

Bus & Motorcoach NEWS

WHAT'S GOING ON IN THE BUS INDUSTRY

Georgia operator, shutdown by feds, regains authority

MACON, Ga. — A Georgia motorcoach operator is back in business after going to federal court to challenge a shutdown order issued by the Federal Motor Carrier Safety Administration.

A consent order agreed to by the company, TranSouth Motorcoach of Warner Robins, Ga., and the FMCSA, allowed TranSouth to resume operations.

TranSouth had filed suit against the FMCSA in late July, seeking to block the safety agency from enforcing an out-of-service order the coach company said was arbitrary and uncalled for. (See Aug. 15 *Bus & Motorcoach News*.)

The civil action may not have been the first use of a federal court to challenge an FMCSA shutdown order, but it was extremely rare, and rarer still to have resulted in a reversal by the agency in a matter of weeks.

The FMCSA had ordered TranSouth and its eight-bus fleet off the road on July 22. The order said TranSouth had failed to comply with the terms of another consent order negotiated last year.

The company filed suit a week later in U.S. District Court for the Middle District of Georgia, seeking a temporary restraining order and a permanent injunction, prohibiting the FMCSA from enforcing its cease-operations order.

TranSouth's suit asserted that a FMCSA inspector "piled on" the company, making it an "innocent victim" in the safety agency's "Operation Quick Strike" campaign to shut down unsafe motorcoach operators.

The TranSouth suit sparked a re-evaluation of the out-of-service order issued by the FMCSA, which

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Inspection blitz by FMCSA checks thousands of coaches

WASHINGTON — The Federal Motor Carrier Safety Administration wrapped up its two-week national "strike force" this month, inspecting thousands of motorcoaches during the last week of August and first week of September.

The inspection blitz was a key element of the agency's "Motorcoach Safety Initiative" aimed at removing "high-risk buses and drivers" from roadways.

In addition to destination and terminal inspections, inspectors and investigators also visited new bus companies to assess their safety programs.

"Buses are a convenient, inexpensive way to travel, and we are committed to keeping them safe," said U.S. Transportation Secretary Anthony Foxx.

During the crackdown, said Foxx, enforcement officials not only worked to remove dangerous vehicles and drivers from streets and highways, but also to assure "that companies who make a business of transporting passengers are meeting the necessary safety standards."

According to the FMCSA, local, state and federal law enforcement personnel, plus specially trained investigators, inspected buses in all 50 states.

They checked brakes, tires and exhaust systems, as well as verified driver qualifications and compliance with hours-of-service requirements.

"Aggressive strike force inspections help save lives on our

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It's a good time to finance a coach purchase, but...

The slowly improving economy and depressed interest rates are making this a good time to borrow money for a motorcoach purchase, industry lenders say.

But comparatively low financing costs alone aren't expected to significantly boost new coach sales.

Two factors could, however. The improving financial condition of operators (see article below) and aging fleets.

"The greater factor encouraging new coach sales is operators needing to replace units they held onto longer than they normally would have due to the tough economic conditions, commencing in mid-2008," said Dave Reynolds, president and CEO of Fleet Financing Resources of Riverside, Calif.

Easier, cheaper financing "doesn't hurt, but I don't think the correlation between interest rates and

bus purchases is as strong as it used to be," notes Greg Berg, vice president of SunTrust Equipment Finance and Leasing in Southlake, Texas.

"Years ago, we would see strong increases in bus purchases as rates declined. Not so much anymore. Operators appear to be carefully weighing all of their options before purchasing new equipment," adds Berg.

"Financing, of course, is just one thing to consider when making a decision to purchase. But, from an interest-rate perspective, it is certainly a good time to purchase," said Peter King, vice president of TCF Equipment Finance Inc. in Minnetonka, Minn.

The interest rate on a 10-year U.S. Treasury note — the bell-weather of the credit market — has been creeping higher but was at a

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Survey: Financial status of operators shows gains

ALEXANDRIA, Va. — The financial condition of motorcoach operators that are members of the United Motorcoach Association continued to show improvement during the past year, prompting many to consider buying new coaches, the 2013 UMA Membership Survey and Industry Assessment shows.

The same survey identified driver fatigue as an important issue that is growing in significance among operators.

The percentage of operators who said company revenue "increased greatly" during the previous 12 months was 9.5 percent, 4.4 points higher than reported a year earlier.

Company financial status was rated "significantly better" by 12.2 percent of the operators, double the finding in the 2012 survey.

Financial status was ranked sig-

nificantly or slightly better by 61.5 percent of companies in the latest survey, a 4.2-point improvement.

At the same time, the percentage of operators planning to purchase a new coach in the coming year jumped by 11 points.

The 95-question survey, conducted online this past spring, was responded to by 24 percent of UMA operator members, the same rate as the previous year.

Fatigue findings

Fatigue continues to grow in importance as an issue among motorcoach operators, with 72 percent of companies citing it as a concern, up from 65 percent in 2012, and 63 percent in 2011.

Fatigue management programs are now conducted by 78 percent of

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Two operators in Virginia are big believers in belts

ROANOKE, Va. — “When we carry kids, every one of them gets in a seat and buckles up. Since they were little they’ve had to do it. The teachers love it,” said Fred Abbott, president of Roanoke-based Abbott Trailways.

Although there is not yet overwhelming customer demand for seatbelt-equipped coaches, those kids are future charter buyers and riders, notes Abbott.

That’s why Virginia’s two largest charter coach operators, Ab-

bott Trailways and James River Bus Lines of Richmond, have taken the lead in fitting all of their coaches with seatbelts.

“Some adults DO use the seatbelts, and some don’t,” observes Abbott. “We haven’t gotten through to the people. People don’t ask for seatbelts, yet, but we expect them to in the future. Once the word gets out that they are available, I expect schools to require it.”

Even without strong consumer



Fred Abbott Stephen Story

demand, seatbelt retrofitting is the right thing to do, says Abbott.

“Every time we see news about a bus wreck and people got hurt, it hurts our feelings. If those people

had seatbelts, they might not have gotten hurt.”

Abbott Trailways has fitted most of its 60 coaches with new seats carrying three-point seatbelts and expects to have the entire fleet retrofitted by its peak fall season.

James River Bus Lines has installed two-point belts on all 40 of its buses, reports President Stephen Story. “We did it for a simple reason — safety.”

All of James River’s smaller vehicles have been purchased with

lap belts since 2001, he said. Motorcoach retrofitting was stalled over concerns about possible new safety regulations.

“We started planning to put them in our motorcoaches three years ago but we didn’t want to retrofit our buses and then have a new rule come up and force us to redo everything. The motorcoaches were behind the rest of our fleet. I think the industry has kind of dragged its feet on this also.”

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Another CARB deadline looms for motorcoaches, trucks

SACRAMENTO, Calif. — The California Air Resources Board is reminding all bus and truck operators — including out-of-state companies — to check now whether vehicles in their fleets will have to meet new state emissions mandates on Jan. 1.

When the New Year begins, heavy-duty buses and trucks (those with a gross-vehicle-weight rating of more than 26,000 pounds) with 2000-04 model-year engines will likely need diesel soot filters as required by the CARB Truck and Bus Regulation.

The state emissions requirements, which apply to all buses and trucks running in California, not just those operated by companies based in the state, are part of California’s Diesel Risk Reduction Plan.

The plan includes a suite of regulations designed to reduce diesel pollution from a wide variety of sources.

In 2011, similar requirements took effect for 1996-99 model-year engines.

While there are a handful of exceptions, such as low-mileage and

emergency vehicles, the majority of registered buses and trucks in the 2000-04 vehicle category will need to take steps to comply with the regulation, including installing particulate filters.

“Our efforts to reach out to (operators of commercial vehicles) have yielded positive results,” said CARB’s Enforcement Division Chief James Ryden.

“We have enforcement and compliance-assistance teams all over the state who regularly inspect vehicles and educate owners, and recently, we’ve been pleased

to note a compliance rate of more than 80 percent.”

Bus and truck owners should note that noncompliant vehicles (including out-of-state vehicles) may not be legally operated in California. Penalties start at a minimum of \$1,000 per violation per month and increase significantly over time.

In addition, noncompliance can result in a Department of Motor Vehicle registration block on a bus or truck, and/or having a vehicle impounded by the California Highway Patrol until it is in compliance.

State enforcement officials have a propensity to check buses right after the New Year when hundreds come into the state for the Rose Bowl, Rose Parade and other activities.

For more information on possible penalties, see the “Enforcement” link at www.arb.ca.gov/msprog/truckstop/azregs/enforcement.htm.

Questions about the program and mandates should be directed to (866) 6-DIESEL [(866) 634-3735], or go to www.arb.ca.gov/truckstop.



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Bills proposed to further regulate New Jersey jitneys

TRENTON, N.J. — Bills have started making their way through the New Jersey legislature that would further regulate the state's jitneys.

The legislation was introduced in the wake of the late July death of an infant girl in West New York, N.J., who was killed when a jitney — whose driver allegedly was talking on a cellphone — crashed into a light pole that fell on her.

State Sen. Nicholas Sacco is sponsoring a bill, S-2950, also known as Angelie's Law, named after eight-month-old Angelie Paredes of North Bergen, N.J., who died in the incident. (See Aug. 15 *Bus & Motorcoach News*.)

The driver has been charged with death by auto, reckless driving and using a cellphone while operating a vehicle.

"Regulating these commuter

vans has been a challenge for many years due to their undefined legal status and concerns over jurisdiction, but after this horrific tragedy, I feel that action must be taken," Sacco said in a statement.

His bill would expand on a similar piece of legislation, A-3993, that was introduced in the state General Assembly. That measure would increase to \$1.5 million the amount of insurance a jit-

ney operator must carry, and it would require a jitney driver to possess a commercial driver's license and undergo a drug test before being hired.

That bill is sponsored by four assembly members.

Jitneys are widely operated by individuals and companies in New Jersey and New York to ferry commuters from the heavily congested suburbs of North Jersey into New

York City.

Since the West New York incident, many New Jersey lawmakers have called for increased regulation of the commuter bus industry.

Local law enforcement officials say they receive numerous reports of aggressive or distracted jitney drivers.

Last month, hundreds of jitneys were stopped and checked in an inspection blitz.

USEPA relaxes rules for contaminated rags

WASHINGTON — Bus and motorcoach companies that use solvent-soaked rags to clean and wipe parts and other components are now exempt from USEPA solid- and hazardous-waste rules under certain conditions.

