

Bus & Motorcoach NEWS

WHAT'S GOING ON IN THE BUS INDUSTRY

UMA, ABA take opposite stands on new state inspections

WASHINGTON — The nation's two largest trade associations representing the bus and motorcoach industry have taken opposite stands on a federal proposal to require states to establish annual inspection programs for commercial passenger vehicles.

The United Motorcoach Association filed comments with the Federal Motor Carrier Safety Ad-

ministration expressing its opposition to the proposal, while the American Bus Association filed comments that generally support the proposal.

Motorcoach operators generally oppose increased state inspections, arguing that existing federal and state inspection requirements are sufficient. Safety advocates support the proposed inspections,

which they say would help make the nation's roads safer.

FMCSA announced the proposal in the spring and accepted comments through the end of June. The agency said the program for annual inspections would apply to commercial motor vehicles designed or used to transport passengers, including motorcoaches, school buses, mini-buses

and 9- to 15-passenger vans.

FMCSA encouraged parties with knowledge of the industry and existing state inspection programs to provide information about the impact such a rule would have on current regulations, operating costs, business practices, safety and any other areas that would be affected by a rule requiring states to establish inspection

programs.

UMA, in its comments, noted that the Federal Motor Carrier Safety Regulations currently require that CMVs, including qualifying passenger vehicles, be inspected at least once every 12 months.

A motor carrier must either conduct the inspection using its own qualified personnel or use a

CONTINUED ON PAGE 14 ►

FMCSA to study removing some crashes from records

WASHINGTON — The Federal Motor Carrier Safety Administration plans to begin a two-year demonstration program to evaluate whether non-preventable crashes should be removed from a commercial motor carrier's safety score.

The program comes in response to industry complaints that all accidents currently are recorded on a carrier's safety score, even if the carrier wasn't at fault.

FMCSA's Compliance, Safety, Accountability safety rating program uses crash records to assess a motor carrier's future crash risk. The agency said research has demonstrated that crash involvement, regardless of fault, is a strong indi-

cator of future crash risk.

However, industry stakeholders, including the United Motorcoach Association, have long contended that including accidents that aren't preventable or that aren't the fault of the carrier results in faulty safety scores.

Congress passed legislation last year that requires FMCSA to overhaul its safety scoring system.

In its notice announcing the demonstration program, FMCSA said crashes would be considered not preventable, and thus removed from a carrier's safety record, if a commercial motor vehicle was struck by a motorist who was

CONTINUED ON PAGE 18 ►



Peoria Charter Coach started out in 1941 as the Spring Bay Lacon Bus Company when Walter Winkler borrowed money from his sister and sold the family car to buy his first bus. See story on Page 17.

Feds should outsource more services to private sector

WASHINGTON — The federal government could save as much as \$35 billion annually by allowing private industry to compete for work now performed by government employees, a business leader testified before a congressional hearing.

About 43 percent of federal employees work in jobs that are "commercial in nature," said John M. Palatiello, president of the Business Coalition for Fair Com-

petition (BCFC). "Only a handful of the 1.1 million commercial positions have been studied to determine whether government employees or private sector workers can perform these activities more effectively.

"Federal employees are engaged in activities ranging from architecture to zoology" and their activities include bus and motorcoach transportation and travel planning, Palatiello said recently during testi-

mony before the Subcommittee on Government Operations to the House Committee on Oversight and Government Reform.

As far back as the Eisenhower presidential administration, he said, "Each time there has been a White House Conference on Small Business one of the top issues identified by American entrepreneurs is unfair government-sponsored competition with the private sector. BCFC estimates that more

than \$517 billion in spending, subsidies and other measures supporting government agencies and government-underwritten entities duplicate or are otherwise available from private, for-profit entities in the free enterprise system."

Palatiello was one of four witnesses called to discuss policies for federal government contracting. The United Motorcoach Association is a member of BCFC.

"The government owes its citi-

zens and taxpayers the highest possible value for the money they send to Washington and there is no doubt that effective contracting for commercially-available services can save money," testified Donald F. Kettl, professor of public policy at the University of Maryland.

The U.S. Government Accountability Office has found that outsourcing can save the government 4 to 15 percent on the cost of

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National Interstate receives revised stock buyout bid

RICHFIELD, Ohio — National Interstate Corp., parent company of the namesake motorcoach industry insurer, has received a revised buyout offer from its largest stockholder.

A special committee of National Interstate board members announced it had received the revised proposal from Great American Insurance Co., a wholly-owned subsidiary of Cincinnati-based American Financial Group Inc.

Great American owns just over 51 percent of the outstanding shares of National Interstate.

According to the committee announcement, Great American is now

offering to buy all of the outstanding stock of National Interstate it does not own for \$32 per share.

The special committee said it is evaluating the revised proposal with the assistance of its financial and legal advisers.

“There can be no assurance that any agreement will be executed or that a transaction will be approved or consummated,” the special committee said in its statement.

The revised offer came roughly one week after the special committee announced it had unanimously rejected a verbal offer from Great American to pay \$30.75 per share for the National Interstate com-

mon stock not owned by Great American.

The special committee labeled that offer as “inadequate” and “not in the best interest of the minority shareholders of the company.”

The committee said it intended to continue to consider the options available to the company, including maintaining National Interstate as a public company and negotiating with Great American “to seek further improvements to the offer that more appropriately reflect the special committee’s views on valuation.”

It is not clear from the latest statement from the special com-

mittee whether the revised, \$32-per-share offer resulted from negotiations or if Great American simply took the hint that the committee wasn’t interested in the \$30.75 price.

National Interstate was unavailable for comment.

The \$32 offering price contained in the latest buyout proposal is a slight premium over the highest price National Interstate shares have reached in the past year — \$31.77 — but is below its five-year high of \$35.68 reached in July 2013.

During the past five years, National Interstate stock generally has traded between \$21 and \$30

per share. As recently as late February it was trading at around \$22 per share.

National Interstate Corp. is a near three-decade-old holding company for a property-casualty insurance group that offers products and services to niche markets.

Its products include insurance for motorcoach operators and other passenger carriers, truckers, and moving and storage transportation companies; alternative risk transfer, or captive programs for commercial risks; specialty products focused primarily on RV owners; and commercial insurance in Hawaii and Alaska.

UMA launches Safe Bus & Motorcoach Driving Awards

ALEXANDRIA, Va. — The United Motorcoach Association, which recently launched a driver member program, also is adding a recognition program for safe drivers.

The UMA Safe Bus & Motorcoach Driving Award Program was created to recognize and reward UMA driver members for their safe, accident-free years while operating a bus and/or motorcoach.

“Employers and their insur-

ance companies are looking for those special drivers who have a proven track record,” said Brian Scott, president of Escot Bus Lines and chairman of the UMA Risk Management Committee.

Safe driving awards are available to all eligible UMA driver members who meet the criteria detailed on the UMA driver member website, www.umadrivermember.org.

Those criteria include at least

two years of crash- and violation-free driving, or one year if a driver has completed a minimum of five Bus & Motorcoach Academy driver courses. Drivers also must have avoided claims related to danger, risk or injury.

“These are very high standards that recognize exceptional drivers,” Scott said. “The UMA Safe Bus & Motorcoach Driving Award Program authenticates the driver’s record, allowing instant recognition

for both employer and insurer.

“Recognizing exceptional driver skills and acumen is consistent with our mission to advance the motorcoach driver position and the millions of safe miles they provide the public.”

The announcement of the new driver recognition program closely follows the launch of the UMA Driver Member Program.

Drivers opting to join may work for any bus company. UMA’s

main goal is to encourage bus and motorcoach driving as a professional career while providing driver recognition, appreciation and mentoring.

As an introductory offer, first-year dues are complimentary for drivers employed by UMA operator member companies. After that, annual dues begin at \$39, which reflects a \$10 discount for drivers at UMA operator member companies.

