“We use a formula that figures the federal average price of fuel plus the mileage traveled,” he said. “If it goes down, our customers get a rebate, if it goes up, the increase is added to the rate.”

However, the company does not change prices for charter customers who book travel up to a year in advance. Instead, the price given at the time of the contract signing is guaranteed.

“They don’t like to see language that says ‘we reserve the right to stick you later,’” he said.

Desautels noted that many of the bookings are made by church groups that advertise a specific price to their members and asking them to bring along extra money at the last minute would not sit very well with them.

“Sometimes we eat it and some times we don’t,” added.

Finding resistance

While many customers are sympathetic to a carrier raising prices just before a trip because of fuel cost, those that aren’t let the operators know about it.

“We tried it back in 2008 and it did not go over with our customers,” said Steve Tjossem of Hawkeye Stages in Decorah, Iowa. “We got too much flack, so instead of a surcharge now we’re just adjusting our rates.”

He said while increasing rates for new contracts does not produce results as rapidly as an immediate surcharge would, it likely will even out in the long run.

“It’s a short-term setback but we can accomplish the same thing in the long term,” he said.

Others are struggling with how to handle the fuel cost increases without losing money or customers.

“I really don’t know how to deal with it because the people usually aren’t willing to pay more for transportation,” said Tomas Duran, owner of Diana’s Charters and Tours in Seaside, Calif.

He said customers who book three months out are told they are subject to a surcharge depending on the price of fuel at the time of their trip. But he’s wavering on customers planning to take trips sooner than 90 days.

“For those bookings I try to include a surcharge in my bid, but I know that I am losing some jobs because people are comparing prices with other companies,” he said. “So if I feel that I might not get the job then I don’t include the fuel cost and just make less profit on the bid to get the work.”

Despite the challenges rising fuel prices are giving the industry, some operators still see a bright spot.

“When fuel goes up, our ridership usually goes up, too, because people relate to what they are paying for gasoline for their own cars,” observed Holland.

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Curbside crackdown

CONTINUED FROM PAGE 3

small intercity discount bus companies that have sprung up the past decade.

However, three major companies that also offer intercity service — BoltBus, owned by Greyhound Lines and Peter Pan Lines; megabus.com, owned by Coach USA, and DC2NY managed by Paradise Travel and New World Tours — also park along the curbs to load and unload passengers.

Godfrey LaBron of Paradise Travel and the new president of the New York Bus Association said the proposed regulations could be troublesome if the city were to make them too inconvenient for customers.

“That’s why people don’t like public transportation, because it is too inconvenient,” he noted.

He suggested that if the legislation were to pass, he would hope city officials would work closely with the operators and others in developing the regulations and selecting the designated locations for the boarding and discharging of passengers.

“The focus has to be on helping everyone,” he said.

Dale Moser of Coach USA/

megabus said his company already has specific parking locations for its buses that were approved by the city.

“We have a long-standing relationship with New York City and have worked very closely with the city and will continue to do so,” he emphasized.

BoltBus said it, too, has worked with the city and will continue to do so as it evaluates its current and future curbside locations, according to spokesman Timothy Stokes.

“While our goal is to provide a safe and affordable transportation service in and around New York, we also look to be good corporate citizens in the areas that we operate in,” he said. “As long as each curbside carrier is treated equally in their operations, we are fine with any changes the city deems necessary.”

Stokes said while BoltBus parks curbside it also looks for suitable off-street parking sites in the cities it serves. In D.C., it is paying a fee to use a terminal, a public building parking facility and a private parking lot.

Under New York’s proposed legislation, the permit system established by the city would include assigning pick-up and drop-off

locations with input from the New York Metropolitan Transportation Authority and a community board that would be formed. The permits could be issued for up to three years at a maximum annual cost of \$275.

School buses, sight-seeing buses, transportation authority buses and municipal buses would be exempt from the regulations.

Coach America

CONTINUED FROM PAGE 3

inability to meet current covenant threshold requirements and the need for funding to cover maintenance-related capital expenditures. The outlook is negative,” Moody’s added.

In reducing the credit ratings for Coach America, Moody’s cited several factors: The company’s continuing highly-levered capital structure, its very weak EBIT-to-interest coverage (under one times), and its negative free cash flow. Additionally, the company’s financial performance has been lower than Moody’s had anticipated.

Moody’s also noted that while the company has a “well-positioned business model,” it is in a cyclical industry “currently under duress and continues to carry the onerous debt burden taken on in 2007 when the company was bought by its current equity sponsor (Fenway Partners).”

Moody’s expects the company’s financial position to remain depressed throughout the intermediate term given the ongoing “economic malaise,” combined with anticipated required capital investments.

Moody’s gave the company kudos for proactively managing its cost structure prior to the economic slowdown.