The U.S. Environmental Protection Agency has revised the hazardous waste management regulations under the Resource Conservation and Recovery Act to conditionally exclude solvent-contaminated rags and wipes from hazardous waste regulations — provided businesses clean or dispose of them properly.

The rule change is based on a USEPA risk analysis that concluded rags contaminated with certain hazardous solvents do not pose a

significant risk to human health or the environment when managed properly.

A "solvent-contaminated wipe" is a shop towel, rag, pad or swab made of fabric, cotton, polyester blends or other material that after use or after cleaning up a spill contains a solvent that would be considered hazardous waste, either because it is listed in the hazardous waste regulations or because it exhibits the characteristic of ignitability.

Solvent-contaminated wipes do not include wipes contaminated with hazardous waste other than solvents or those that exhibit characteristics of toxicity, corrosivity or reactivity due to contaminants other than solvents.

Generally, the rags that are subject to the exclusion are used in conjunction with solvents for cleaning and other purposes by tens of thousands of facilities in numerous industrial sectors, such as vehicle repair facilities, printers, electronics, furniture and chemicals.

To be excluded from the new rule, solvent-contaminated wipes must be kept in closed, labeled containers and cannot contain free liquid solvents when sent for cleaning or disposal.

Additionally, facilities that generate solvent-contaminated wipes must comply with certain recordkeeping requirements and may not accumulate wipes for longer than 180 days.

"Reusable wipes" must go to a laundry or dry cleaning facility which has a discharge regulated under the Clean Water Act.

"Disposable wipes" must go to a hazardous waste combustor, a hazardous waste landfill if contaminated with trichloroethylene (TCE), or a municipal solid waste landfill if contaminated with any other solvent.

Before the rule, most businesses were required to manage the bulk of such rags as hazardous waste, which required additional management, handling and related costs.

One expert noted that the rule means that something as seemingly insignificant as rags can result in savings and regulatory relief.

Ill. governor OKs 70 mph

SPRINGFIELD, Ill. — On Jan. 1, Illinois will become the 37th state to permit highway speeds of 70 mph or higher since the national 55 mph speed limit was repealed almost two decades ago.

Gov. Pat Quinn put aside safety concerns and approved legislation last month that raises the speed limit on rural Illinois interstates to 70 mph.

Dodging a possible veto showdown, Quinn signed the measure despite opposition from the Illinois Department of Transportation, state police and roadway safety organizations, who predicted increased roadway mayhem, especially between cars and trucks.

"This limited 5 miles-per-hour increase will bring Illinois' rural interstate speed limits in line with our neighbors' and the majority of states across America, while preventing an increase in excessive speeding," Quinn said in a statement.

The six-county Chicago region — home to some of the nation's busiest interstates — would be allowed to set lower speed limits under the law, as would two Illinois counties near St. Louis.

The speed limit would increase on the Illinois Tollway, but could be kept at current limits on some stretches, according to the governor's office.

The current speed limit in Illinois is 55 mph in metropolitan areas and 65 on rural highways.

After initially expressing safety concerns, Quinn decided to sign the measure after studying the issue over the summer, an aide said. Ultimately, Quinn decided there were enough protections in the bill, such as allowing heavily populated counties to opt out.



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Study: Delaware has lowest business taxes, Alaska highest

EAST LANSING, Mich. — Overall business taxes are lowest in Delaware and highest in Alaska, according to a study from the economic consulting firm Anderson Economic Group.

The Alaska ranking probably should have an asterisk next to it.

But how much an individual firm pays depends on the kind of business.

Businesses in Delaware paid 5.1 percent in state and local taxes, while those in Alaska paid 25.2 percent, the report said.

The states were ranked according to the percentage of businesses' operating margin that states taxed. Operating margin is, broadly, profit before the business pays its interest on loans and taxes.

The report also showed that U.S. businesses paid more than \$623 billion in state and local taxes in 2011, the latest year for which figures were available.

The largest percentage of taxes paid by the businesses are property taxes, general sales taxes and unemployment insurance taxes which accounted for 68 percent of the total state and local taxes paid by businesses in 2011.

Alex Rosean, one of the authors of the study, said Delaware is particularly low in how much it taxes businesses because it has no corporate or individual income tax, a low property tax and a low unemployment compensation tax.

"They also don't have a sales tax," Rosean noted, adding that the economy in Delaware has been doing better than many other states, allowing the First State to keep taxes down.

As for Alaska, Rosean said that state also has a low individual income tax and no sales tax. But it has a relatively high corporate income tax, and, he added: "They have an absolutely gigantic severance tax, a tax on mineral extraction. As soon as a barrel of oil leaves the ground, they tax it.

"It's smart on their part because businesses can't say they are going to move to Colorado and drill for oil there," he said.

But Alaska was losing out to drilling in other states like North Dakota, Pennsylvania and Texas, and just this year, decided to lower the taxes on oil companies in a bid to lure them back. This was labeled a risky strategy by some opponents in Alaska, which depends heavily on oil revenue to fund the state budget.

Peter Fischer, an economist with the liberal organization Good Jobs First, and author of the report "Grading Places: What Do the Business Climate Rankings Really Tell Us?" said the Anderson Eco-

nomics Group study is on target.

"This one actually tries to measure the amount businesses pay," said Fischer. "They are looking at the right things, not mashing all the numbers together and trying to come up with a meaningful index."

Fischer said the trouble with most studies is that they don't dif-

ferentiate between industries. For example, the severance tax is not paid by other kinds of manufacturers in Alaska, and if you take that tax out of the equation, business taxes would be lower overall.

"The idea that there's a single business plan isn't right," he said. "But as a rough estimate, it isn't

bad."

The lowest tax states (as a percentage of operating margin):

1. Delaware, 5.1 percent
2. Oregon, 5.7 percent
3. Utah, 6.2 percent
4. Louisiana, 7.3 percent
5. Georgia and South Dakota, 7.8 percent

The highest business tax states:

1. Alaska, 25.2 percent
2. North Dakota, 16.8 percent
3. Wyoming, 15.7 percent
4. Vermont, 14.6 percent
5. West Virginia, 14.2 percent

To see how the other states rank, go to www.andersoneconomicgroup.com and click on Publications.

Are You Prepared?

FMCSA's Safety Crackdown Can Slam The Brakes On Your Bus Operation



In the aftermath of several highly-publicized bus crashes which resulted in an alarming number of fatalities and serious injuries, the Federal Motor Carrier Administration Safety (FMCSA) has ratcheted up its enforcement activities to unprecedented levels.

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OSHA to invade airliner cabins

WASHINGTON — The nation's airline industry, which apparently doesn't get enough regulation from the Federal Aviation Administration, now has the Occupational Safety and Health Administration poking around aircraft cabins.

It's a development that doubtless only the flight attendants' union is cheering.

Last month, the FAA and OSHA jointly issued a final policy aimed at "improving workplace safety for aircraft cabin crew members," agreeing to share enforcement in the skies.

FAA's aviation safety regulations take precedence, but OSHA

will be able to enforce certain safety and health standards the FAA currently does not cover.

"Safety is our No. 1 priority, for both the traveling public and the dedicated men and women who work in the transportation industry," said Transportation Secretary Anthony Foxx.

"It's important that cabin crew members on our nation's airlines benefit from OSHA protections, including information about potential on-the-job hazards and other measures to keep them healthy and safe."

Department of Labor Secretary Thomas Perez said the policy "shows the strength of agencies working together and will en-

hance the safety of cabin crew members and passengers alike.

"It is imperative that cabin crew members have the same level of safety assurances they provide the public."

An FAA news release said aircraft cabin safety issues that fall under OSHA standards include information on hazardous chemicals, exposure to bloodborne pathogens, hearing conservation programs, recordkeeping, and medical records.

The agencies said they will develop procedures to ensure that OSHA does not apply requirements that could harm aviation safety.

largest outdoor farm exposition.

Teams of inspectors from the Illinois State Police and Illinois Department of Transportation spent two days checking 101 motorcoaches arriving for the show.

Of the 101 coaches and drivers checked, 5 buses were put out of service for safety violations and 7 drivers. Three drivers were ordered out of service for hours-of-service violations, one was disqualified, and the other violations were not identified.

A variety of vehicle violations

Weight restrictions added to bridges in Pennsylvania

HARRISBURG, Pa. — Pennsylvania Department of Transportation Secretary Barry Schoch has authorized his agency to increase weight restrictions on about 1,000 bridges in the commonwealth.

Schoch said the expanded weight restrictions are due to Pennsylvania General Assembly inaction on transportation funding.

The restrictions will apply to 530 state-owned and about 470 locally-owned bridges, according to PennDOT.

Reducing weight on the bridges will slow their deterioration and preserve safety as funding for repairs is still uncertain, PennDOT said.

According to PennDOT, the commonwealth leads the nation in the number of bridges classified as "structurally deficient," with a majority more than 50 years old.

Despite a stepped-up nationwide effort to upgrade bridges in recent years, a staggering 151,500 are still labeled as deficient, the

cure for which is to spend \$20.5 billion every year between now and 2028.

That estimate comes from the Federal Highway Administration, which oversees the condition of the nation's bridges, and which says that current spending on the spans is \$12.8 billion annually.

As quickly as some bridges are taken off the deficient list, others are added, a situation that weighs on states like New Hampshire.

Since 2000, New Hampshire has removed 200 bridges from the state's "red list" but added another 196, a net gain of four bridges in 13 years. "Red list" is a state term for bridges that need work.

One big crossing in New Hampshire, the Memorial Bridge, was removed from the red list last month. Closing the bridge two years ago severed the link between Portsmouth, N.H., and Kittery, Maine, communities that face each other across the Piscataqua River.

All but three of the inspections were CVSA Level 1 checks, but three coaches were given Level 2 inspections.

Safety blitz

CONTINUED FROM PAGE 1

roadways and protect people who travel by bus," said Federal Motor Carrier Safety Administrator Anne S. Ferro. "Strong enforcement efforts will increase safety and reduce serious crashes that result in death and injury."

This year's summer strike force, the third such inspection initiative in three years, is part of the broader, ongoing safety crackdown launched by the FMCSA in April.



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Trains to nowhere, buses to everywhere

By John Stossel

When Democrats and Republicans agree, I get nervous. It often means that they agree to grab my wallet.

Both parties now agree that we don't have extra budget money lying around, but both say government does need to spend more on "infrastructure."

Even conservatives want more spent on roads and mass transit.

The reason, advocates claim, is that infrastructure, unlike most government spending, has a "multiplier effect" — it creates new wealth by doing things like speeding up travel.

Well, it might.