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THE DOCKET

Most motor carrier civil penalties increased by FMCSA

WASHINGTON — The Federal Motor Carrier Safety Administration has issued an interim final rule increasing — and in a few cases decreasing — its motor carrier civil penalties for violations of federal regulations.

In an announcement published in the *Federal Register*, FMCSA said several laws require periodic “catch-up” adjustments based on cost-of-living increases.

Those adjustments result in most penalties jumping from 10

percent to more than 105 percent.

The adjusted penalties go into effect Aug. 1, the agency said.

Daily fines

The rule provides for some of the more serious penalties to be assessed on a daily basis if a carrier fails to take corrective action or obey out-of-service or suspension orders.

Although most of the penalty increases are computed using a formula, others are left to the dis-

cretion of the agency, according to the Federal Civil Penalties Inflation Adjustment Act of 2015.

“Congress has stated in the Adjustment Act that increasing penalties over time will deter violations,” FMCSA’s rule said. “Therefore, with this deterrence, FMCSA infers that there may be some safety benefits that occur due to this final rule.

“The deterrence effect of increasing penalties, which Congress has recognized, cannot be

reliably quantified into safety benefits, however.”

The largest increase was for each day a carrier conducts operations after a suspension or revocation, which more than doubled to \$22,587 from \$11,000.

The penalty for operating in violation of an out-of-service order jumped 41 percent, to \$22,587 from \$16,000, according to the rule.

By contrast, the agency decreased the penalty for a driver op-

erating a commercial vehicle during the period the driver was placed out of service to \$1,782 from \$3,100.

The penalty for serious violations of hazardous materials regulations remained the most costly, increasing to \$179,933 from \$175,000.

To see the new penalties, go to: <https://www.federalregister.gov/articles/2016/06/27/2016-14973/federal-civil-penalties-inflation-adjustment-of-2015>.

Feds extend CDL waiver period for military drivers

WASHINGTON — Military veterans who drove commercial vehicles now have up to a full year after their departure from the service to be exempt from the commercial driver’s license skills test when applying for a CDL.

Responding to a request from the Missouri Department of Revenue, the Federal Motor Carrier Safety Administration has granted all state driver-licensing agencies a limited exemption from CDL regulations for veterans with experience driving commercial vehicles.

Under the exemption, states will be able to extend an existing waiver that makes it easier for military drivers to obtain a CDL.

The old waiver gave CDL applicants who had been employed within the last 90 days as commercial motor vehicle operators with the military to skip the skills test.

The new extension, which took effect July 8 and runs through July 8, 2018, lengthens the waiver period to one year.

Missouri applied for the exemption earlier this year, contending that the 90-day time frame was

too short for many of the qualified veterans to use while re-entering civilian life.

State officials argued that a longer waiver period would assist in ensuring highway safety by licensing qualified veterans seeking employment following discharge.

Upon examining Missouri’s application and reviewing public comments, FMCSA deemed it appropriate to grant the extension for all states.

“FMCSA does not believe that the veterans’ driving skills would decrease during the additional

months in which this exemption allows them to apply for a waiver of the CDL skills test,” the agency wrote.

“This exemption only extends the period during which application for the skills test waiver may be made and does not revise any other provisions of the regulations.”

FMCSA said in a 2015 report that more than 10,000 former military personnel have taken advantage of the 90-day skills test waiver since it was introduced in May 2011.

Border states receive grants

WASHINGTON — The 15 U.S. states that share a border with Mexico or Canada are receiving \$32 million in federal grants to ensure foreign commercial carriers are in compliance with U.S. safety laws and regulations.

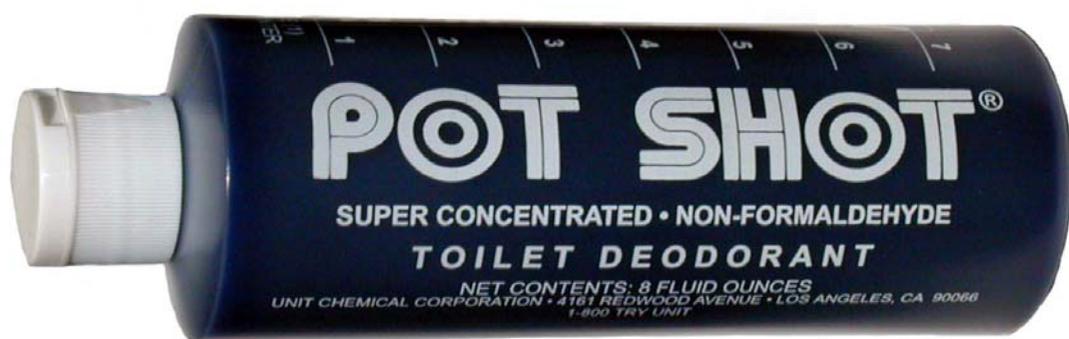
The Federal Motor Carrier Safety Administration said the funds would go to the transportation departments of all the eligible states to help authorities make sure all commercial vehicles and drivers are properly licensed and insured to operate on U.S. roads.

Mexican commercial carriers are allowed to operate in the U.S. under a cross-border program as part of the North American Free Trade Agreement, but only after proving to federal regulators that they can operate in compliance with U.S. transportation safety rules and standards.

Canadian safety laws are similar to those in the U.S., but proof of compliance is still required before commercial vehicles can drive on U.S. roads.

The states receiving grants and the grant amounts are:

- Alaska — \$187,503
- Arizona — \$5.6 million
- California — \$5.3 million
- Idaho — \$97,923
- Maine — \$300,000
- Michigan — \$200,000
- Minnesota — \$285,000
- Montana — \$871,410
- New Hampshire — \$33,319
- New Mexico — \$491,215
- New York — \$643,240
- North Dakota — \$256,375
- Texas — \$17.2 million
- Vermont — \$66,058
- Washington — \$460,826



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90 bus companies share \$3 million in security grants

WASHINGTON — Ninety bus and motorcoach operators from across the U.S. have been awarded fiscal 2016 Inter-City Bus Security grants by the Department of Homeland Security.

A total of \$3 million was awarded to operators in 34 states that will use the money to upgrade company security measures with onboard cameras, communication equipment, fencing at terminals, passenger screening gear, driver shields, and global positioning tracking devices.

The grant program was started in 2003 and awarded a little more than \$100 million before the funding dried up after 2011. The grants were reinstated in 2015, but the amount is significantly smaller than in past years.

For example, \$11.66 million was awarded to 71 operators in fiscal 2009 and \$11.5 million was awarded in fiscal 2010 to 69 operators.

The amount fell off sharply in 2011, when 83 operators received a total of \$4.99 million.

Over the years, roughly 38 percent of the grant money has gone to Greyhound Lines, which has received a total of about \$38 million.

Greyhound has gotten its large percentage not only because it has the biggest fleet of line-run coaches of any private carrier, but also because it travels to the areas believed to be most vulnerable for a terrorism attack — one of the program's key criteria.

This year, Greyhound received \$254,363.

Although the grant program resumed last year after three years of receiving no funding from Congress, there still are questions about how long it will survive considering the federal budget cost-cutting mood prevalent in Washington.

Many sectors of the motorcoach industry have lobbied Congress and the White House to continue the DHS Inter-City Bus Security grant program.

Under current funding regulations, the bus grants are awarded

to companies that operate fixed-route intercity bus services to areas considered at high risk of a terrorist attack, and to charter operators that make at least 50 trips annually to one or more of those same areas.

Funding is divided into two tiers, with companies that have at least 250 buses in one category and those with fewer than 250 in the other.

A list of grant recipients appears on Page 8 of *Bus & Motorcoach News*.

Traffic fatalities rose by nearly 8 percent in 2015

WASHINGTON — An estimated 35,200 people died in motor vehicle accidents in 2015, an increase of 7.7 percent over the 32,675 fatalities in 2014, the National Highway Traffic Safety Administration projected.

