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SERVICE DATE - OCTOBER 8, 2004

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. MC-F-21007

CUSA RAZ, LLC d/b/a Raz Transportation Company — Acquisition of Assets and Business Operations — Raz Transportation Company

AGENCY: Surface Transportation Board.

ACTION: Notice Tentatively Approving Finance Transaction.

SUMMARY: CUSA RAZ, LLC d/b/a Raz Transportation Company (CUSA RAZ or Applicant), a noncarrier, has filed an application under 49 U.S.C. 14303 to acquire the assets and business operations of Raz Transportation Company (MC-153581) (Raz or Seller). Persons wishing to oppose this application must follow the rules at 49 CFR 1182.5 and 1182.8. The Board has tentatively approved the transaction, and, if no opposing comments are timely filed, this notice will be the final Board action.

DATES: Comments must be filed by November 22, 2004. Applicant may file a reply by December 7, 2004. If no comments are filed by November 22, 2004, this notice is effective on that date.

ADDRESSES: Send an original and 10 copies of any comments referring to STB Docket No. MC-F-21007 to: Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, send one copy of any comments to applicant's representative: Stephen Flott, Flott & Co. PC, PO Box 17655, Arlington, VA 22216-7655.

FOR FURTHER INFORMATION CONTACT: Eric S. Davis, (202) 565-1600. [Federal Information Relay Service (FIRS) for the hearing impaired: 1-800-877-8339.]

SUPPLEMENTARY INFORMATION: CUSA RAZ is a new company wholly owned and created by CUSA, LLC (CUSA) to undertake this transaction. CUSA is a noncarrier which controls over 20 Federal Motor Carrier Safety Administration (FMCSA) registered motor passenger carriers, and, in turn, is wholly owned by KBUS Holdings, LLC (KBUS), a noncarrier. KBUS acquired control of over 30 motor passenger carriers formerly owned by Coach USA, Inc., and then consolidated those entities into the motor

passenger carriers now controlled by CUSA.¹ These carriers operate more than 1,000 coaches and 600 other revenue vehicles in 35 states. Annual revenues for the companies controlled by CUSA for 2004 are forecast to be \$220 million.

Applicant has entered into an agreement with Raz to buy Raz's assets, including vehicles, and its business operations. CUSA RAZ has an application pending with FMCSA to obtain contract and common carrier operating rights. Once this transaction is consummated, the Federal operating authority currently held by Seller will be surrendered.

Under 49 U.S.C. 14303(b), the Board must approve and authorize a transaction found to be 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.

Applicant has submitted information, as required by 49 CFR 1182.2, including information to demonstrate that the proposed transaction is consistent with the public interest under 49 U.S.C. 14303(b). Specifically, applicant states that the public will be unaffected by the proposed transaction because the new company will be operated by the same managers and in the same manner as Raz. Also, CUSA RAZ states that the proposed transaction will have no effect on fixed charges or employees. Applicant states that all qualified Raz employees who desire employment will be offered employment with CUSA RAZ. CUSA RAZ asserts that the proposed transaction will allow CUSA to extend its advantages of volume purchasing power in areas such as equipment and fuel to this new acquisition. Additional information, including a copy of the application, may be obtained from Applicant's representative.

On the basis of the application, the Board finds that the proposed transaction is consistent with the public interest and should be authorized. If any opposing comments are timely filed, this finding will be deemed vacated and, unless a final decision can be made on the record as developed, a procedural schedule will be adopted to reconsider the application. See 49 CFR 1182.6(c). If no opposing comments are filed by the expiration of the comment period, this decision will take effect automatically and will be the final Board action.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

¹ See KBUS Holdings, LLC – Acquisition of Assets and Business Operations – All West Coachlines, Inc., et al., STB Docket No. MC-F-21000 (STB served July 23, 2003).

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

It is ordered:

1. The proposed finance transaction is approved and authorized, subject to the filing of opposing comments.
2. If timely opposing comments are filed, the findings made in this decision will be deemed vacated.
3. This decision will be effective on November 22, 2004, unless timely opposing comments are filed.
4. A copy of this notice will be served on: (1) the U.S. Department of Transportation, Federal Motor Carrier Safety Administration, 400 7th Street, S.W., Room 8214, Washington, DC 20590; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530; and (3) the U.S. Department of Transportation, Office of the General Counsel, 400 7th Street, S.W., Washington, DC 20590.

Decided: October 4, 2004.

By the Board, Chairman Nober, Vice Chairman Mulvey, and Commissioner Buttrey.

Vernon A. Williams
Secretary