

BEFORE THE
SURFACE TRANSPORTATION BOARD

308931

ENTERED

Office of Proceedings
November 25, 2024
Part of
Public Record

IN THE MATTER OF
TBL GROUP, INC.

– ACQUISITION OF CONTROL –

RESTON LIMOUSINE & TRAVEL SERVICE, INC.

DOCKET NO. MCF 21126

VERIFIED APPLICATION UNDER 49 U.S.C. § 14303(a) OF TBL GROUP, INC.
FOR APPROVAL OF THE ACQUISITION OF CONTROL OF
RESTON LIMOUSINE & TRAVEL SERVICE, INC.

TBL Group, Inc. (“Applicant”) respectfully submits this application under 49 U.S.C. § 14303 and Surface Transportation Board (“STB” or “Board”) regulations at 49 C.F.R. Part 1182 (this “Application”) for approval of the transaction more fully described herein (“Contemplated Transaction”). The Contemplated Transaction entails the direct acquisition of control by Applicant of the regulated interstate and intrastate passenger motor carrier, Reston Limousine & Travel Service, Inc. (“Reston”), from its sole shareholder, Kristina Bouweiri (“Seller”).

I. Parties of the Contemplated Transaction, Pertinent Operating Authorities, and USDOT Safety Fitness Ratings (49 C.F.R. § 1182.2(a)(1) and (2)).¹

A. Purchaser - Applicant. Applicant is a Texas corporation, headquartered at 15734 Aldine Westfield Road, Houston, Texas 77032. The authorized signature on behalf of

¹ This Application is organized to follow the elements set forth in the applicable rules of the Board at 49 C.F.R. § 1182.2(a).

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Applicant is set forth in the Verification of Applicant in Section XIII of this Application. Applicant is not a federally-regulated carrier, and does not have a U.S. Department of Transportation Number (“USDOT No.”), Federal Motor Carrier Safety Administration Docket Number (“FMCSA Docket No.”), or a safety rating assigned by U.S. Department of Transportation (“Safety Rating”). However, Applicant controls three (3) interstate passenger motor carriers (the “Affiliated Regulated Carriers”) that are among its affiliates (“Applicant’s Affiliates”). Applicant with the Applicant’s Affiliates are experienced and reliable providers of diverse for-hire interstate and intrastate passenger motor carrier services, including shuttle and charter transportation services.

B. Affiliated Regulated Carriers. Applicant’s Affiliated Regulated Carriers are GBJ Inc. (“GBJ”), Echo East Coast Transportation LLC (“Echo East”), and Echo Tours & Charters, LP (“Echo Tours”). The services provided by Applicant and Applicant’s Affiliates, excluding the Affiliated Regulated Carriers, do not involve regulated interstate transportation or require interstate passenger authority. Descriptions of the Affiliated Regulated Carriers are as follows:

1. GBJ. GBJ is a Texas corporation doing business as “Echo AFC Transportation,” primarily providing charter and shuttle services for companies, non-profits, schools, and tour operators. The business address, along with USDOT Number, FMCSA Docket No. and Safety Rating assigned to GBJ, are set forth on the Summary Table attached hereto as Exhibit A (the “Summary Table”). The geographic service area of GBJ is primarily within the metropolitan area of Houston, Texas, but it also provides interstate charter passenger transportation service. The approximate number and types of vehicles utilized by GBJ, as well its approximate number of drivers, are also set forth on the Summary Table.

2. Echo East. Echo East is a Texas limited liability company primarily providing charter services. The business address, along with USDOT Number, FMCSA Docket No. and Safety Rating assigned to Echo East, are set forth on the Summary Table. The geographic service area of Echo East is primarily the metropolitan area of Jacksonville, Florida, and its primary service offering is interstate and intrastate charter passenger transportation service. The approximate number and types of vehicles utilized by Echo East, as well its approximate number of drivers, are also set forth on the Summary Table.

3. Echo Tours. Echo Tours is a Texas limited partnership doing business as “Echo Transportation,” primarily providing charter and shuttle services for companies, non-profits, schools, and tour operators. The business address, along with USDOT Number, FMCSA Docket No. and Safety Rating assigned to Echo Tours are set forth on the Summary Table. The geographic service area of Echo Tours is primarily the metropolitan area of Dallas, Texas, but it also provides interstate charter passenger transportation service. The approximate number and types of vehicles utilized by Echo Tours, as well its approximate number of drivers, are also set forth on the Summary Table.

C. Seller. Seller owns and controls 100% of the equity stock of Reston. Seller is a resident of the state of Florida. Seller does not have any direct or indirect ownership interest in any interstate passenger motor carrier other than Reston.