If the projections are realized, fatalities will be at the highest level since 2008, when 37,423 traffic deaths were reported.

"Every American should be able to drive, ride or walk to their destination safely, every time," Transportation Secretary Anthony

Foxx said.

"We are analyzing the data to determine what factors contributed to the increase in fatalities and at the same time, we are aggressively testing new safety technologies, new ways to improve driver behavior, and new ways to analyze the data we have, as we work with the entire road safety community to take this challenge head-on."

NHTSA Administrator Mark Rosekind said an improved economy and lower gas prices have resulted in Americans driving more

miles.

"But that only explains part of the increase," Rosekind said. "Ninety-four percent of crashes can be tied back to a human choice or error, so we know we need to focus our efforts on improving human behavior while promoting vehicle technology that not only protects people in crashes, but helps prevent crashes in the first place."

Preliminary data reported by the Federal Highway Administration shows that vehicle miles trav-

eled (VMT) in 2015 increased by about 107.2 billion miles, or about a 3.5 percent increase.

The fatality rate per 100 million VMT for 2015 increased to 1.12 fatalities per 100 million VMT, up from 1.08 fatalities per 100 million VMT in 2014.

The Governors Highway Safety Association expressed its concern about the increase, calling it "alarming."

"Although we are still well below the more than 40,000 people killed annually just a decade

ago, each death on U.S. roadways is unacceptable, and, after many years of progress, this increase is troubling," said GHSA Executive Director Jonathan Adkins.

"The good news is that the solutions to reducing traffic deaths aren't a mystery. They include strong laws coupled with highly visible law enforcement and robust public education campaigns. By using these tactics, the nation saw a nearly 25 percent drop in the number of fatalities between 2005 and 2014, including a record low in 2011."

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Operators in 34 states get Homeland Security grants

Alabama Keltion Tours Unlimited \$20,789	Illinois Peoria Charter Coach Co . . \$38,421	Joseph's Transportation, Inc. \$12,782 Peter Pan Bus Lines, Inc . . \$38,609	Starr Transit, Inc, dba Starr Tours \$30,759	Trans-Bridge, Inc. \$16,496
Arizona Arizona Corp. Coach, LLC. . . \$61,416	Iowa Burlington Stage Lines LTD dba Burlington Trailways . . \$17,496	Michigan Compass Coach Inc. \$12,418 Indian Trails Incorporated. . . \$25,632 Trinity Coaching, Inc. \$5,091	Stout's Charter Service Inc. . \$22,761 Tenney, David A, SR dba Triple D Travel \$1,600	Rhode Island G Dicostanzo, Inc. dba Flagship Trailways. . . \$24,670
Arkansas Eventure America Inc dba Little Rock Tours \$9,595	Kansas Village Tours, LLC dba Village Charters & Tours \$62,610	Minnesota Lorenz Bus Service, Inc. . . . \$13,988 Richfield Bus Co. dba Bloomington Charter Service \$36,889 Rochester City Line, Co. dba Rochester \$63,207 Voigt's Bus Service Inc. . . . \$15,910	New York Adirondack Transit Lines, Inc. \$64,882 Birnie Bus Tours, Inc. dba Birnie Trailways \$109,196 Coastal Charter Service Corp. dba Northfork Express . . . \$2,258 Fisher Bus Service, Inc. dba Niagara Scenic Tours \$8,983 Hampton Jitney, Inc \$38,429 Trans Express Inc. \$12,916 West Point Tours Inc. \$6,782 Yankee Trails, Inc. \$38,509	Tennessee RLCL Acquisition, LLC dba Grayline Nashville . . . \$12,984
California Amador Stage Lines, Inc. dba Allen Transportation Co. . . . \$3,692 Americanstar Tours Inc. . . . \$4,763 Silverado Stages \$3,441 Storer Transportation Service dba Storer Travel Service \$93,331 Sureride Charter, Inc. dba Sun Diego Charter \$18,971 Via Adventures, Inc. \$47,808	Kentucky Miller Transportation Inc. . . . \$8,589	Mississippi Coach Ride, LLC \$22,015	North Carolina Holiday Tours, Inc. \$70,908 WNC Travels LLC \$15,545	Texas Autobuses Ejecutivos LLC dba Omnibus Express. \$13,642 Echo Tours & Charters, LP dba Echo Transportation . . \$16,905 GBJ, Inc. dba AFC Transportation. \$82,001 Greyhound Lines, Inc. \$254,363 Lone Star Coaches, Inc . . . \$26,243 Roadrunner Charters Inc. . . \$7,775 Star Shuttle, Inc. dba Star Shuttle & Charter \$24,440
Connecticut DATTCO Tours, Inc \$43,997 Nason Partners, LLC dba Kelley Transit. \$35,877	Louisiana Louisiana Motor Coach Inc. . \$8,580 New Orleans Tours, Inc. . . . \$31,103 Salter Bus Lines, Inc. dba Salter Transportation \$11,916	Missouri Huskey Bus & Transportation Services, Inc. \$24,465	Ohio Baron's Bus, Inc. \$65,610 Precious Cargo Transp. Inc. . \$19,325	Vermont Premier Coach Co., Inc . . . \$14,848
Florida Astro Travel & Tours Inc . . . \$26,427 ESCOT Bus Lines Inc \$32,637 Treasure Coast Motor Coach, Inc. dba Magic Carpet Ride \$24,052	Maine Isherwood Enterprises, Inc. dba Custom Coach of Portland. \$13,142	Nebraska Navigator Motor Coaches Inc \$19,528	Pennsylvania David Thomas Tours. \$50,290 Frank Martz Coach Co Inc. . \$27,261 Fullington Auto Bus Co. . . . \$21,000 Innovative Coach, LLC \$1,693 O.D. Anderson, Inc. dba Anderson Coach & Tour . . \$42,783 Schrock Inc \$7,115 Susquehanna Transit Co. . . . \$3,756	Virginia Blue Ridge Tours Inc \$19,950 D C Trails Inc \$40,881 Newton Bus Service, Inc. . . \$12,790 QT Transport Inc \$22,280 Venture Tours, Inc. \$32,284
Georgia Daniel's Charters & Tours LLC \$31,096 Kelly Tours, Inc. \$87,150 Samson Tours, Inc. dba Samson Trailways . . . \$11,075	Maryland Adventures by Dawn, LLC dba Adventure Tours \$76,655 D & D Enterprises, Inc. dba Beltway Transportation Service . . . \$41,451 Keller Transportation, Inc . . \$50,774	Nevada Celebrity Coaches of America, Inc. \$17,964	New Hampshire Dartmouth Transportation Co., Inc. dba Dartmouth Coach \$7,516 Jalbert Leasing, Inc. dba C&J Trailways \$5,634	Washington GTO LLC dba MTR Western . \$92,348
	Massachusetts AA Transportation Corp., Inc . \$62,561 Bloom's Bus Lines Inc \$16,715 Cavalier Coach Corp. dba Cavalier Coach Trailways. \$13,711	New Jersey Academy Express, LLC. . . \$140,734 Classic Cruisers, Inc. \$9,712 Coach USA, Inc. \$96,000		Wisconsin Badger Coaches, Inc \$18,703

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FY 2016 was tough for megabus/Coach USA/Coach Canada

PERTH, Scotland — While it was anticipated, fiscal 2016 turned out to be a troublesome year for megabus.com and its sister operations, Coach USA/Coach Canada.

megabus/Coach USA/Coach Canada, North America's second largest motorcoach operator (after Greyhound Lines), reported a nearly 5-percent decline in revenue, leading to a nearly 20-percent drop in operating profit for the year.

The numbers were reported by Perth-based Stagecoach Group, the parent company of megabus and Coach USA/Coach Canada, as part of its preliminary financial results for the 12 months ended April 30.