Advocates also point out something that seems obvious to them: Infrastructure is a job that must be done by government. Who else would launch big projects like the New York City subway system? Subways are what Big Government

supporters call a "public good."

They are important to many people, but there's no way that business would build subways or run them, they argue. Subways lose billions of dollars.

Entrepreneurs would never invest in subway cars or dig subway tunnels — there's no profit in that.

But often what we "obviously know"... is not so.

Most of New York's subways were actually built by private companies. Few New Yorkers even know that. Private companies dug the first tunnels and ran the trains for about 40 years.

But, when they wanted to raise the fare to a dime, the politicians said they had to "protect" the public. Government took over the system, saying only "public ownership" could guarantee affordable fares.

But government doesn't do anything well. Under government management, profit disappeared and the fare rose well beyond the

inflation-adjusted equivalent of what the private companies had wanted to charge.

Now, politicians want you to buy them new trains. Who wouldn't like a shiny new train?

The Obama administration gave your money to California politicians who want to build a 200-mph train to take people from Los Angeles to San Francisco.

Somehow, in the tradition of political boondoggles everywhere, the train that politicians actually approved doesn't yet come close to either city. It starts, and ends, "in the boondocks," says *Reason* magazine's Adrian Moore.

"I live in a little mountain town called Tehachapi," he says. "It's in the middle of nowhere, 50 miles to the nearest Walmart...the high-speed rail line in California comes right through my town. This thing is like the boondoggle of boondoggles."

When I confronted train advo-

cate Dennis Lytton about that, he said, "They're starting high-speed rail in the middle of the state because that's where you can build it fast."

He also said, "Private investors will be part of the mix." But when I asked if any have invested so far, he said, "Not at this time."

People who spend their own money know better.

Lytton also claimed that California's Amtrak trains are "packed." So we investigated that claim. It turns out to be far from the truth. On average, California's Amtrak trains are one-third full.

Government planning leads to transit systems that lose money on every passenger, airports where there are few passengers or planes, and bridges to nowhere.

America does need mass transit. Three hundred million people need to go places. Roads are congested. Who will provide it when government drives transit entrepreneurs out of the business?

Well, instead of building giant rail projects in the boondocks, how about letting people ride buses?

Buses, privately owned buses, are now the fastest growing mass transit in America. Buses are much cheaper than trains.

Amtrak charges about \$150 to ride from New York to D.C. Buses charge less than \$20. And buses don't require new land seizure through eminent domain.

Buses aren't locked into straight-line routes. They go where people go. And when people move, buses, unlike trains, change routes.

Let services be paid for by the people who use them and built by people who put potential profits on the line. Otherwise, politicians will take us for a ride.

John Stossel is host of Stossel on the Fox Business Network. He's the author of No They Can't: Why Government Fails, but Individuals Succeed. Reprinted from Townhall.com.

Study aims to improve driver blood pressure management

DULUTH, Minn. — A new study by a college of pharmacy here may help drivers meet their blood pressure goals.

Achieving and maintaining a healthy blood pressure is important not just for a driver's well-being but it's also essential to maintain a commercial driver's license.

According to Federal Motor Carrier Safety Regulations, "A person is physically qualified to drive a commercial motor vehicle if that person has no current clinical diagnosis of high blood pressure likely to interfere with the ability to operate a commercial motor vehicle safely."

High blood pressure increases the risk of heart attack, heart failure, stroke and kidney disease. One of the most dangerous aspects

of high blood pressure is that there may be no symptoms.

Regularly monitoring blood pressure can help individuals and their healthcare providers make appropriate changes, keeping drivers on the road.

However, the challenging lifestyle of drivers can make it difficult to manage high blood pressure.

To help address the issue, a new research study being led by the University of Minnesota College of Pharmacy is evaluating how pharmacist-provided medication management may impact blood pressure control.

Medication management involves meeting with a pharmacist who works with an individual and his or her healthcare provider to assure:

- There is a reason the individual is taking all of their medications
- Each medication is effective and not causing harmful side effects or drug interactions
- Medications are being taken correctly

The researchers have partnered with a Superior, Wis.-based trucking company, Halvor Lines, to identify drivers already diagnosed with high blood pressure to participate in the yearlong study.

"We aim to see if pharmacists can help drivers lower their blood pressure and maintain their CDLs. Previous research shows that participating in medication management with a pharmacist improves health outcomes and saves medical costs," said Keri Hager, a pharmacist and assistant professor at the

University of Minnesota, who leads the study.

Study participants are split in two groups: one group that follows their usual care and reports their blood pressure measurements throughout the study, and a second group that meets with a pharmacist specially trained in medication management at least every four months or more frequently if necessary.

The pharmacist works with the driver's physician to make any necessary changes to medications or lifestyle to achieve individual health goals.

"Previous studies have shown that patients benefit from individualized consultation with pharmacists — whether it's by the pharmacist recommending a change in dose or product to help the patient achieve

their health goals, or to reduce side effects or improve effectiveness.

"In this study, we're trying to understand if drivers with high blood pressure benefit from increased monitoring and education from pharmacists, which ultimately could help drivers keep their blood pressures at goal," said Hager.

Researchers are also hoping to learn how patients prefer to receive services from a pharmacist. Participants selected to meet with pharmacists decide if they'd like to meet with the pharmacist in person at a clinic, or via video-conferencing.

And understanding that preference may improve how health care is delivered to drivers, making it easier and more convenient to see pharmacists and other healthcare providers.

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Know the lay of the land, especially if it's mountainous

By Dave Millhouser

My boss and I were ferrying two Eagle demonstrators west for the UMA Motorcoach Expo in San Diego.

Every time we climbed a grade, I passed him, waving and grinning.

His bus was marginally more powerful than mine, and being the spirited sort, this aggravated Tom. He was WAY smarter than me, an aeronautical engineer/test pilot, so this couldn't be happening.

Nearing the journey's end, I literally fogged by him...and he figured it out.

Every time we climbed a hill, I turned off the A/C and turned on the manual heat mode.

Unloading the fans and A/C compressor unleashed an extra 30 horsepower (and lots of hot moist air that resulted in fogged windows, allowing him to figure out the ploy as I passed).

Tom's response was competitive.

As we approached a sign reading "5 percent grade next 10 miles" he dumped his A/C, and accelerated over the crest. It was a bit puzzling because extra horsepower isn't helpful during a steep descent.

Two miles later you could see smoke rising from his coach, sitting stopped in a gravel pullout... brake drums glowing cherry red, smoldering from trying to slow that jewel as it went over the high-way version of a cliff.

I asked him why he'd descend a 5 percent grade so rapidly, in high gear. He replied, "I saw the sign and thought it meant uphill. I got a run at it."

The takeaway is that, no matter how skilled you are, it's always wise to have knowledge and training in what you're actually doing NOW.

Your drivers are good in their normal environment but that may not translate fully when they're sent into a different setting.

For example, if you're based in New Jersey and are dispatching a tour to the Rockies, you might want to have a conversation with the drivers on the physics of driving mountainous terrain.

Modern disk brakes are less prone to fade than drums, but if you ride them hard enough, they become lazy. In addition, they generate a ton of heat, which does not please your tires. Thermal events... you don't need.

In an effort to improve fuel economy, every modern coach has an overdrive transmission. A complicated engineering theorem (that I don't quite understand) means that your engine's compression contribution to downhill braking is MUCH less than in ye olden days.

To compensate, most new buses now have some sort of retarding mechanism. Generally these work well but on long grades drivers need to understand their limitations.

Engine brakes work in an entirely different manner than transmission retarders. Less efficient in higher gears, they thrive when drivers give them some attention (in the form of downshifting).

Transmission retarders are usually more effective, but generate enough heat to do damage if used incorrectly. There are "input" and "output" versions, with somewhat different characteristics.

Some coaches have retarders AND engine brakes, and it's worth discussing which to use, when.

Occasionally highway coaches are equipped with exhaust brakes, or electronic driveshaft retarders, each with their own whims.

In ye olden days we descended

a grade in the same gear (and speed) that we climbed it, using engine compression to supplement the air brakes. Modern engines are so powerful that it's possible to climb a hill faster than you can safely descend it, particularly if you only use the service brakes.

Other considerations include the length of the grade, the difficulty of the highway, and how much weight the coach is carrying.

The point is that it's worth having this discussion with drivers if they're going into an environment that's new to them. It doesn't have to be mountains.

A routine ski trip might present challenges to a driver whose experience has been limited to Florida. You get it...

Flexible coaches were famous for braking in much the same way New York mayoral candidate Anthony Weiner is known for modesty. Sitting in our garage in Colorado's high country, we weren't surprised when one had a near tragedy on a local grade.

A Nebraska-based VL100 was descending Kenosha Pass when its young driver kicked it into neutral to see what would happen.

Wanna guess?

Approaching 100 mph, he tried the brakes and was rewarded with...nearly nothing. Eventually he managed to jam the transmission into gear, greatly over-revving the 6-71 Detroit, and bending every valve in the engine head. He coasted to a stop.

They towed the coach to our place, and after replacing the head, the engine still wouldn't run properly. It turns out the engine had been spinning so fast, it had wrung the centrifugal weights off the governor.

Returning to Nebraska required traversing 90 miles of mountains before reaching the flat prairie. The coach owner decided it would be wise to hire one of our drivers with local expertise to get that far.

The passengers thought that was a marvelous idea.

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



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What's the role of technology in reducing crashes?

TORONTO — A Canadian risk management expert is sounding a strong note of caution about the rapid advent, advancement and adoption of new safety technologies on commercial vehicles.

Almost daily, notes Toronto-based safety consultant Rick Geller, drivers, risk managers and their bosses are being bombarded with new technology-based products ostensibly designed to improve driver performance, vehicle safety and overall system efficiency.

The new safety-specific products include collision-avoidance, braking and stability control, lane departure, blind-spot monitoring, and active cruise control systems.

Geller says operators need to seriously consider driver reactions and behaviors in the presence of these technologies before making a final decision regarding whether to adopt them or allow them on vehicles they purchase.

"New in-vehicle technologies have the potential to increase — as well as decrease — crash and injury risk," he contends.

Geller tells the story of a couple from Penticton, British Columbia, who left home in March 2011,

heading for a trade show in Las Vegas.

Several days later, both were reported missing by their family.

Seven weeks later, the wife was found, near death, in their vehicle on a logging road in a remote area of northern Nevada. Fortunately she survived.

Her husband was not so lucky; searchers found his body about 18 months later.

When found, the wife explained they had been directed to the logging road by a GPS mapping device.

