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SERVICE DATE - JANUARY 15, 1997

SURFACE TRANSPORTATION BOARD

DECISION

STB No. MC-F-20903

GREYHOUND LINES, INC.--ACQUISITION OF CONTROL--LOS RAPIDOS, INC.

AGENCY: Surface Transportation Board.

ACTION: Notice Tentatively Approving Finance Application.

SUMMARY: Greyhound Lines, Inc. (GLI or applicant), has filed an application under 49 U.S.C. 14303(a) to acquire control of Los RapiDOS, Inc. (LRI). Persons wishing to oppose the transaction must follow the rules at 49 CFR 1182, subpart B. The Board has tentatively approved the transaction, and, if no opposing comments are timely filed, this notice will be the final Board action. If opposing comments are timely filed, this tentative grant of authority will be deemed vacated, and the Board will consider the comments and any replies and will issue a further decision on the application.

DATES: Unless opposing comments are filed, this notice will be effective March 3, 1997. Comments are due by March 3, 1997, and, if any are filed, applicants may reply by March 17, 1997.

ADDRESSES: Send original and 10 copies of any comments referring to STB No. MC-F-20903 to: Surface Transportation Board, Office of the Secretary, Case Control Branch, 1201 Constitution Avenue, N.W., Washington, DC 20423. Also, send one copy of comments to applicants' representative: Fritz R. Kahn, Suite 750 West, 1100 New York Avenue, N.W., Washington, DC 20005.

FOR FURTHER INFORMATION CONTACT: Beryl Gordon, (202) 927-5660.
[TDD for the hearing impaired: (202) 927-5721.]

SUPPLEMENTARY INFORMATION: GLI (MC-1515) is a nationwide motor common carrier of passengers over regular routes that controls the following regional interstate motor passenger carriers: Texas, New Mexico & Oklahoma Coaches, Inc.; Continental Panhandle Lines, Inc.; and Vermont Transit, Inc. LRI (MC-293638) is a motor passenger carrier operating in California in interstate and foreign commerce over regular routes between: Los Angeles and Calexico, at the Mexican border; and between Fresno and San Ysidro, at the Mexican border. As a result of this control transaction, LRI will become a wholly owned subsidiary of GLI that will be controlled indirectly through Sistema Internacional de Transporte de Autobuses, Inc. (SITA), GLI's wholly owned noncarrier subsidiary.¹

GLI states that its aggregate gross operating revenues, and those of its affiliates, exceed the \$2 million jurisdictional threshold of 49 U.S.C. 14303(g). It asserts that acquisition of control will stimulate competition and improve the quality and adequacy of motor passenger service available to the Hispanic segment of the traveling public. Additionally, it maintains that

¹ SITA on December 2, 1996, entered into a voting trust to permit it to acquire LRI's stock prior to a decision on the merits of this application.

the transaction will not cause an increase in fixed charges and that no employees will be adversely affected.

Applicant certifies that: (1) both it and LRI hold satisfactory safety ratings from the U.S. Department of Transportation; (2) they both have sufficient insurance to cover the services they intend to offer; (3) no party to the transaction is either domiciled in Mexico or owned or controlled by persons of that country; and (4) approval of the transaction will not significantly affect either the quality of the human environment or the conservation of energy resources. Additional information may be obtained from applicant's representative.

Under 49 U.S.C. 14303(b), we must approve and authorize a transaction we find consistent with the public interest, taking into consideration at least: (1) the effect of the transaction on the adequacy of transportation to the public; (2) the total fixed charges that result; and (3) the interest of affected carrier employees. We tentatively find, based on the application, that the proposed transaction is consistent with the public interest and should be authorized.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. The proposed acquisition of control is approved and authorized, subject to the filing of opposing comments.

2. This notice will be effective on March 3, 1997, but will be deemed vacated if opposing comments are filed on or before that date.

3. A copy of this notice will be served on the Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, D.C. 20530.

Decided: January 6, 1997.

By the Board, Chairman Morgan, Vice Chairman Owen, and Commissioner Simmons.

Vernon A. Williams
Secretary