Coach USA/Coach Canada and megabus comprise the North American division of Stagecoach, operating roughly 2,300 buses and coaches. megabus links nearly 130 locations in the U.S. and Canada.

For the 12 months ended April 30, megabus/Coach USA/Coach Canada rolled up combined revenue of \$647.7 million, down 4.8 percent from the \$680.1 million reported for fiscal 2015.

Like-for-like revenue for fiscal 2016 was \$656.2 million, compared with \$680.1 million for fiscal 2015, a decline of 3.5 percent.

The combined operating profit for megabus and Coach USA/Coach Canada in fiscal 2016 was \$28.4 million, down 19.5 percent from a fiscal 2015 operating profit of \$35.3 million.

The operating margin for the combined North American operation was 4.4 in fiscal 2016, down 80 basis points from the margin of 5.2 percent in fiscal 2015.

In releasing the numbers, Stagecoach said its North American units continue "to be affected by lower fuel prices, which are impacting demand for intercity coach services."

While the slide in operating

profit was in line with company expectations, the reduction was "mainly due to lower operating profit from megabus.com, reflecting the low fuel prices."

Virtually every category of service offered by megabus and Coach USA/Coach Canada experienced reduced revenue — on a like-for-like basis — in fiscal 2016. For example:

- Revenue at megabus declined more than 7 percent to \$206.8 million from \$222.5 million in fiscal 2015. The megabus figures now include revenue from megabus-branded services in Canada, which were formerly operated under different brands.

- Scheduled service commercial revenue fell by 3 percent to \$157.5 million from \$162.3 million in fiscal 2015.

- Charter service revenue dipped 1.9 percent to \$125.5 million in fiscal 2016 from the \$127.9 million reported in fiscal 2015.

- Contract services produced revenue of \$118.8 million in fiscal

2016, down slightly from the \$118.2 million recorded in fiscal 2015.

- Sightseeing and tour revenue was \$28.6 million for fiscal 2016, down 9.5 percent from fiscal 2015's \$31.6 million.

The lone bright spot was subsidy revenue from government units, rising to \$19 million, or 8 percent, from fiscal 2015 when support from local authorities totaled \$17.6 million.

To combat the decline in revenue, the mileage operated by megabus was cut to better match the reduced demand, and a marketing campaign was launched aimed at highlighting the 10th anniversary of the megabus.com brand in North America. The focus of the campaign is on digital channels.

At other units:

- The reduced scheduled-service revenue includes the adverse effect on demand for some services resulting from the strong U.S. dollar impacting the number of European visitors to the U.S. and spending by those visitors.

- Coach USA/Coach Canada

also saw some decline in revenue on certain scheduled and airport express services, reflecting competition and reduced visitor numbers.

- The charter revenue dip for the year partly reflected decreased volumes from a major customer in Canada.

- The slight slippage in contract revenue resulted from marginally profitable transit contracts that were not retained. "This loss of transit contracts has been offset by other new contract work secured," said Stagecoach.

- The sharp fall in sightseeing and tour revenue reflected weak trends in that market, particularly in the highly competitive markets in which Coach USA/Coach Canada operate "hop-on, hop-off" sightseeing tours.

Stagecoach offered a less-than-enthusiastic appraisal of the short-term outlook.

"Oil prices fell sharply towards the end of 2014 with a consequential adverse effect on megabus.com revenue," the company noted.

"While U.S. 'at-the-pump' gas prices remain below the prices of a year ago, the business remains profitable and we have operational plans in place and fleet capacity to grow the business if and when we see revenue recover.

"However, megabus.com revenue trends are not yet improving to the extent we had anticipated and we have revised our forecast 2016/17 North America operating profit accordingly.

"We continue to seek to improve the profitability of the rest of the North American business by remaining focused on further improving the customer experience. We see opportunities for new contract wins but will remain disciplined in ensuring that our contract bids remain designed to deliver a satisfactory rate of return on capital."

Stagecoach Group's Twin America joint venture sightseeing operation (excluding exceptional items) continued its financial struggles in fiscal 2016.

The operation, which is 60 percent owned by Stagecoach Group, had revenue of \$69.8 million, down from \$74.7 million in fiscal 2015.

The revenue drop resulted in an operating loss for the year of roughly \$900,000, versus of profit of \$3.4 million in fiscal 2015.

Stagecoach said operating Twin America remains challenging. Overhanging the business is a continuing investigation by the U.S. Justice Department.

The department is investigating "the conduct of Twin America personnel in responding to discovery obligations in the investigation and litigation. The Department of Justice has not taken any enforcement action related to these issues, and (Stagecoach) Group is co-operating with the investigation," the company said.

Stagecoach sells megabus Europe unit

PERTH, Scotland — Stagecoach Group PLC has sold the retail operations of its money-losing megabus Europe business to a German operator, FlixBus, known on the continent as FlixBus.

Only those megabus retail operations involving mainland Europe were part of the sale.

The sale announcement came on the same day Stagecoach Group released preliminary financial results for fiscal 2016, which included an operating loss of roughly \$31.3 million (24.1 million British pounds) for the megabus Europe unit.

The loss was higher than

Stagecoach Group had forecast at the start of the year.

Around half of the bigger-than-expected loss was due to Stagecoach adding more intercity services that were not anticipated at the start of the year, principally in response to deregulation during the year of intercity coach services in France.

The remainder of the expanded loss was due to poorer results than forecast on the services megabus Europe planned to operate.

Stagecoach noted its European operations continue to be impacted by low fuel prices and strong competition from other intercity operators.

Plus, it believes "the high-profile terrorist attacks that occurred in Paris and Brussels during the year discouraged some travelers from visiting major European cities and therefore had an adverse impact on revenue."

Stagecoach has a long history of quickly cutting its losses when it comes to money-losing operations. megabus Europe sells intercity coach trips to customers (primarily through its own websites) and operates most of the coach services that provide those trips.

Others in the market, such as FlixBus, sell the trips and subcontract the operation of the coach services.

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Inertia can bounce competitors off the bathroom walls

By Dave Millhouser

We were deadheading west in a Scenicruiser when we topped a pass in Nevada.

My co-driver, Paul, was snoozing in the aisle next to the driver's seat when I observed that U.S. 50 stretched in front of us, straight as an arrow, for at least 30 miles, first down a steep grade then, 25 or so miles in the distance, back up.

No cars and no cops.

Why not kick her into neutral and see what she could do? After all, in ye olden days coaches needed to get a run at hills in order to climb at an adequate pace.

Paul was sleeping and was not consulted on this decision.

By the time we were halfway down I had no idea how fast we were going because the speedometer buried at 80, and we'd broken that barrier several miles back.

I had just enough brain cells to realize two things: we were traveling way too fast to get the transmission back in gear and the brakes would fry if anyone was silly enough to try them.

About the time I realized we

had to ride it out, Paul caught my eye. That was because we'd hit a bump that had bounced his formerly sleeping form up level with my (terrified) eyes.

Back in the day good drivers (as opposed to — *moi*) gave a good deal of consideration to inertia. Buses were underpowered by modern standards, brakes were weak and power steering was still an option.

You had to get a run at hills, accelerating into traffic took careful planning and passing on a two-lane road was a death-defying act. You "set up" turns in cities or you'd find yourself "backing and filling."

Boiled down, driving an underpowered coach with a manual transmission, minimal braking and no power steering was the vehicular equivalent of a chess game.

Modern technology has certainly made coach driving easier, providing plenty of power for acceleration, lots of braking and the ability to make last-second adjustments when turning.

Unfortunately, if we use all that new stuff too much, the quality of

ride we offer our passengers suffers. Customers don't love being shoved back in their seats by a 450-horsepower engine, and sudden braking tends to fling folks forward either into the seat in front of them or up the aisle.

Technology such as adaptive cruise control is excellent at preventing accidents, but when drivers depend on it too much passengers end up agitated in ways that minimize repeat business and tips.