Indeed, the road was the fastest route to their destination. However, the device did not account for the fact that the roads are not maintained in the winter.

Being unfamiliar with the region, the couple believed the device was guiding them safely to their destination.

Devices with visual displays and audible alerts can distract the driver from driving tasks, notes Geller.

Whether it is watching for the next turn, checking a blind spot camera, or reacting to a following-too-close alarm, each can be a

'New safety technologies have the potential to simply shift risky behavior around and not necessarily eliminate it.'

distraction.

"After all," he asks, "what is the difference between being distracted by talking on a cell phone or text messaging and being distracted by a four-inch screen with blinking lights and audible alarms sounding?"

"Arguably," he continues, "the greatest risk lies in inducing the driver to have a false sense of security, bordering on believing they are invincible, thereby encouraging riskier behavior."

In his book, *Target Risk 2*, Prof. Gerald Wilde of Queens University in Kingston, Ontario, argues that improvements in safety cannot be achieved by safety technology alone, maintaining that the extent of risk taking ultimately depends on the values that prevail.

Wilde contends that every indi-

vidual has a "target risk," or level of risk he or she is willing to accept to maximize the anticipated benefit from an activity.

Think of it, says Geller, in terms of the inner thermostat (comfort level) within each of us.

If there is too much perceived risk, we adjust our behavior to reduce the amount of risk. If there is too little perceived risk, we adjust our behavior by assuming more risk in another area.

At the onset of ABS and disk braking systems, the perception was they would stop a vehicle faster. This led to increased speeds and shortened following distances as people sought to compensate for the perceived lack of risk now that they were protected by ABS systems, says Geller.

New safety technologies have the potential to simply shift risky behavior around and not necessarily eliminate it. Unless we can address the individual's "target" level of risk, we have a very limited chance of meaningful crash reduction, he contends.

As more knowledge is gained, says Geller, adaptation of technologies will improve. This knowledge,

however, is gained reactively from complaints or negative reports.

Operators have the opportunity to become more pro-active in their choice of technologies by creating an evaluation plan and asking some simple questions:

- Is this technology being used to compensate for a lack of skill and/or inappropriate behavior?

- Alternatively, is this technology being used to provide information to the driver that will facilitate better decisions behind the wheel?

From the outset, drivers must be made aware of the capabilities and limitations of new systems, and need to learn how to use them and be afforded the opportunity to gain experience with them.

Ultimately, though, effective crash reduction is going to rely on utilizing the information gained through technologies to address inappropriate behavior and inappropriate levels of risk taking, says Geller.

Don't expect technology to do it on its own.

Rick Geller, certified risk manager, has been providing risk management solutions for more than 30 years.

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Newspaper: Keep up the fight against 'ghost buses'

Note: The following editorial is excerpted from The Virginian-Pilot of Norfolk, Va. Below it is a response written by a Virginian-Pilot reader.

Federal regulators are still playing a roving game of whack-a-mole — involving moles the size of buses — more than a year after a major crackdown on a Byzantine network of low-fare passenger lines with atrocious safety records.

The Federal Motor Carrier Safety Administration recently shut down a Staten Island-based company that had stranded 53 passengers on Interstate 95 south of Fredericksburg (Va.).

When its bus broke down, the company failed to send a replacement until the next night; travelers had to stay at a truck stop until then.

Regulators checked the background of the company, All Nations Coach, and discovered it was a reincarnation of a company they'd forced to close last year over a long list of safety violations.

The story is a familiar one.

In recent years, the feds have been battling "ghost buses" — so named because they're painted white (and easily renamed) and because their owners are so adept at slipping away when they get into trouble.

Last year, the FMCSA closed 26 bus lines — including five that operated in Hampton Roads (Va.) — after the companies failed to address long-running problems with lax maintenance, poor oversight of drivers and other problems.

The crackdown was prompted by several serious accidents along the I-95 corridor, including one near the site of last month's breakdown and stranding.

That accident, attributed to driver fatigue, killed four people and injured 50.

Since April, the agency has issued out-of-service orders to 16 companies. It's also shut down 10 additional lines for safety violations.

Clearly, ghost buses are still rolling. The agency needs to continue rolling with them.

Competition needed

By Henry M. Ryto

For a free market to work, there has to be competition.

Monopolies normally mean higher prices, and — often — a lower level of service.

When the federal government allowed Greyhound to purchase Trailways, it gave Greyhound an effective monopoly on intercity bus travel.

In the federal ruling on the merger, the acquisition was al-

lowed on the grounds that (please note, *Virginian-Pilot*) charter carriers and such could enter the intercity market.

Some quick Internet research could have taught the (*Virginian-Pilot*) editorial board a stunning lesson. Greyhound's unrestricted roundtrip fare for Norfolk to New

York City is \$130. Most trips require a transfer at either Richmond, Va., or Wilmington, Del.

The "ghost bus" carriers charge \$60-\$70 for the same roundtrip, with no change of bus.

While skimping on safety and customer service could help explain that, the fare disparity is far too

large to write-off in such a manner.

Having an airline background, I look at it as I would view the airlines: Greyhound is the legacy carrier, while the "ghost buses" are the low-cost carriers.

The average passenger is smart enough to know that flying a legacy carrier means giving up some ame-

nities in exchange for a lower fare. Legacy carriers aren't for everyone.

Regulate the "ghost buses," but also grasp that they are becoming a valuable and needed part of our transportation system. The *Virginian-Pilot's* demonization of the "ghost buses" would only entrench Greyhound as a monopoly carrier.

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Alabama Motorcoach Association elects new leadership

BIRMINGHAM, Ala. — Members of the Alabama Motorcoach Association elected officers and directors during the Regional Motorcoach Association Meeting here last month.

The Greater Birmingham Convention and Visitors Bureau hosted the meeting that attracted just over 400 members and guests from the Alabama Motorcoach, Georgia

Motorcoach Operators, and South Central Motorcoach associations.

The South Central association includes operators and associates from Mississippi, Louisiana, Texas and Arkansas.

Elected president of the Alabama association was John Adams, president of Southern Coaches in Dothan. He previously was AMA vice president.

Adams succeeded Clip Coates of Spirit Coach in Madison.

Frank Leyden, general manager of Cline Tours of Birmingham, was elected vice president after serving two years as secretary.

Shannon Rhodes, president of Capital Trailways in Montgomery, was chosen secretary after serving two years as treasurer.

Newly elected treasurer was

Elizabeth Wright, president of Wright's Charter in Mobile.

Elected directors elected were Ralph Angell, general manager of Colonial Trailways in Mobile, and Alan Thrasher, president of Thrasher Brothers Trailways in Birmingham.

Appointed by the board to serve as associate directors were Marion Kenney, branch manager for Allen Insurance Group in Norcross, Ga.,

and Bill Leonard, regional sales manager for Prevost Car.

Re-elected to one-year terms as associate directors were Sara Hamlin, vice president of tourism at the Greater Birmingham Convention and Visitors Bureau, and Ken Presley, vice president of industry affairs and chief operating officer of the United Motorcoach Association.

Lancer named to 'Top 50' list

CINCINNATI — Lancer Insurance Co. has been named to Ward's Top 50 performing companies in the U.S. property casualty insurance industry for the third consecutive year.

The award covers the company performance from 2008 through last year.

Ward Group Partner Jeff Rieder noted that the 50 insurance companies selected for the list distinguished themselves from the more than 3,000 companies analyzed by demonstrating the ability to thrive in challenging economic times.

Companies on the list represent just under 2 percent of all firms analyzed by the Ward Group. The firm scrutinizes performance, safety and consistency.

Lancer President Dave Delaney said he was particularly pleased by the recognition because it was achieved during a period "that presented unprecedented business challenges."

Delaney credited Lancer management and staff for achieving the Ward's benchmark factors of remaining profitable and strengthening surplus at a greater rate than the overall property casualty insurance industry.

Prevost spotlights some of its own

SAINTE-CLAIRE, Quebec — For fans of Prevost there's a new website that features videos of Prevost motorcoaches that pop up at events or activities involving the sports, television, movie and music industries.

Prevost Spotlight showcases videos, plus photos and human interest stories, associated with Prevost coaches.

The introductory items on the site include stories about Dallas Cowboys owner Jerry Jones' new Prevost corporate coach, video of Prevost motorhomes appearing on Destination America's EPIC television program, and a look at a Prevost passenger coach in the movie, *The Ides of March*, featuring George Clooney and Ryan Gosling.

The website can be found at www.prevostspotlight.com.

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Popular bus sales executive John Hagel dies at 50

FARIBAULT, Minn. — John R. Hagel, a bus salesman who “lit up a room,” died suddenly last month after suffering a heart attack at the annual meeting of the Midwest Bus & Motorcoach Association in St. Charles, Mo. He was 50.

Mr. Hagel spent virtually his entire working career in the bus and motorcoach industry, and was widely liked and admired for his integrity, quick smile, bus knowledge, loyalty, willingness to listen, technical smarts, hard work, and

commitment to the industry.

“I have known John for many, many years,” said his boss, Duane Geiger, executive vice president of sales and service at CH Bus Sales/Temsa.

“Not only was he a great person but he was one of the most hardworking, talented and versatile employees you could ever want to work with. He will be truly missed, not only here at CH Bus Sales/Temsa, but within the industry.”

At the time of his death, Mr. Hagel was a sales associate and field technician for CH Bus Sales/Temsa, covering the Midwestern states of Missouri, Illinois, North and South Dakota, Michigan, Ohio, Kentucky, Nebraska, Iowa, Wisconsin, Montana and Wyoming.

That was familiar territory to Mr. Hagel, who previously had built relationships with operators in many of those same states while employed by ABC Companies, CoachCrafters, Daimler Buses

North America, and iTransit.

Mr. Hagel began his industry career with the old Faribault Bus Sales and Service.

His background was a mix of sales and service experience with both motorcoaches and transit buses.

Beyond his career, Mr. Hagel was devoted to his wife of nearly 30 years, Deborah, and two daughters, Jamie Jaeger and Bailey Hagel.

His spare time often was taken

up fixing cars and houses, and doing yard work.

Mr. Hagel was a native of Faribault, graduating from Faribault High School in 1981. He and Deborah

married three years later.

In addition to his wife and daughters, he is survived by three brothers.



John R. Hagel

People

WINTER GARDEN, Fla. — *Gerard Yanuzzi* has joined **ABC Companies** as director of marketing.

Yanuzzi has a diverse background in marketing management, multi-channel marketing, and brand and product management.