“Additionally, Coach America’s revenue base benefits from high proportions of contracted or chartered business. The company also maintains strong market positions in its markets.”

The ratings action by Moody’s covered more than \$370 million in Coach America debt. Coach America Holdings Inc. had 2010 revenue of approximately \$417 million.

Trailways adds 2 operators, membership now totals 90

FAIRFAX, Va. — Trailways has launched its 75th anniversary year with two new members — West Valley Trailways of California and Precious Cargo Trailways of Ohio. Precious Cargo becomes the 90th member of Trailways.

West Valley Trailways, formerly West Valley Charter Lines of Campbell, Calif., which is about 45 minutes south of San Francisco, is a 47-year-old family owned and operated company specializing in school and military transportation, convention services, and tourism charters.

“We are delighted to have West Valley come on board with us in this very important year,” said Trailways President/CEO Gale Ellsworth. “They bring a lot of expertise and knowledge to our network about the motorcoach industry, not only in California, but for the rest of the West as well.”

John Habr founded West Valley in 1964, as a commuter shuttle for airline employees who worked at the San Francisco International Airport. Later, the company added charter and ski trips to Reno, Nev., and the mountains. By 1974, the company had become a full-service charter operation.

Scott Habr is general manager of the company which his grandfather founded with one motorcoach. The younger Habr oversees a fleet of 23 coaches and 48 staff members.

Dean Golden, West Valley’s operations manager, said that affiliation with Trailways was part of the company strategic business plan, which mandates future growth.

“We have wanted to rebrand ourselves; when we looked at our options to accomplish this, we kept going back to Trailways,” he said.

“We worked with the Trailways team at the 2010 Winter Olympics and learned more about their culture and team spirit. We are particularly interested in their desire to get

more national and international projects for its network of bus companies, which fits right in with our own plan. Also, we polled our customers about their perception of the Trailways brand; it was all positive. Trailways is highly respected. We look forward to moving forward with the team.”

Precious Cargo Trailways, formerly Precious Cargo Transportation, is based in the suburbs of greater Cleveland. It, too, is a family owned and operated company that provides variety charter motorcoach transportation services.

“Precious Cargo embodies the business operations and ethical values for which our team has become renowned in the past seven-plus decades,” said Ellsworth.

The owners of Precious Cargo say that its company name stems from its commitment to safety first for its core business of transporting school children. The company began 18 years ago with school buses. Today it has 25 vehicles, including 9 full-size coaches and 13 school buses.

“We do a lot of school field trips for elementary schools and colleges,” said Richard Werve, owner and president of Precious Cargo Trailways. “And we carry many charter customers on long-haul trips to destinations like Florida, New York, Boston and Chicago — anywhere in North America, really.”

Werve’s two sons work with him in the business — John is general manager and Richard is manager of services.

“We really believe this partnership will take us to the next business level,” said Werve.

Trailways is marking its 75th anniversary year (founded February 1936), as North America’s oldest independent group of privately owned motorcoach companies.

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Deal 2002 MCI E4500 DD S60 12.7L, Allison B-500. VIN #61727 **\$168,880**

Deal 2001 MCI D4500 DD S60 12.7L, Allison B-500. VIN #53755 **\$153,500**

Deal 2001 MCI E4500 DD S60 12.7L, Allison B-500. VIN #61527 **\$141,100**

Deal 2007 MCI J4500 CAT C13 410 HP, ZF Astronic. Southern coach. VIN #63808 **\$265,000**

Deal 2007 MCI J4500 CAT C13 410 HP, ZF Astronic. Southern coach. VIN #63960 **\$265,000**

Deal 2007 MCI J4500 CAT C13 410 HP, ZF Astronic. Southern coach. VIN #63923 **\$265,000**

ON HOLD Deal 1999 MCI 102EL3 DD S60 12.7L, Allison B-500R. VIN #60921 **\$106,900**

Outlet 1989 MCI 102AW3 DD 8V-92T, Allison HT-740. VIN #42945 **\$18,600**

Outlet 1997 Van Hool T940 Cummins M-11, Allison B-500R. VIN #29073 **\$23,200**

MCI SALES & SERVICE CENTERS

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800.248.4942

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**MOTOR COACH
INDUSTRIES**

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*See www.mcicoach.com/preowned for complete POC limited warranty details.

**Scheduled preventative maintenance inspections and recommended fluid and filter changes at an MCI service center included for 60 Days/30,000 Miles, whichever comes first, as determined by the maintenance manual applicable to the coach. Service intervals assume mileage is zero at date of pre-owned coach delivery.

Price quoted is in U.S. dollars and does not include any applicable sales or excise tax, title, license, documentation or environmental fees or handling charges. All coaches are available for, and subject to, immediate sale to the first qualified buyer.