Do you need it?

You might think of modern technology in the same way you think of your life insurance. It's comforting to know it's there if you need it, but do you really want to use it?

Four hundred and fifty horsepower is a good thing on a long, steep grade, or when passing on a two-lane road, but racing a BMW out of a tollbooth isn't going to make passengers love you.

They don't care who wins. Using it and super-duper disk brakes to weave through traffic will not endear you to either the public or your employer.

Hang on tight, I'm gonna try and talk technical here. Bouncing up and down vertically on rough roads is unpleasant, but fighting the inertia of acceleration, braking and leaning into sharp turns is exhausting. When you angle forward, backward or sideways, your body uses tons of energy trying to keep your head on straight.

That sort of driving tires the driver and passengers alike and adds an element of danger (and who says that technological stuff always works?).

When I sold Eagles, their torsion-bar suspension was arguably better than our competitor's, particularly at roll resistance. As a result, it always seemed that you could drive and ride farther in an Eagle without tiring.

Inertia can't be defeated, but it can be domesticated by paying attention to what's in front of you and doing a bit of contingency planning. Gee whiz, I'm gonna have to stop at that tollbooth, why not slow down gradually? Is that car ahead of me going to run the yellow light, or stomp his brake in my face?

The guy who taught me to drive used to say, "Assume the other guy will do the wrong thing and he'll rarely disappoint you."

Years ago while driving a loaded Eagle demonstrator to an event at a convention, I spotted a competitor walking down the aisle toward the coach's lavatory. Waiting for the door to close, I tapped the coach's brakes, while weaving side-to-side, and hoping for a thumping sound as he bounced off the bathroom walls.

In real life I didn't toss him about, but was sure tempted, and I pointed out to him that, for one brief shining moment, I'd had him where I wanted him.

Inertia CAN be your friend, but only if you plan ahead.

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



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North Carolina to track seatbelt use on school buses

RALEIGH, N.C. — Eleven school districts in North Carolina will begin participating in a project this fall that will track the use of lap-shoulder belts on school buses.

The project is being implemented by the North Carolina Department of Public Instruction's Transportation Services, which will provide replacement school buses equipped with lap-shoulder belts for the 2016-17 school year to the 11 participating school districts.

A total of 82 buses — a mix of models from Thomas Built Buses, Blue Bird, and IC Bus — will be

used in the project, said Derek Graham, North Carolina state pupil transportation director. Most of the buses have already been delivered, and the rest are expected to arrive this summer.

The project builds on results from a pilot project that the state conducted in 2003 to test the technology using 13 school buses that were equipped with first-generation lap-shoulder belt seats.

The school districts' local boards of education had to agree to support and enforce the usage of the lap-shoulder belts in order to receive the buses.

"It will be an expectation that

the students riding these buses will be using them," Graham added. "That's the goal."

The state covers the cost of the replacement buses, and the lap-shoulder belts are simply considered an additional option.

Researchers at North Carolina State University's Institute for Transportation Research and Education are providing technical assistance, contacting districts around the U.S., and looking at best practices and recommendations.

In addition to safety benefits, Graham said that the use of lap-shoulder belts should improve student behavior, which could in turn

help increase driver retention.

"The required-use policy is a key element in this project that we believe to be a real opportunity to improve student discipline and thereby help out our school bus drivers," he said.

Meanwhile, in Texas, students in the Houston Independent School District who ride school buses with three-point seatbelts will be required to wear them.

The updated code of student conduct approved by the district board also includes language that encourages, but doesn't require, students to buckle up on buses that are equipped with lap-only belts.

Last November, the district committed to including three-point belts on all its new buses, which has increased the cost of a new school bus by about \$8,000.

The district's 1,100-bus fleet currently includes about 430 with lap belts and 90 with three-point belts.

Texas is one of six states that have passed legislation requiring either three-point or lap seatbelts on school buses. However, Texas' legislation was contingent on funding being allocated to pay for the restraints, which has yet to materialize, so the mandate has not been enforced.

Under-aged limo driver charged in fatal Illinois crash

GENEVA, Ill. — A 20-year-old Wisconsin man has been charged with illegally driving a limousine involved in a fatal crash on Interstate 90 in Illinois earlier this year.

Kane County prosecutors allege in the felony charge that Aaron T. Nash of Janesville, Wis., violated motor carrier safety laws when, "without authority" and under the age of 21, he drove six

people in the limousine into Illinois from Wisconsin.

Nash was also ticketed for failure to reduce speed to avoid an accident.

The limousine, operated by Edgerton, Wis.-based Lyons Limousine LLC, was involved in a single-vehicle crash in March on I-90 in Elgin, Ill., resulting in the death of one passenger and injuries to several others. Two passengers

sued the company.

Nash told Illinois State Police that the sun blinded him just before the limo struck a wall in a construction zone and rolled over, killing 53-year-old Teri L. Schmidt.

The Federal Motor Carrier Safety Administration ordered Lyons Limousine to cease operations shortly after the crash on grounds that it used "unqualified and underage drivers" and com-

mitted other actions that increased the chance of serious harm to the motoring public. (See May 1 *Bus & Motorcoach News*.)

The limo was driving six people from the Madison area to Chicago O'Hare International Airport. Nash was only 20 years old, while federal regulations require interstate commercial drivers to be at least 21.

FMCSA's investigation found that the company had dispatched

the same driver on at least two other occasions in March.

A federal compliance review conducted by FMCSA safety investigators found the company to be in violation of multiple federal safety regulations and also revealed that the company did not possess safety and operating authority registration or maintain the required levels of public liability insurance.

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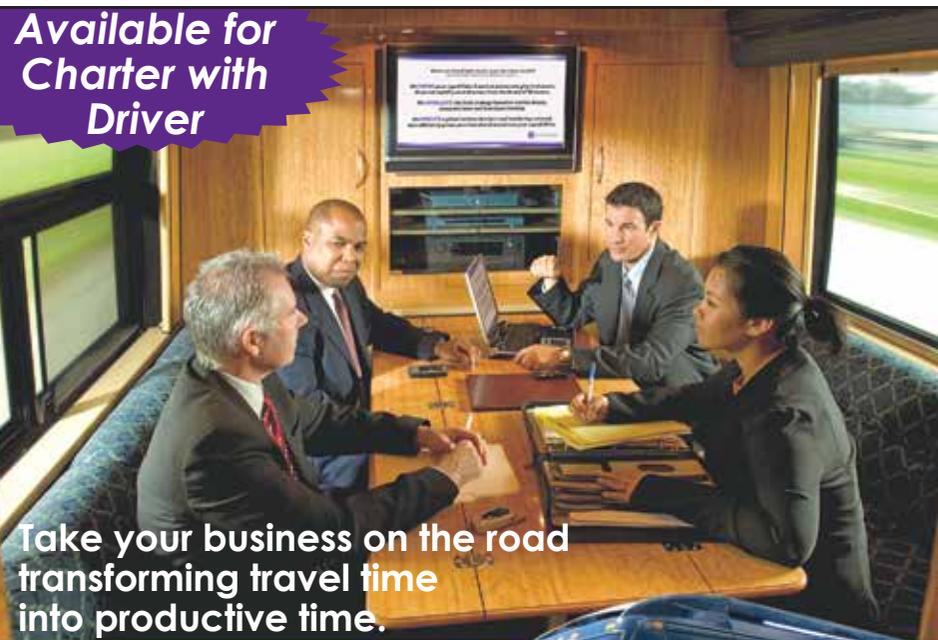
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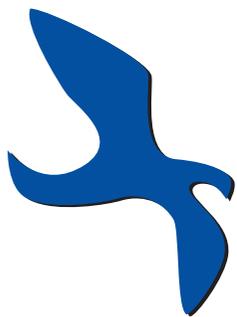
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State inspections

CONTINUED FROM PAGE 1

qualified third party that maintains appropriate facilities and employs inspectors. The annual inspection requirement also can be satisfied through a state or other jurisdiction's inspection program, provided the inspections satisfy regulatory requirements.