Most recently he has been a marketing consultant. Previously, he was vice president of marketing at **Dorman Products Inc.**, an automotive aftermarket parts manufacturer and supplier.

He also has held marketing management positions at **Metrologic Instruments Inc.**, **Riedel**

Creative Group LLC, and **Cardone Industries Inc.**

He attended Wilkes University, Rutgers University, the University of San Francisco, and Northwestern University—Kellogg School of Management. He holds an MBA.

Yanuzzi succeeds ABC Marketing Manager *Sarah Ahlers*, who left the company earlier this year.

FARIBAULT, Minn. — **CH Bus Sales** has announced the appointment of *John Fountain* as field technician.

Fountain will provide technical customer service through onsite visits, training, and communication primarily in the northeastern U.S. He also will act as liaison be-



John Fountain Deborah Hersman

tween customers, Temsa factory representatives and CH Bus account executives to improve both the product and customer service.

Fountain has been a licensed diesel technician since 1990, and is certified in all major coach componentry, service and repairs. Having more than 30 years of bus in-

dustry experience with both small independent and major companies, Fountain “is extremely well qualified to provide Temsa customers with technical support and training,” said *Marv Borntrager*, CH Bus Sales director of parts, technical and warranty.

WASHINGTON — *President Obama* has reappointed *Deborah Hersman* to a third term as chairman of the **National Transportation Safety Board**.

The White House submitted Hersman’s name to the Senate for reconfirmation to head the board for another two years.

Her term as a member of the board would be for five years, ex-

piring in December 2018.

Hersman was among those considered to replace *Ray LaHood*, secretary of transportation during Obama’s first term. The president ultimately chose *Anthony Foxx* for the cabinet post.

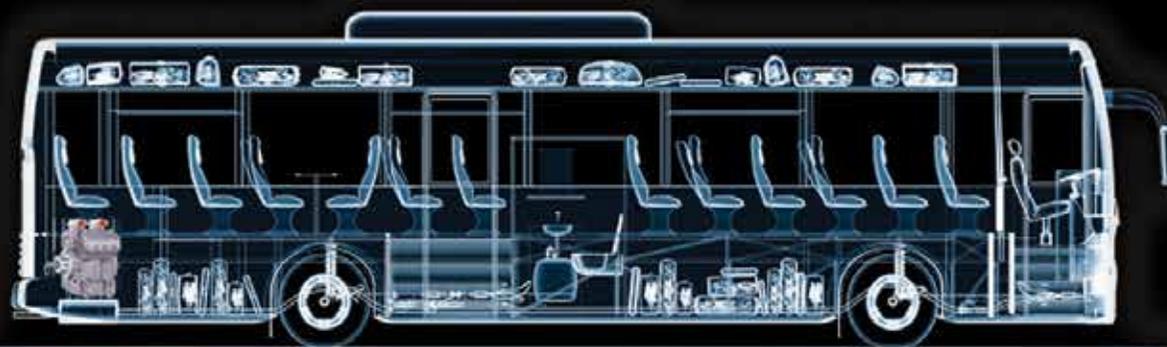
LaHood has taken a position as a senior fellow with the **Dirksen Congressional Center**, a nonprofit group that helps educate people about Congress.

LaHood served as transportation secretary for more than four years until he stepped down in June.

Prior to that, he was a Republican member of the U.S. House for 14 years, representing the Peoria, Ill., area.

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Bus financing

CONTINUED FROM PAGE 1

still-modest 2.9 percent at the start of this month.

The rate stood at 6.56 percent at the beginning of 2000, a boom time for new coach sales, and was 3.94 percent in April 2010. The year 2010 was the weakest new-coach sales period of the last dozen years.

More banks lending

Another factor that makes financing more attractive is that more banks are participating in the business loan market due to the Federal Reserve Bank's expansionary monetary policy.

"Lenders have benefited from the Fed's policy of 'quantitative easing'... selling bonds to pump cash into the economy." As a result, "many lenders are flush with cash," according to one publication that surveyed the market.

Recent economic data continue to show the U.S. economy is "expanding moderately," *Bloomberg News* reported last month. The financial news service cited rising sales and income.

Despite the expanding availability of financing, small business lending remains considerably below levels achieved before the "Great Recession," two analysts at the Federal Reserve Bank of

Cleveland said in a commentary published last month.

"In the fourth quarter of 2012, the value of commercial and industrial loans of less than \$1 million — a common proxy for small business loans — was 78.4 percent of its second-quarter 2007 level, when measured in inflation-adjusted terms," reported the bank's Ann Marie Wiersch and Scott Shane.

"And despite an increase of nearly 100,000 small businesses over the period, the number of these loans dropped by 344,000 over the 2007 to 2012 period."

This is troubling, they said.

"Small businesses employ roughly half of the private-sector labor force and provide more than 40 percent of the private sector's contribution to gross domestic product. If small businesses have been unable to access the credit they need, they may be underperforming, slowing economic growth and employment."

Wiersch and Shane blame a variety of factors for sluggish borrowing by small businesses — the weak economy and resultant weak business balance sheets; tougher regulations, and the bank consolidation trend that has reduced the number of participants in the lending market.

"In addition," they said, "col-



Peter King

Matt Hotchkiss

Mike Denny

Dave Johnson

lateral values have stayed low, as real estate prices have declined," limiting the amount small business owners can borrow.

Banks being careful

"Credit underwriting is more conservative than it was prior to the recent recession of 2008 to 2011," said Reynolds of Fleet Financing Resources.

But the value stored in a pricey motorcoach gives the industry a positive factor on the collateral ledger, notes Mike Denny, vice president of MCI Financial Services in Schaumburg, Ill.

"Lenders like the coach market because the collateral holds its value well compared to other collateral types, like a truck or construction equipment. As the lending and leasing community has become healthier, coming out of the lending crisis of a couple of years ago, more lenders are expressing interest in lending into the coach market," said Denny.

But bankers will smile favorably — only upon healthy operators, Denny continued. "While the number of available sources has definitely increased, there continues to be a focus on lending to quality credits."

Wells Fargo Equipment Finance did not change its lending parameters during the recession, reports Vice President Matt Hotchkiss, who is based in Minneapolis.

"Overall, however, financing is easier today for operators. The primary reason is that the local and regional banks — usually the operator's bank — are aggressive today and are more willing to lend money to finance coaches than they have been in the past. This is an indication of the liquidity in the market.

Operator strength

"The other reason is that operators have been performing well for the last two years which, of course, makes lending to them easier," said Hotchkiss. (See related

story on Page 1.)

Berg agreed that the strength of the motorcoach sector has put more loan dollars in play. "The credit quality amongst the operators has gone up over the years. This has attracted new lenders to the market."

"The economy is improving, the operators are showing stronger financials, the demographics are leading to more ridership, and riding in a motorcoach has become a much more acceptable form of transportation," notes Dave Johnson, regional sales manager for Key Equipment Finance in Shakopee, Minn.

"With the operators showing stronger financial results, the perceived risk is lower, which leads to lower interest rates."

Another factor that could lift motorcoach sales is continuation — through this year — of the federal "bonus depreciation" policy included in the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010.

The law permits 50 percent, first-year bonus depreciation on qualifying new business assets — half of the depreciation on these assets can be deducted in the first year rather than being written off over a number of years.

Low interest rates and bonus depreciation "potentially represent

CONTINUED ON PAGE 15 ►

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Residents bemoan buses in Alamo Square in San Francisco

SAN FRANCISCO — The long-running feud between one of this city's most famous residential areas and tour bus operators is getting a public airing next month.

Residents of the Alamo Square neighborhood have petitioned the San Francisco Municipal Transportation Agency, which manages on-street parking in the city, to restrict tour buses from their neighborhood.

A top official at San Francisco Muni, as the transportation agency is commonly known, has notified the California Bus Association that it plans to hold public hearings on

the issue in October. A date was not immediately announced.

"We have received input from neighbors and operators of hop-on, hop-off buses, but have not received any input from operators of traditional enclosed tour buses who are the most frequent visitors to Alamo Square," Jerry Robbins, transportation planning manager at Muni, told the CBA in a note late last month.

"Do you know of any members of your organization who would like to participate in this process?" asked Robbins.

"The companies we frequently

see are Tour Coach, Arrow Stage Lines, Lion Express, Silverado Stage, Eagle Tours, Translink Coach Line and Harvest Vacation-Seagull Tours," Robbins added.

Alamo Square is a famous residential neighborhood surrounding a large park. The park sits atop a hill overlooking much of San Francisco, with a number of large and architecturally distinctive mansions along its perimeter.

A row of Victorian houses, facing the park on Steiner Street and known as the "Painted Ladies," are often shown in the foreground of panoramic pictures of San Francis-

co's downtown area.

A number of movies, television shows and commercials have been filmed in or around Alamo Square.

The area contains the second-largest concentration of homes of more than 10,000 square feet in San Francisco.

Because of their architecture, size, beauty, color scheme and setting the houses are one of the most-visited spots in San Francisco for tour buses. Coaches cruising by and stopping at Alamo Square has long been a contentious issue among residents.

Earlier this year, a new tour bus-loading zone was established on the north side of Fell Street just west of Divisadero Street. (See May 1 *Bus & Motorcoach News*.)

The zone was set up to serve tour bus passengers who wished to visit the Alamo Square area without generating bus traffic around the square itself.

The zone was given a five-minute stopping time limit. Drivers could drop passengers off in the zone and return in time to pick them up, but parking in the loading zone was not allowed.

The zone was approved as a trial that ended last month.

Some impact."

Said Johnson: "Motorcoach sales remain fairly flat. Many operators have extended their replacement cycles and are keeping their equipment longer, but recently there does seem to be some upward movement in motorcoach sales."

This would be a good time to buy a coach — if you need one, he said.

"I want to say yes, but it is situational. If your business is growing and/or your customer base is requesting or demanding newer coaches — and is willing to pay for it — then yes, it is a good time to buy."

exist, operators may be able to purchase a new or near-new coach for essentially the same monthly payment as an older model in a higher interest environment."

Higher rates?

The Federal Reserve is expected to ease off the expansionary pedal, possibly as early as later this month.

"No one is sure when but certainly rates will be going up in the near future," Berg said.

Sales of new motorcoaches in the U.S. and Canada rose nearly 6 percent last year to 1,506. Deliver-

Bus financing

CONTINUED FROM PAGE 14

a significant increase in buying power in today's environment," said Denny of MCI Financial.

Bottom missed

Operators who have not locked down a loan probably have missed the bottom of the current interest rate cycle.