D. Reston. Reston is a Virginia corporation with its primary place of business at 45685 Elmwood Ct., Sterling, Virginia 20166. Reston was founded in 1990 and operates as a motor carrier of passengers primarily providing shuttle services under contracts for companies, government agencies, schools/universities, and other organizations. Reston also

provides general charter services for companies, embassies, government agencies, retail customers, schools/universities, and other organizations for activities such as tours, to/from airport, weddings, athletics, and other group transportation activities.

Reston's primary service area (the "Reston Service Area") is the Washington D.C. metropolitan area, which includes the federal district and the states of Maryland, Virginia, and West Virginia. The USDOT Number assigned to Reston is 561180. For purposes of its interstate passenger operations, Reston holds interstate carrier operating authority under FMCSA Docket No. MC-273787, and Reston has a "Satisfactory" Safety Rating.

For purposes of its intrastate passenger operations, Reston operates pursuant to passenger carrier authority issued by the Maryland Public Service Commission under Carrier No. 1150 and sightseeing and contract passenger carrier authority issued by the Virginia Department of Motor Vehicles. Reston also operates in the Washington District of Columbia metropolitan area pursuant to authority issued by the Washington Metropolitan Area Transit Commission ("WMATC") under WMATC No. 241.

In providing its services, Reston utilizes approximately 12 – motor coaches with a seating capacity of up to 54 passengers, 1 – school bus with a seating capacity of 16 or more passengers, 112 – mini-buses with a seating capacity of 20 to 30 passengers, 3 – vans with a seating capacity of 1 to 8 passengers, 35 – vans with a seating capacity of 9 to 15 passengers, 1 – limousine with a seating capacity of 9 to 15 passengers, 12 – sedans, and 8 – SUVs.

II. Description of the Contemplated Transaction (49 C.F.R. § 1182.2(a)(3)).

The event triggering STB jurisdiction is the Contemplated Transaction through which Applicant will acquire all of the issued and outstanding equity stock interest of Reston, the effect of which will be to place Reston under the control of Applicant. As such, STB's jurisdiction is invoked by 49 U.S.C. § 14303(a)(5), as the Contemplated Transaction involves

“acquisition of control of a carrier [*i.e.*, Reston] by a person that is not a carrier but that controls any number of carriers [*i.e.*, Applicant].” We note that 49 U.S.C. § 14303(f) states “a carrier or a corporation participating in or resulting from a transaction approved by the Board under this Section may carry out the transaction, own and operate property, and exercise control or franchises acquired through the transaction without the approval of a State authority.” Thus, the granting of this Application by the Board will avoid any potential need for state or local approval.²

III. Applicant’s Federally Regulated Carrier Affiliates (49 C.F.R. § 1182.2(a)(4)).

Other than the Affiliated Regulated Carriers and Reston as described above, there are no other carriers with regulated interstate operations involved in this Application. The Contemplated Transaction will result in Reston being acquired, owned and controlled by Applicant. The intercorporate structure of Applicant is as follows:

All of the outstanding equity stock of Applicant is owned, held and controlled by John Ferrari (50%) and Sonny El-Lahham (50%) (collectively, the “Shareholders”). Both Shareholders are individual U.S. citizens and residents of the state of Texas. Neither Shareholder controls any other interstate passenger motor carriers other than those described in this Application. GBJ is wholly owned and directly controlled by Applicant. Echo Tours is indirectly controlled by Applicant through its ownership and control of its intermediate holding company, ET&C GP, LLC, a Texas limited liability company, which is the general partner of Echo Tours.³ Applicant directly controls Echo East through its

² The WMATC does not regulate changes of control of WMATC-authorized carriers unless both parties to the transaction possess, collectively, two or more WMATC authorities. Here, only Reston possesses such authority.

³ Echo Tours does not have any limited partners.

ownership of 86% of the membership interest of Echo East. Mike Sobol, an individual resident of the state of Florida owns the remaining 14% membership interest of Echo East. A chart depicting the intercorporate structure of Applicant is set forth on Exhibit B attached hereto. Neither Shareholder has interstate passenger motor carrier authority, a USDOT Number, nor a USDOT Safety Rating. Additionally, none of the aforementioned persons or entities control any regulated interstate passenger carriers other than as set forth in this Application.

IV. Jurisdictional Statement – Revenues (49 C.F.R. § 1182.2(a)(5)).

The STB has jurisdiction over this matter under 49 U.S.C. § 14303(g), because the annual aggregate gross operating revenues of Applicant and Reston exceed \$2 million during the 12-month period immediately preceding the filing of this Application.