UMA said FMCSA has determined that inspection programs in 22 states are comparable to, or as effective as, the federal periodic inspection requirements. Those inspections may be conducted by state personnel at state-authorized commercial facilities, or by the motor carrier under the auspices of a state-authorized self-inspection program.

The association said that in fiscal 2015, state and federal officials conducted 121,922 inspections of passenger carrier vehicles, including 31,399 motorcoaches.

"UMA believes the current requirement of an annual inspection in combination with current federal and state inspection activity is abundantly sufficient and opposes any further burdensome requirements of states or the industry," the association said.

UMA also said there have been suggestions that state enforcement agencies are experiencing difficul-

ty hiring, training and retaining qualified personnel to inspect increasingly-complex CMVs.

"UMA suggests FMCSA review this suggested development through further conversations with state enforcement agencies," the association said.

"While UMA does not support a federally mandated expansion of state inspections, we do recognize the critical importance of competent field personnel conducting and recording accurate inspections."

'Cautious' support

The American Bus Association offered "cautious" support of establishing a requirement for an annual safety inspection program for each of the 50 states, but questioned how the initiative would be funded.

"ABA is supportive of an initiative by FMCSA to establish mandatory state inspection programs," the association said.

"However, we believe that in order for this initiative to be successful, there are key fundamental elements necessary to ensure success, namely: state programs must cover all passenger carrying vehicles classified as commercial motor vehicles; state inspection and training standards must be uniform; states must recognize and

grant reciprocity for inspections from other states; and states programs must have the flexibility to institute or continue to allow for self-inspections."

ABA added that, "FMCSA should seek to promote efficiency and uniformity in any inspection proposal the agency puts forward, and costs for any such initiative need to be considered and evaluated."

Academy Express LLC is among the motorcoach operators that believe current state and federal inspection requirements make the proposed new state inspections unnecessary.

Academy and its affiliates operate more than 1,000 motorcoaches from facilities in nine states, some of which have mandated inspection programs and others that have no state requirement but recognize the federal annual inspection process.

Self-inspection works

"It is the opinion of Academy that the FMCSA annual self-inspection program, already in place, is an effective process to document the inspection and condition of a bus/motorcoach at any given time," the company said in its comments.

The company said that based on roadside data and compliance review results, "we see no correlation to reduced defects when buses are

required to be inspected within a state-mandated program versus the FMCSA annual inspection process.

Reputable carriers will always inspect and repair buses on a regular preventative maintenance program that far exceeds the periodic inspection process of any state or federal inspection requirement.

"Those that do not will wait until the state inspection is scheduled before addressing issues."

Academy also expressed concern that requiring every state to have annual inspections would be a "significant hardship and logistical challenge" for companies operating in several states.

"To require interstate operating equipment be removed from service and returned to any specific state for inspection will restrict interstate commerce and severely restrict the ability of interstate carriers that operate facilities in numerous states to effectively and efficiently utilize (their) resources to best serve the public," Academy said.

"Whatever decision is ultimately made, we feel that the current FMCSA annual self-inspection program should be preserved for those carriers that have consistently demonstrated an effective internal preventative maintenance and inspection program, roadside safety data and compliance review

performance."

Enhanced safety

Advocates for Highway and Auto Safety supports requiring all states to conduct annual inspections of passenger-carrying commercial vehicles, saying such a program would "undoubtedly enhance safety."

The group also opposes self-inspection.

"The inspections that would be required under the program must be conducted by the state or a state certified independent third party," Advocates said in its comments to FMCSA.

"Allowing entities to perform a self-inspection of a vehicle would allow for potential for fraud which will call into question the credibility of the program.

"Establishing a robust and credible program requiring all states to annually inspect passenger carrying CMVs will not only ensure that all of these vehicles no matter where they are operated are in proper condition, it will provide needed guidance and certainty to the industry in contrast to the current patchwork of state requirements."

To read the proposed rule, go to: <https://www.federalregister.gov/articles/2016/04/27/2016-09846/state-inspection-programs-for-passenger-carrier-vehicles>.



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Interstate Highway System turns 60, needs a facelift

WASHINGTON — The Interstate Highway System turned 60 years old this summer, and some of it is showing its age.

The system, launched June 29, 1956, now includes 46,876 miles of pavement throughout the nation, according to the Federal Highway Administration.

“The interstate system itself represents one of the greatest innovations in the nation’s history,” FHWA Administrator Gregory Nadeau said. “A network of uniformly built roads connecting communities to each other makes us more than a nation — it makes our states united.”

Plans for the nationwide road system were hatched in the late 1930s under President Franklin D. Roosevelt, with an initial vision of 26,700 miles of toll road. Fast forward to President Dwight Eisenhower, who signed the Federal-Aid Highway Act in 1956 and authorized \$25 billion for the initial construction of 41,000 miles of interstate highways to be laid from 1957 to 1969.

“He had a good idea then, that had great ramifications in terms of our economy and our defense,” Sen. Jim Inhofe, R-Okla., said of Eisenhower. “It has been a huge success, and I am glad I am a part of it,” said Inhofe, chairman of the Senate Environment and Public Works Committee, which oversees surface transportation policy.

“If we hadn’t concentrated on doing what Eisenhower had started a long time ago, we would have serious problems in national defense.”

The first section of the interstate system was I-70, which runs from Maryland to Utah. Almost all of the interstate system was completed by 1980, with the rest was added under recent legislation.

Last year’s Fixing America’s Surface Transportation Act ensures that more work will continue. Signed by President Obama on Dec. 4, the FAST Act authorizes \$305 billion for work on roads, bridges and railroads.

There are 58,495 structurally deficient bridges, according to the 2015 National Bridge Inventory.

“If Americans are to continue to enjoy their current level of mobility on interstate highways and bridges, the nation will need to make a commitment to providing the public with a 21st-century highway system,” concludes a report by non-profit transportation group TRIP.

Meanwhile, FHWA’s budget request for fiscal 2016 was \$51.3 billion to maintain and improve the

condition of the national highway system.

“The challenge of age is not every piece is 60 years old, but parts are aging,” said Brian Pallasch of the American Society of Civil Engineers, whose organization graded America’s infrastruc-

ture D+ and estimates \$3.6 trillion is needed by 2020.

Funding for the interstate system relies heavily on the 24.4 cents-per-gallon federal diesel tax and the 18.4 cents-per-gallon federal gasoline tax, which have not been raised since 1993.

Those who oppose increasing fuel taxes and those opposed to widespread tolling know that there is not enough funding to cover the costs of the interstate system, said Jeff Davis, a senior fellow at the Eno Center for Transportation.

“Eventually, they will have to

come to a reckoning with tolling.”

Sen. Barbara Boxer, D-Calif., questioned whether fuel-tax hikes are going to fix the problem.

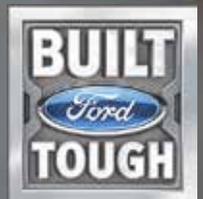
“We need to look at other ways to figure out how to pay for the roads, such as vehicle miles traveled,” Boxer said.

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Outsource

CONTINUED FROM PAGE 1

services, Kettl said.

“Reliance on contractors, however, is no panacea,” he added. “Waste, fraud, abuse and mismanagement are not the province just of government. They are the product of organizations that fail to manage themselves and their supply chain well.”

Maurice P. McTigue, vice president for outreach of the Mercatus Center at George Mason University, testified about the economics of government outsourcing.

“The economic literature here is clear — competition improves prices, captures the best practices, encourages innovation, improves delivery and increases customer satisfaction,” he said. “Best, however, doesn’t necessarily mean the cheapest. Any requirement to accept the lowest bid in a competition can be considered counterproductive.”