"The cost of funds has spiked upward 1.0 to 1.5 percent in the last 45 days as the economy continues to demonstrate moderate strength," Reynolds said.

"Interest rates were at their lowest earlier this year," King said. "Rates have been trending up lately but are still extremely attractive. I would expect them to continue their slow rise."

"Financing is just one factor to consider when making a decision to purchase, but from an interest rate perspective it is certainly a good time to purchase," he added.

"Rates have ticked up some but are still low if you look at the last 10-plus years," said Key Equipment Finance's Johnson.

And, said Denny, "With the historically low interest rates that

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Remaining vigilant for those who would stifle competition

COLUMBIA, Md. — For those who long for “the good old days” of the bus industry, United Motorcoach Association Vice President and Chief Operating Officer Ken Presley offered up a reminder of those days in remarks he delivered last month at the annual conference of the National Association of Motorcoach Operators. (See story on Page 17.)

Here’s what Presley had to say.

Thank you for the opportunity to join your meeting today.

I came across a newspaper article — that recently had been republished in the *Tidewater News* — titled “Bus Company Wins Interstate Approval.” I would like to share that article with you.

It was dated July 26, 1963, and read:

“Somebody up in Washington has a heart for the small fellow after all.

“Following a three-year battle with transportation industry giants, Greyhound and Trailways, Gurnie Blunt of 309 Roosevelt Street in Franklin (Va.), has won the right to operate his bus line

(Franklin Bus Service) on interstate charter trips.

“Blunt, who has been in business in Franklin since 1950, has been tangled up in a legal fight for an interstate license from the Interstate Commerce Commission (ICC) since 1959.

“For many years, Blunt operated his five buses out of state, not knowing it was illegal to do so without a license. He found out the hard way he was in violation. In 1959, on a trip from Booker T. Washington High School to Washington, D.C., Blunt was followed and later reported to the ICC.

“In July of that year, Blunt appeared at an ICC hearing in Richmond; and, in support of his application for a license, he presented written endorsements from the Franklin Chamber of Commerce and the Franklin Jaycees.

“And, appearing at the hearing on Blunt’s behalf were G. Hinson Parker, Marion Whitfield and a representative from Darden Oil Co.

“Appearing in opposition to Blunt’s application were attorneys for Greyhound and Trailways.

‘What they accomplished with attorneys back then – they now accomplish with lobbyists.’

Their stated reason for being in opposition was ‘we can handle ALL the business there is from the Franklin area.’

“Despite Blunt’s demonstrated ability to operate his bus line efficiently and safely, the commission ruled against him. He didn’t know it then but his fight was just beginning.

“He filed again and a second hearing was held in January of 1960. Again, the ICC ruled against him.

“Following that denial, Blunt’s attorney, Henry E. Ketner of Richmond, filed an appeal and another hearing was granted — one year later — in January of 1961.

“At that hearing, more than 145 witnesses appeared on Blunt’s behalf. They were representing civic clubs and organizations from Southampton, Isle of Wight, Sussex and Nansemond counties, and the City of Franklin. Included in the group was Franklin Police Chief Willie Burrow who added a character reference for Blunt.

“Blunt’s supporters told the ICC that he had been in business for 14 years, has an excellent driving record and is well thought of by residents of his community. He provides dependable charter service for many schools and groups.

“Again, he had opposition. This time it was just Trailways. Nevertheless, this time around, the ICC granted Blunt an interstate license. However, Trailways attorneys promptly appealed it to the ICC in Washington.

“At the appeals hearing, a Trailways representative said, ‘Blunt is unfit, unwilling and incapable of operating interstate bus service.’ In commenting further, another Trailways person said, ‘We own 289 buses for interstate work and these buses are modern, with air conditioning and restrooms. Our buses cost from \$45,000 to \$50,000 each and are available for charter service on an hour’s notice. We run three routes through Franklin.’

“In October of 1962, Blunt re-

ceived notice that his application had been denied again. By this time, Blunt was discouraged and his attorney even said he didn’t expect he could ever win.

“But Blunt decided to continue the fight. He was reinforced by the support of so many people. ‘Everywhere I went, people would come up to me and say ‘I am behind you, keep trying’;’ Blunt said.

“In March of 1963, Blunt’s attorney agreed to file another appeal to the ICC. Another hearing was held. This time, there was no opposition and approval was granted. Blunt can now operate his buses out of state.

“However, permission was limited to Virginia, North Carolina, Maryland, Washington, D.C. and New York City.

“The ICC, in trying to justify its earlier denials, said they wanted to make sure existing carriers have all the business they could handle before allowing another carrier to enter the field. ‘But, since Blunt has been in business for 14 years without an accident, has no court record, and 145 people are supporting his application, we NOW have second thoughts, and are reversing ourselves,’ an ICC spokesman said. ‘It would seem like there is enough business for Blunt and the others, too.’

“I owe it to the people of Franklin, they were behind me and I just couldn’t stop and still face them,” commented Blunt.

A compelling story

Mr. Blunt had a seventh-grade education and raised nine children. One of his sons, Ricky Blunt, took over the business after graduating from college in the mid-1990s.

The company subsequently was selected in 1995 to receive the Franklin-Southampton Area Chamber of Commerce “Small Business of the Year Award.”

Mr. Blunt retired “comfortably,” according to his son. “I’m living on the fruits of his labor,” he said.

In 2004, Ricky Blunt became ill and with no family members to take over the business it closed or was sold; however, 64 years was a good run by any measure.

After a kidney transplant, Ricky Blunt resumed his career in transportation and is now director of transportation for the city of Franklin schools.

His son, Ricky Blunt Jr., graduated from Virginia State University and is now an engineer for Henrico County.

As many of you know, the Bus Regulatory Reform Act was signed in 1982, after all other modes of transportation were economically deregulated.

However, state regulation and deterrents continued until 1998, when states were finally prohibited from issuing charter bus authority.

Breath of fresh air

I first came in contact with the bus and motorcoach industry in Atlanta just after the Bus Regulatory Reform Act of 1982 went in effect. To say the least, it was a wild time, but you could always sense the breath of fresh air that all the limitless possibilities would bring.

Bus drivers, washers and mechanics could now enter a business as an owner they could not even dream of a few years earlier.

In researching Mr. Blunt’s story, I was advised it cost him \$20,000 in legal fees to obtain his authority. Few had that kind of capital in those days to fight federal and state governments (or a lawyer who would work on credit for that matter).

Over the years, I have witnessed the most incredible acts of kindness in my association with the bus business:

- 80-year-old mothers manning the desk so a son could drive a trip.
- 80-year-old fathers mopping out a bus overnight so a son could get some sleep before an early morning departure.
- Bus operators giving a trip to another operator; not because they were overbooked but because “Well, he needed some business and I had some.”

Staying alert

These are great stories – American stories – and everyone here today owns a larger piece of this industry because we lived those stories or know those who did.

But we must be vigilant.

The forces that existed before 1982 — forces that try and often succeed — to reduce their perceived competition through implementation of regulations is as pervasive today as it was in Mr. Blunt’s time. What they accomplished with attorneys back then — they now accomplish with lobbyists.

Mr. Blunt was an American success story.

Everyone here today is creating their own success story.

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NAMO annual meeting offers full plate for attendees

COLUMBIA, Md. — The National Association of Motorcoach Operators conducted its annual conference here last month, with a full slate of education sessions, plus enough social and networking activities to make the event memorable.

Highlights included remarks and presentations by:

- Federal Motor Carrier Safety Administration Administrator Anne Ferro.
- Charles Tenney of The Tenny Group, offering “Nine Points to Increase the Value of Your Transportation Business”
- Frank Farrow of Peter Pan Bus Lines, with an update on Ameri-

cans with Disability Act rules — “What Are You Missing?”

- Lynette McMillian of Greyhound, discussing “Making Your Safety Program Work”
- Peter Sindt from the Office of Information Technology at the Transportation Security Administration, discussing social media (Facebook, smartphone and phishing) scams and schemes
- Loretta Bitner from the FMCSA, discussing the CSA program and the agency’s “Motorcoach Safety Initiative”
- Bob Creszeno of Lancer Insurance, discussing “Managing the Scene of an Accident,”
- Clyde Hart from the ABA

and Ken Presley of UMA, providing industry updates (see related story on Page 16)

- And NAMO legal affair’s specialist, Robert T. Franklin

Howard (Md.) County Tourism & Promotion sponsored the welcome reception, along with a mini-tradeshaw that highlighted area hotels and attractions.

“Each (NAMO-member) operator has potential to bring hundreds of students and seniors to our area to stay in our hotels and visit our attractions and restaurants,” said Taffy Rice, director of sales for Howard County Tourism & Promotion. “This is a big coup for our tourism team.”

The reception, trade show and other events not only produced great food for NAMO members to enjoy, but the opportunity to learn what Howard County could offer tour groups, said NAMO Executive Director Mary Presley.

Additional activities included golf at Fairway Hills Golf Club, and dinner and a show hosted by Toby’s Dinner Theater, both in Columbia.

Local historian Anthony Cohen assisted the group in touring some of Howard and Baltimore coun-



NAMO Vice Chairman Ed Mason of First Priority Trailways introduces FMCSA Administrator Anne Ferro.

ties’ African-American heritage sites. Cohen, who twice walked routes of the Underground Railroad to Canada, and worked with Oprah Winfrey for her role in the film, *Beloved*, shared his knowledge of African Americans and their struggle for freedom.

“NAMO strives to offer its members a well-rounded conference, including valuable educational aspects, as well as relaxation and entertainment, none of which would be possible without our sponsors who continue to support the association,” said Presley.

Calendar

SEPTEMBER 2013

16-18 2013 CVSA Annual Conference & Exhibition, Hyatt Regency Denver at Colorado Convention Center. Info: www.cvsa.org.

OCTOBER 2013

1 Northwest Motorcoach Association ADA Training, Lodge at Spirit Mountain Casino,

Grande Ronde, Ore. Info: nwmotorcoach@aol.com.

1-2 Northwest Motorcoach Assn. Annual Convention and Rodeo, Lodge at Spirit Mountain Casino, Grande Ronde, Ore. Info: nwmotorcoach@aol.com.

6-8 Bus Association of New York Annual Meeting and Marketplace, Lancaster (Pa.) Host Resort & Conference Center. Info: www.BANYbus.org.



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Operator survey

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UMA-member carriers, up from 61 percent in 2012 and 63 percent in 2011.

In a related issue, 86.5 percent of survey respondents opposed changes in driver hours-of-service rules.

More than 60 percent of operators would rather see mandatory fatigue management programs rather than changes in hours-of-service rules.