McTigue also cautioned against the advocacy of outsourcing as a means to achieve political goals.

“If the policy is to privatize jobs, then have the courage and integrity to call it privatization. Don’t link it to the introduction of competitive outsourcing.”

Rep. Gerald Connolly, D-Va., agreed on that point.

“There is prejudice that the private sector can always do it better. That is not necessarily true,” he said. “We need to not approach this as a theological issue. We should look at it case-by-case on merit. I am always going to look askance at anything that smacks of theology on this subject.”

Legislation proposed

Rep. John Duncan Jr., R-Tenn., a member of the subcommittee, is sponsoring the Freedom from Government Competition Act of 2015 in the current session of Congress.

The bill would require government departments to procure goods and services from private sources unless law requires the goods or services to be produced by the agency or if government provision “is necessary for the national defense or homeland security...that the good or service is so inherently governmental in nature

that it is in the public interest to require production or performance by government employees, or that there is no private source capable of providing the good or service.”

In his remarks during the hearing, Duncan acknowledged that Republicans “generally do favor the private sector.”

But, he added, “This bill is not about contracting to the private sector for the sake of contracting things out. This bill is about getting the best service at the lowest cost for taxpayers. This bill is not an attack on federal employees. It has been hard enough for small businesses to survive over the past many years and they should not have to compete against their own government to survive.”

The federal government has not considered the advantages of outsourcing for the past eight years, testified Angela B. Styles, chair of Crowell & Moring LLP and administrator for federal pro-

urement policy during the George W. Bush administration.

“Forty years of experience and research conclusively prove significant cost savings can be achieved through public-private competition,” she said. “The Freedom from Government Competition Act would reverse the eight-year drought — the eight years that not a single commercial activity performed by the federal government has faced an iota of scrutiny.”

Before the government increases its reliance on outsourced goods and services it must improve its ability to weigh alternatives, Kettl testified. “The basic problem is we just don’t have an agreed-upon methodology for making the cost comparisons.

“If the basic point is that whoever can do the job best and cheapest ought to get the work, we need to have some consensus on what that looks like. We have gotten ourselves into the biggest prob-

lems assuming we know the answers to the questions before we start looking at the evidence.”

McTigue agreed. “It is not just about price, it is about how we can do it better,” he said. “Sometimes it means the best bid is the one you have to turn down.”

Industry wants a chance

Government competition is a hot topic in the bus and motorcoach industry, said Ken Presley, vice president of industry relations and chief operating officer for the United Motorcoach Association.

“Every day across the country hundreds of motorcoach company owners watch motorcoaches, purchased partially with their own federal tax dollars and operated by local transit authorities, accommodate suburban commuters, knowing they could provide the service under contract to the community safely and competitively — if they only had the chance,” Presley said.

“In some areas we are increasingly seeing communities turn to the private sector to help government budgets. Budgets at every level continue to tighten and new sources of tax revenue barely keep up.

“The taxpayer is tapped out and governments will need to deliver services like commuter transit more effectively, or perhaps not at all.”

W. Va. to receive flood-relief funds

WASHINGTON — Flood-ravaged West Virginia will receive \$5.7 million in emergency relief funds for road repair from the Federal Highway Administration, Transportation Secretary Anthony Foxx announced.

In what some meteorologists called a “once in a thousand years” storm, roads and bridges in 44 of West Virginia’s 56 counties were deluged. The affected area spans more than 200 miles from the southern borders with Kentucky

and Virginia to the northern one with Pennsylvania.

The \$5.7 million is the first installment of what the FHWA estimates will be more than \$20 million in such funds for West Virginia.



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Peoria Charter Coach: 75 years and four generations

PEORIA, Ill. — Seventy-five years ago, Walter Winkler had an idea to improve transportation for his friends, family and co-workers.

Some say it came to him in a dream and some say that his background as a farmer in central Illinois gave him a knack for fixing any issue that he found.

Either way, Winkler saw an opportunity to improve the livelihood of people in the Lacon-Spring Bay area.

During that time, the United States was battling in World War II. About 40 miles from Winkler's hometown, Caterpillar Inc. of Peoria was manufacturing many of the military machines to help win the war.

War rationing for gas began soon after the U.S. entered the war and everyone began riding together and pooling their gas rations to travel to the Caterpillar factories.

Winkler envisioned a way to have many more than just three or four people ride together — by bus — which would provide a great service to his community.

The only question he had was how to raise the money for such an expensive piece of equipment. He approached his sister, who owned a local egg farm, and asked her for a small loan to get started.

Knowing his brother's work ethic, she pulled together as much money as she could, but he was still short of the amount he needed to buy his first bus.

Winkler decided to take a leap of faith and sold his family car to cover the outstanding funds and in 1941, the Spring Bay Lacon Bus Company officially began operations.

75 years and counting

Today, 75 years later, what is now Peoria Charter Coach has 64 luxury tour buses and has evolved to be one of the largest charter bus companies in Illinois. It carries more than 500,000 passengers over 4 million miles a year.

"We care about all our people," Bill Winkler, Walter's grandson and a third-generation member of the company, said in explaining Peoria Charter's long-term success.

"Their work ethic is high and in turn they treat our customers accordingly. And we don't just hire anyone. We believe in seeking those who will treat others with the highest respect."

Not long after launching the company, Winkler saw another opportunity to serve not just the community, but also his country by transporting U.S. defense workers and military personnel. He was beginning to learn that putting the needs of the community first would result in profitability.

Around the time that World War II was coming to an end, Winkler's wife, Clarice, gave birth to two sons, Roger and Stan.

The brothers were involved in the bus operation from day one, heading home from school to clean and service the buses. By the time they graduated high school, they wanted nothing more than to join their father and turn the company into a family business.

In 1978, after working in almost every area of the company, including driver, technician, cleaner and office staff, Walter Winkler stepped down and his sons eventually became partners and second generation owners of the business.

Stan focused on the office work and Roger became a hands-on expert in the mechanical department. To this day, technicians still speak of the "magic touch" Roger had with the buses and his ability to perform any repair.

New name and location

The company soon outgrew the small metal garage in Lacon and the facilities were moved to Peoria. The name of the company was changed to Peoria Charter Coach Company.

Roger's wife, Velda, was instrumental in the company's expansion. Her desire to put customers first resulted in innovative marketing that was not even taught at universities until years later.

In the 1950s the company added school bus service, and Velda began driving the buses, becoming the favorite driver of many children.

Velda and Roger also began offering their friends day trips to go see a play or a ball game, and the excursions became so popular the company formed a new department called Peoria Charter Travel.

The department grew so large that in 1998 the annual "Winkler Trip" required the company's entire fleet of 25 buses.

Peoria Charter went through some tough times in the 1980s when Caterpillar, one of its biggest customers, cut 40 percent of its employees. With the Peoria bus rental market demand dwindling from a poor economy, Peoria Charter was thought to only have a couple years left to exist.

But Roger and Stan went back to their roots and had an idea similar to the one their father acted on when he started the company. With Peoria being the largest downstate city in Illinois not connected to rail transportation, they figured a daily shuttle bus between Peoria and Chicago would fulfill a community need.

Government deregulation of the industry made it a viable option, and Roger and Stan began a daily line run that would continue for another 35 years.

The company now operates four daily buses from Peoria and Bloomington Normal to Chicago and eight daily buses from Champaign to Chicago with no federal or state funding.

Third generation

In 1990, Stan Winkler decided to retire from the company and sold his share to Roger and Velda. At the time, their son Bill was entering the working world with a CPA degree and he agreed to join the family business as company comptroller.

The Winklers soon expanded their market share of local university transportation, providing buses for sports teams and offer-



Peoria Charter Coach, which turned 75 this year, got its start when Walter Winkler saw the need to run buses to the Caterpillar factories in Peoria, Ill. World War II gas rationing meant many workers were unable to drive to the factories. Peoria Charter is now one of the largest charter bus companies in Illinois.

ing weekend shuttle services to the Chicago area for students.

In 1999, when Peoria Charter had 100 employees and 48 motorcoaches, Roger and Velda sold the majority rights of the company to Bill and his wife, Cindy.

The company saw record growth and profits until the Great Recession hit in 2008, which was a difficult time for all bus companies. However, through wise financial planning and conservative decision-making, the company was able to push through and managed to grow, opening a new facility in Champaign-Urbana, home of the University of Illinois.

In 2014, Bill and Cindy's son, Jake, joined the company as the fourth generation of the family. His expertise is in social media marketing and outside sales. Full multi-year contracts were locked up with the University of Illinois and Illinois State Uni-

versity, two of the largest schools in the state.

Today, 70 percent of the company's business is through charters, with the rest made up of scheduled line runs.

Bill Winkler reiterated that the company's success stems from the same work culture created by his grandfather 75 years ago: Work hard, put the needs of the community first, and profits will follow.

And, he added, every employee is treated with respect and as "part of the Winkler family." They respond by treating customers with equal respect.

"We can always train drivers — that's why we have a full-time safety director — but we can't train people's attitudes," Bill Winkler said.

"Our customers don't always know who I am, but they definitely know our professional drivers."

ABC's Florida location celebrating 40th anniversary

WINTER GARDEN, Fla. — Originally opened as a small service facility on the edge of an orange grove, the Florida location of ABC Companies is celebrating its 40th year in operation.

The original five-acre facility in Winter Garden near Orlando, started as a hobby during ABC founder Clancy Cornell's "first retirement," became the incubator for the company's now nationwide repair and service network.

"Our dad quickly recognized that the area's booming tourism industry and its impact on tour and charter operations was driving strong demand for quality equipment and service," said Dane Cornell, chairman and CEO of ABC.

"When he first opened shop in Winter Garden we were all hands-on with servicing the buses. We would literally drive the buses underneath a makeshift garage my dad constructed from a shipping

container built with a lean-to roof."

Now, 40 years later, ABC's Winter Garden facility boasts a modern sales and service operation that spans 56,000 square feet located on 30 acres. The location features a 10,000-square-foot collision facility, a 10,000-square-foot paint and graphics operation with three paint booths, a 3,500-square-foot showroom, and 23 service bays.

It also includes two individual parts warehouses that span 15,000 square feet and provide on-site access to an extensive inventory of replacement parts for popular equipment makes and models.

This enables ABC Service to provide quick turnaround on routine parts replacement and service requests. The parts facility also serves as the distribution center for weekly container shipments of Van Hool parts.

As they arrive from overseas,

shipments are sorted and deployed from the Florida location to replenish ABC parts and service centers around the country.

Winter Garden serves as the receiving center for all OEM Van Hool equipment. As new coaches arrive at the port in New Brunswick, Ga., ABC's PDI Group (pre-delivery and inspection) is responsible for all aspects of approving, processing and handling all new coach deliveries prior to turning them over to customers.

Winter Garden also is the loca-

tion of ABC's Nationwide CustomerCare Center, which offers comprehensive warranty support for all OEM Van Hool models and has three in-house engineers who work in conjunction with ABC sales and field personnel to support customers.

The facility is home to the second and third generations of Cornells, who continue to steer the family-run business. The strategic location, combined with a full-service offering of sales, service, parts, warranty support and live

customer support center, make the facility the busiest of ABC's locations nationwide.

"Four decades later, we are proud to celebrate Clancy's vision and his business legacy," said Tim Wayland, ABC's president and chief commercial officer. "His innate ability to recognize a market need and fill that demand is a testimony to his business acumen. His exemplary leadership still motivates the ABC staff and management team today and is the driving force behind our ongoing market success."

Crash records

CONTINUED FROM PAGE 1

convicted of driving under the influence, driving in the wrong direction, striking a CMV in the rear or striking a CMV while it was legally stopped.

FMCSA also is considering removing crashes in which a motor carrier struck an animal, a motorist that struck a CMV was speeding or attempting to commit suicide, and crashes caused by infrastructure failure.

The process of removing

crashes from a carrier's record would be generated by a request for data review accompanied by "full documentation" of a crash, the agency said.

"This is an issue that the agency has worked on for quite some time," said Joe DeLorenzo, director of FMCSA's Office of Enforcement and Compliance.

The agency said it would accept comments on the proposal for 60 days after publication in the *Federal Register*, which was expected in mid-July.

DeLorenzo said FMCSA did

not agree with an industry suggestion that the agency use police reports as the standard of who was responsible for a crash.

"Previous research by the agency showed that police accident reports do not generally provide a clear determination as the preventability of a crash," the agency said in its written announcement.

"Relying on a conviction related to one of the crash scenarios described ensures the agency will have a clear record on which to base its determination."

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People

HARRISBURG, Pa. — *John W. Bailey*, president of **Bailey Coach** and vice president of **Travel Time**, is the new chairman of the **Pennsylvania Bus Association**.

Bailey, who was elected to the post during the association's annual meeting this summer, is the second generation in his family's travel and transportation businesses.

Besides serving on the association's board for several years, he is past president of various organizations, including the Delaware Valley Chapter of the American Society of Travel Agents, the Hanover Rotary Club, Lafayette Club, United Cerebral Palsy of South Central Pennsylvania, and the Spring Grove Scholarship Foundation.

Bailey is a current member of the board of directors of the York County Community Foundation.

The Pennsylvania Bus Association also elected the following officers and board members:

• *Tammy Wolf-Baker*, **Wolf's Bus**

— vice chair

• *Brian Kurtz*, **Elite Coach** — treasurer

• *David Benedict*, **David Thomas Trailways** — secretary

• *Jonathan Berzas*, **Fullington Trailways** — member

• *Sandy Borowsky*, **Starr Tours** — member

• *Amy Brooks*, **Susquehanna Trailways** — member

• *Bob Chepalonis*, **Martz Trailways** — member

• *Nelson Floyd*, **Perkiomen Tours** — member

• *Jim Jebran*, **Trans Bridge Lines** — member

• *Jay Newswanger*, **R & J Transportation** — member

• *David Okraska*, **Bieber Transportation** — member

• *Jim Salinger*, **Unique Limousine** — member

• *Allison Sherman*, **Klein Transportation** — member

• *Gary Shimshock*, **Budget Transportation** — member

• *Audrey Bialis*, **Hershey Harrisburg Regional Visitors Bureau** — associate member

YORK, Pa. — *Steve Gardner* has joined **American Cooling Technology** as national accounts/OEM account manager.

Gardner is based in Arkansas assigned to the Southeast territory and will focus on new accounts as well as national and OEM accounts.



Steve Gardner

He joined ACT with 28 years of sales experience, most recently at **Navistar International** as a national accounts manager. He has an MBA from Illinois Benedictine University and a bachelor's from Northern Montana University with a minor in diesel engines.

"With his extensive technical knowledge and bus background, coupled with his industry knowledge and experience, ACT is very fortunate to have Steve join ACT to expand our HVAC application and customer support capabilities," said ACT President *Dave Oberdorff*.

City, N.J. www.namocoaches.org.

September 2016

11-14 American Public Transportation Assoc. Annual Meeting, JW Marriott Los Angeles L.A. Live, Los Angeles, Calif. Info: www.apta.com.

Calendar

August 2016

8-9 Midwest Bus Association Annual Convention and Rodeo, Holiday Inn & Suites, Carol Stream, Ill. Info: www.mbmca.org/convention.

17-21 NCMA-VMA-MCASC Regional Meeting, Embassy Suites Charlotte-Concord Golf Resort & Spa, Concord, N.C. Info: www.scmotorcoach.org.

18-21 National Association of Motorcoach Operators Annual Meeting, Resorts Casino, Atlantic



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