Far fewer operators said they would prefer that passenger-carrier

HOS be identical to those for truckers (14 percent); 14 percent also said passenger-carrier drivers should have more off-duty time, and 11.6 percent said bus drivers should have more driving time.

More miles, revenues

About two-thirds of operators participating in the survey logged more miles and purchased more fuel than they did two years ago.

Just under 10 percent of the operators reported revenues "increased greatly" in the previous 12 months, while nearly 46 percent said revenues

"increased some." Revenue decreases were reported by 13.5 percent of those participating in the survey.

While most carriers reported improving financial status, business was worse for 15.5 percent.

Despite growth in revenues, "More respondents report seeing a decrease in the number of days per charter over last year," said the survey's executive summary.

The portion of operators planning to increase staffing over the next 12 months was 7 points higher than a year ago. While 32.2 percent of operators plan to increase full-

time staff, 27 percent expect to decrease staff.

Tour operators

As in the past, charters continue to be the leading service offered by UMA operator members, with 96 percent providing charters. Other services offered by more than half of operators were: group tours (60.4 percent), casino charters (59.7 percent) and airport charters (52.3 percent).

"Nearly 50 percent report assisting with hotel transfers, 49 percent with charters to attractions, and 45 percent with restaurants, while 40

percent of UMA members assist with complete package tours," the summary stated.

"From this, we can tell that even though they may not be classified as 'tour operators,' about half of UMA operator members are in fact buyers of group travel services."

Legislation/regulation

The top legislative and regulatory challenges — named by operators — were understanding Federal Motor Carrier Safety Administration (FMCSA) regulations, federal tax exemptions for fuel and tires, and Americans with Disability Act (ADA) requirements.

FMCSA regulations were cited as a concern by more than 90 percent of operators and FMCSA texting and mobile communication rules were specifically cited by 80 percent.

However, 96.3 percent of UMA motorcoach operators are confident in their ability to maintain a "satisfactory" rating with FMCSA.

The association's operator members are deeply divided on the issue of random en route inspections. Motorcoaches should be randomly inspected en route, according to 45.2 percent of operators, "citing safety and removing rogue/unsafe/illegal/not in compliance operators as reasons."

On the other hand, 54.8 percent indicated that en route inspections are not advisable due to passenger delays, inconvenience and safety; effects on group schedules; and possible interference with driver hours-of-service compliance.

Most operators (74.2 percent) would prefer that inspections be performed at their facilities, but 20.4 percent think destination inspections are most effective. Only a handful of respondents expressed preferences for inspections at the roadside, weigh stations or rest areas.

Driver distractions

Written policies on texting while driving have been enacted by 85.9 percent of carriers and 87.2 percent have policies on cell phone use by drivers.

FMCSA rules on cell phones are followed by 56.5 percent of those companies. Cell phone use is completely banned while driving by 25.9 percent of operators and 17.6 percent allow cell phone use only in emergencies.

Operational issues

The most important operational issues facing carriers are driver training, driver recruitment and retention, fuel costs, insurance costs, regulations, mechanic training and the state of the economy, all identified by at least 60 percent of companies.

Coach purchases

"The number of respondents who report having purchased a new

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Operator survey

CONTINUED FROM PAGE 1

coach in the past year dropped slightly – 3 points – from (the previous) year, but the number of respondents who say they plan to purchase a new coach in the next 12 months has jumped by more than 11 points.

“Those responding that they are planning to buy a new coach estimate they will buy an average of two new coaches,” stated the executive summary.

New coaches were purchased by 27.2 percent of respondents last year. Pre-owned coaches were bought by 42.7 percent of operators and refurbished coaches were purchased by 16.5 percent.

In the next 12 months purchases of new coaches are anticipated by 35.5 percent of members, pre-owned coaches by 35.7 percent and refurbished coaches by 18.6 percent.

The average number of full-size motorcoaches operated by the typical UMA member remained at 14, as it has for several years

Marketing issues

The top two marketing issues facing members were reported as maintaining customers and reaching new customers. Competition and increasing website traffic were tied for third place.

Yellow-pages advertising is still

listed as the top marketing channel used by operators, with BusRates.com listed as a close second, and Facebook in third place.

Yellow-pages advertising continues to be used by 68.9 percent of operators. This response was slightly higher than 66 percent reported in 2011 and 74 percent in 2010.

Other common advertising tools last year were *BusRates.com* (64.4 percent), Facebook (54.4 percent), newspaper ads (40 percent) and direct mail (37.8 percent). Companies utilizing *BusRates.com* say it generates 6.3 percent of new business.

Nearly half of company operators believed they should be developing and implementing marketing plans, but the average expenditure on marketing was 5.25 percent of revenues, down from 6.6 percent.

Youngsters and oldsters account for two-thirds of motorcoach passengers and groups. Members said students made up 38.9 percent of customers. Senior citizens accounted for 26.5 percent. Corporate customers brought 14.4 percent of the business, and church groups accounted for 9.7 percent.

New business

The survey pool was evenly divided when asked whether they have considered adding services to generate additional revenue.

Those considering new services

named such options as (in order of importance) packaged tours, charters, commuter shuttles in cooperation with local transit systems, school busing, intercity scheduled service, limousine/sedan service, airport shuttles and paratransit.

International travel overwhelmingly went one way last year — north. Nearly three of five operators made trips to Canada.

Those offering Canadian service averaged 15 trips, mostly into the provinces of Ontario and Quebec. Just 1.9 percent of respondents ventured into Mexico, and they averaged two trips.

Highway funding

Operators were asked, “Considering the decreasing Highway Trust Fund that is used to build and repair our nation’s roadways, do you feel Congress should...?”

By a whopping margin, “pay for highways out of general tax revenues” was the favorite option, cited by 51.2 percent of respondents.

Only 18.2 percent of operators favored increasing federal gasoline and diesel taxes. A boost in gasoline taxes alone was recommended by 11 percent of operators. None supported the other fuel option, “Increase the federal tax on diesel only.”

If asked whether they would rather be relieved of tolls or federal fuel taxes, 75 percent would do away

with fuel taxes.

Other options for increased highway funding, and their support levels, were a vehicle miles sales tax (12.2 percent), toll existing highways (4.9 percent) and create new toll roads (2.4 percent).

Fuel tax exemption

A section of the survey concerned the federal partial-fuel tax exemption available to motorcoach operators under the Internal Revenue Service Publication 510 on excise taxes. Three-quarters of operators said they file for the refund and receive an average return of \$25,536.

Nearly half expressed support for continuing the exemption, but slightly more than half said Congress should grant a full tax exemption. Just 1.1 percent of operators called upon Congress to end all fuel tax exemptions, including those for transit operations.

Other issues

A new expense facing operators is Wi-Fi internet connections on coaches. Wi-Fi is provided by 64.1 percent of operators but most, 51 of 71 companies, charge nothing for it. For those who do charge, the average fee is \$6 daily.

Power outlets on coaches also are becoming common — 63.4 percent of operators provide 110-volt receptacles.

BANY to mark 75th anniversary

LANCASTER, Pa. — The Bus Association of New York will mark its 75th anniversary during its annual convention here next month.

The 2013 BANY Annual Meeting and Marketplace will take place — Oct. 6-8 — at the Lancaster Host Resort and Conference Center.

The agenda includes updates from the Pennsylvania Bus, United Motorcoach and American Bus associations; a briefing by a regional administrator from the Federal Motor Carrier Safety Administration, and a discussion of state compliance issues.

Other sessions will cover workplace harassment, featuring an attorney as speaker; worker compensation and risk management; retail versus charter services, and women in transportation.

Two marketplace sessions will showcase motorcoach manufacturers and other industry suppliers and vendors.

The convention’s highlight will be the 75th anniversary dinner and recognition evening.

For information regarding the event, go to www.BANYBus.org, or call (877) 699-7222.



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Operator sues

CONTINUED FROM PAGE 1

in turn triggered negotiations between the agency and the company.

The upshot of the negotiations was a new consent order that put TranSouth back in business Aug. 22, with a “conditional” safety rating.

The company also received two fines, totaling roughly \$10,000, which it plans to appeal, says TranSouth’s attorney.

“We sent a huge packet of corrections that we had made. They agreed with our corrections and that we were on our way to correcting any problems we had,” said attorney J. Hatcher Graham of Warner Robins.

“There were some administrative things they said we had done wrong. We redid some checklists to make sure that, when we hired somebody, we went through all the procedures. They promised to work with us over the next two or three months for a ‘satisfactory’ rating.”

Earlier issues

The four-page shutdown order issued in July was based on last year’s consent order, which addressed previous administrative issues at the company.

That order stated the “FMCSA further finds that through (TranSouth’s) failure to comply with the terms and conditions of the agreement and order of consent, including implementation of its safety management plan, the carrier has failed to take corrective action sufficient to ensure acceptable compliance with applicable safety requirements, including requirements to reduce the risk associated with the use of fatigued drivers. FMCSA finds that the carrier has failed to provide sufficient evidence that its current motor carrier operation meets the safety fitness standard.”

TranSouth’s lawsuit claimed it had been put out of service for paperwork errors that did not impact passenger safety.

What about due process?

The suit also raised a huge red flag regarding FMCSA out-of-service orders — the issue of due process and the apparent lack of it. The suit emphasized that for the company to obtain due process it had no other option — than going to federal court — for appealing the FMCSA order.

“Although the regulations allow for an application to modify the rating...and for an administrative review of the agency action... there is no provision for a stay or a chance for the motor carrier operator to meet with or respond to the accusations prior to the cease order

taking effect,” the company suit stated.

While federal law “allows for an administrative review if the carrier believes the FMCSA has committed an error in its determination...there is no written procedure for this process other than any such request for review must be submitted in writing to the FMCSA’s Chief Safety Office within 90 days.

“There is no requirement...that a decision must be reached within a specific time. Again, the carrier has been told to cease operations which will usually mean the destruction of its business, with no process in place to review the agency’s action and provide relief.”

Asked whether he thought the FMCSA needed to adopt procedures that provide due process prior to a carrier being shutdown, Graham said: “My only comment is that this (a civil lawsuit) is a pro-

cedure that companies can use if they feel they have a good case, if they feel DOT is incorrect or overbearing, or if they have not been served due process.”

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Positive development

United Motorcoach Association Vice President and Chief Operating Officer Ken Presley, who had closely monitored the TranSouth

“The driver made an error when he wrote the report. He should have stated it was a low-pressure situation rather than a flat tire. The rules say you cannot run with a flat. However, there are no rules about inflating a low-pressure tire.”

A fine of about \$3,000 concerned drug and alcohol testing of a driver who had been involved in a non-reportable accident.

The FMCSA said the testing did not comply with its procedures, but the company believes it was going beyond its duty to conduct the test.

“Even though it wasn’t a reportable accident, the company tested him on its own,” Graham said.

List of failures

The four pages of violations that the FMCSA cited in its July 22 order included failures to request prior employment information on one driver applicant; using three drivers before receiving a negative pre-employment controlled substance test result; failing to use a scientifically valid method to select drivers for random testing; failure to provide employees a written policy on misuse of alcohol and controlled substances; failure to file one Motor Carrier Identification Report every 24 months; using two drivers who had not completed employment applications; 20 failures to require drivers to prepare vehicle inspection reports; 18 failures to correct safety-related defects listed on vehicle inspection reports; and one failure to correct an out-of-service defect before the vehicle was operated again.

Also listed among the violations were 34 counts related to duty status — 5 false reports, 12 failures to require drivers to prepare reports, and 17 failures to preserve records of duty status for six months.

Presley advised operators to pay closer attention to safety policies and administrative requirements of federal safety regulations.

“It is clear the FMCSA has grown weary of operators just getting by. Administrator Anne Ferro (of the FMCSA) is very clear that the agency has raised the bar, and what may have been acceptable in the past may not be enough to continue the privilege of operating a motorcoach company.

“If they have not already, every carrier should be implementing the ‘Safety Management Cycle’ found on the FMCSA website,” Presley noted.

Detailed information about the Safety Management Cycle can be found at http://csa.fmcsa.dot.gov/About/SMC_Overview.aspx.

Seatbelts added

CONTINUED FROM PAGE 3

Abbott worked with National Seating to develop a seat with a three-point belt system that could be retrofitted on his coaches. His company sent National structural parts from a bus that was being parted out.

“They bolted a seat into the framework and put 20G’s (forces of gravity) on it,” Abbott said. “The first time they tested, the bolts failed. They had to make changes — they put a slide in the track and that passed the test.”

Abbott said the seats comply with Federal Motor Vehicle Safety Standards for seatbelt anchorages. Installations have been performed in the company’s shop.

“The seat cost is about \$3,000, and the total cost is about \$35,000 per bus. So far we have spent over a million dollars,” said Abbott. “We have two and three people doing the work. We usually figure a week for each coach.”

The belted seats are a bit taller than those that were replaced. “We are buying the most comfortable seats we can get. Short people can’t see over them as well as the older seats.”

James River Bus Lines retrofitted its seats with two-point belts because its coaches would not readily accommodate three-point belt seats.

“Theoretically the proper way to install three-point belts is to replace the seats,” Story said. “Our vehicles were not adaptable to seats with three-point belts, so we would have had to strengthen the floors to install them. In my opinion, lap belts are better than nothing. I think the issue is controlling passengers from ejections in rollovers.”

James River spent about \$60,000 on parts and \$15,000 for internal labor costs to install the belts over about three months, he said.

“The lap belts are a small portion of our overall safety program. We try to be innovative and stay ahead of the curve,” said Story.

Abbott Trailways has produced a video commercial touting its motorcoach amenities, leading with seatbelts. “We all know that seatbelts save lives,” Abbott says in the spot, which is linked to the company’s website (www.abbott-bus.com).

“Virginia is getting the jump on all the other states!” Abbott said. “People who are thinking about putting seatbelts on their buses are welcome to come look at our buses or call us. We would like to see all buses equipped with seatbelts.”

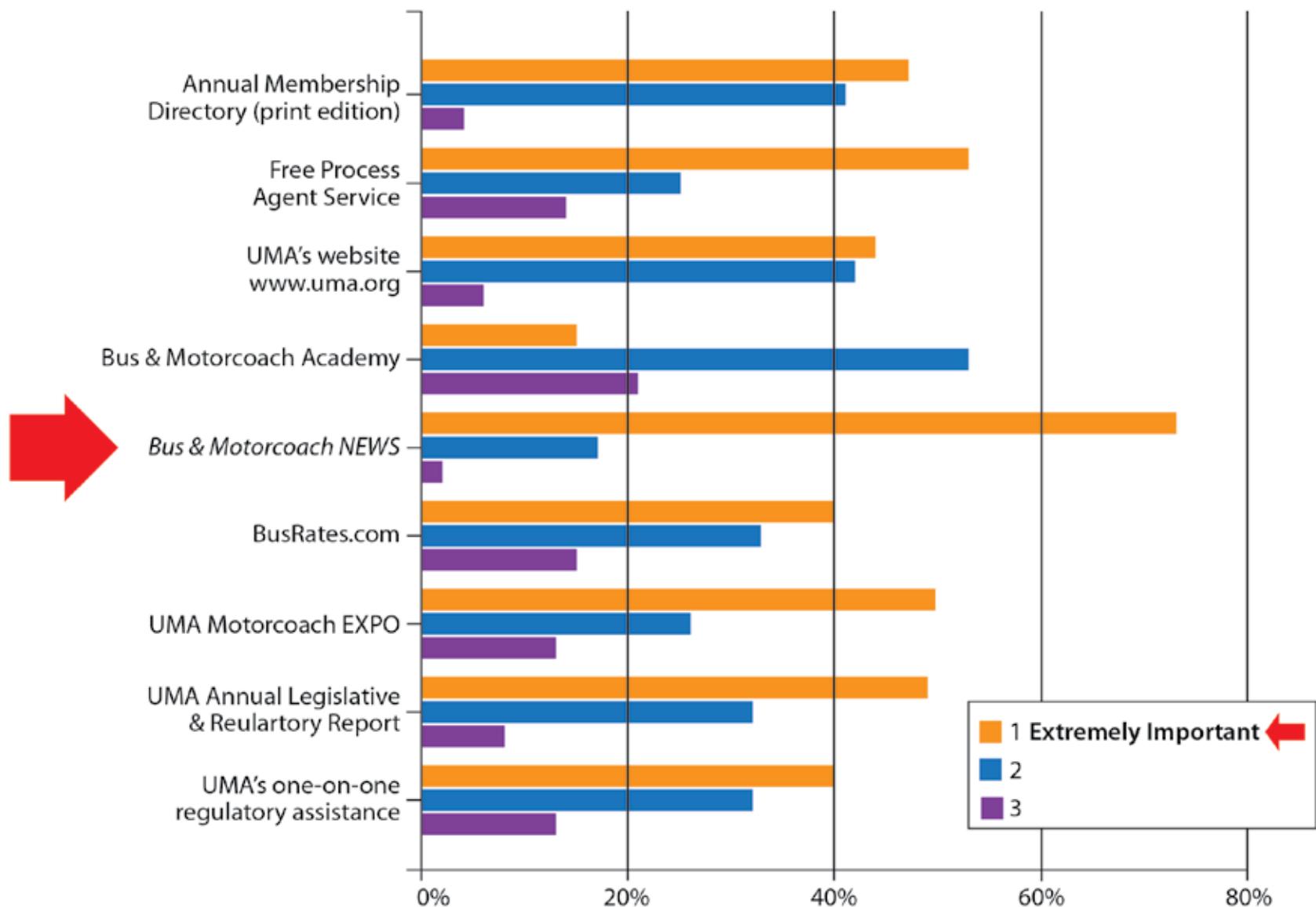
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The Free Enterprise System is named top IMG operator

SNOWBIRD, Utah — A motorcoach company with one of the most recognizable names in the industry, The Free Enterprise System, has been named Operator of the Year by the International Motor Coach Group.

IMG is a network of 50 motorcoach operators that must adhere to tough standards and qualifications to maintain their by-invitation membership in the consortium.

Each year, the organization recognizes one of its own with the Operator of the Year Award, which is based on criteria of operational excellence, safety, best practices, community and industry involvement, and engagement within IMG.

The award is presented at IMG's annual Strategic Alliance Meeting, which this year was in Snowbird.

Accepting the award for The Free Enterprise System was company Chairman and CEO Noah Sodrel.

Commented Sodrel: "The International Motor Coach Group is made up of the best coach operators in North America. To be chosen Operator of the Year by this group of our peers is an honor. The only higher honor is being chosen first by your customers."

The Free Enterprise System



Noah Sodrel, right, accepts award from IMG President Bronwyn Wilson.

was formed by Sodrel's parents, Mike and Keta Sodrel, 37 years ago. It started with three 1949 GMC buses, providing local transit service.

Later, in its founding year of 1976, it added charter service with a single motorcoach.

Today, The Free Enterprise operates a diverse fleet of more than 150 charter and transit vehicles. It is based in Jeffersonville, Ind., and has locations in Chicago, Indianapolis, Louisville and Lexington, Ky. The company slogan reads: "Anything else is just a bus ride."

It is the company name, howev-

er, that initially grabs the attention of not only customers, but industry peers as well. "Why?" and "Where did it come from?" are common questions.

The stated answer is that no taxpayer money was used for the start up or operation of Free Enterprise. It began with private capital, and operated solely on sales revenue — apparently even when it was providing transit service to small communities during its formative years.

Affinity agreement

RICHFIELD, Ohio — National

Interstate Insurance Co. announced it has entered into a preferred partnership with the International Motor Coach Group to provide its members with enhanced risk management and claims services.

Program benefits, provided by both National Interstate and its affiliate, Safety, Claims and Litigation Services, include access to a variety of risk management tools and resources, a dedicated website, and automated event recorder technology.

There also will be specialized claims management services, including accelerated communication, subrogation assistance, and personalized file reviews.

"As a longstanding charter member of IMG, we are very pleased to take our relationship to the next level through our new affinity agreement," said Michelle Wiltgen, assistant vice president and national commercial marketing manager for National Interstate.

Added Bronwyn Wilson, president of IMG: "We are delighted to have National Interstate as one of our preferred insurance carriers."

Logo/brand adopted

KANSAS CITY, Kan. — International Motor Coach Group an-

nounced it has adopted a new logo and brand.

According to IMG President Bronwyn Wilson, the new brand is based on the pillars of "performance, excellence and confidence," and carries the positioning message of "setting the standard."



"IMG's new logo represents a respect for the past and a look to the future. It suggests to passengers that the company they are using far exceeds the minimum standards and is the very best available in motorcoach transportation," said Wilson.

The organization also has expanded its mission statement to include a promise to customers:

"International Motor Coach Group is dedicated to providing premier ground transportation to each and every client through elevated standards of performance in the areas of safety, maintenance, customer service, driver training, equipment, operations and on-road support."

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