V. Environmental Impact (49 C.F.R. § 1182.2(a)(6)).

Approval of this Application and consummation of the Contemplated Transaction will not have a significant effect on the quality of the human environment and the conservation of energy resources. The Contemplated Transaction is merely a change in control of a carrier that already provides diverse passenger transportation services. No significant operational changes are anticipated at the current time and, therefore, no environmental impact is expected.⁴

⁴ The Board has found similar transactions to be categorically excluded from environmental review under 49 C.F.R. § 1105.6(c). *See, e.g., All Aboard America! Holdings, Inc. – Acquisition of Control – Lux Bus America Co.*, STB Finance Docket No. MCF 21082, at 5 (STB served Sept. 21, 2018). Section 1105.6(c) categorically excludes Section 14303 transactions that do not implicate operational changes that exceed certain specified thresholds.

VI. Public Interest Considerations (49 C.F.R. § 1182.2(a)(7)).

The Board “shall approve and authorize a transaction” when it finds that the transaction is “consistent with the public interest.” 49 U.S.C. § 14303(b). The statutory factors the Board must consider are the “adequacy of transportation to the public,” “total fixed charges that result...” and the “interest of carrier employees affected...” *Id.*

A. Adequacy of Transportation Services. The Contemplated Transaction is not expected to have a material, detrimental impact on the adequacy of transportation services available for the public in the Reston Service Area. Applicant anticipates that services available to the public will be improved as operating efficiencies are realized and additional services and capacity are made available. For at least the foreseeable future, the services currently provided by Reston will continue to be provided by Reston under the same name used to provide such services prior to the Contemplated Transaction. The addition of Reston to the holdings of Applicant is consistent with the practices within the passenger motor carrier industry of strong, well-managed transportation organizations adapting their corporate structure to operate several different passenger carriers within similar service markets, but in different geographic areas. The Contemplated Transaction will bring Reston under the control of Applicant, which is experienced in the same market segments served by Reston, being shuttle and charter transportation services. Such market segments have their own service characteristics, and the Contemplated Transaction, combined with the passenger carrier management capacity of Applicant, is expected to result in improved operating efficiencies, increased equipment utilization rates, and cost savings derived from economies of scale within the Applicant’s Affiliates, all of which will help to ensure the provision of adequate service to the public.

The addition of Reston to Applicant will serve to enhance the viability of the Applicant's organization and the Applicant's Affiliates. The continued viability of Applicant and the Applicant's Affiliates assures the continued availability of adequate passenger transportation service for the public in the areas served by the Applicant's Affiliates.

B. Fixed Charges. The Contemplated Transaction will increase fixed charges, in the form of interest expense, because funds will be borrowed to assist in the financing of the Contemplated Transaction. However, such an increase will not impact the provision of transportation services to the public.⁵

C. Employee Interests. It is the current intention of Applicant to continue the existing operations of Reston and as such, the Contemplated Transaction is not expected have substantial impacts on employees or labor conditions. Applicant does not expect or contemplate a measurable reduction in force or changes in compensation levels and/or benefits, although staffing redundancies could potentially result in limited downsizing of back-office and/or managerial level personnel.

D. Competition and the Public Interest. The law requires the Board to assess competition in the market and the impact on the public interest as affected by approving an arrangement in which multiple passenger carriers are under control of a single entity. In making such analysis, the Board (as did its predecessor, the Interstate Commerce Commission) has consistently found that proposed "common control" arrangements (however accomplished) are inherently not anti-competitive. In large measure, that conclusion rests on

⁵ The Board has approved transactions that use debt financing in the past, despite some increase to interest expense. See, e.g., *Variant Equity I, LP, and Project Kenwood Acquisition, LLC – Acquisition of Control – Coach USA Administration, Inc., and Coach USA, Inc.*, STB Docket No. 21084, at 4 (served February 15, 2019), and *Sureride Charter Inc. – Acquisition of Control – McClintock Enterprises, Inc., D/B/A Goldfield State & Co.*, STB Docket No. 21077, at 3 (served November 2, 2017).

the finding that because of the ease of entry into the market, the passenger motor carrier industry is characterized by healthy intra-modal competition as well as healthy competition between bus service, on the one hand, and, on the other, other modes of transportation, all of which constitute the “relevant market.” *GLI Acquisition Co – Purchase – Trailways Lines, Inc.*, 4 I.C.C. 2d 591, 598-602 (1988).

On the rare occasions in recent years in which the Board has been called upon to assess the “public interest” and “competition” issues inherent in the practice of the acquisition of ownership of numerous bus carriers by non-carrier entities, it has consistently approved applications of this sort, finding that acquisitions that contemplate the single control of numerous passenger carriers can result in better overall service for the public without any lessening of the benefits of healthy competition. Its decisions include *Winthrop Sargent, John Cogliano, and Paul Fuerst – Acquisition of Control – Plymouth and Brockton Street Railway Company, Brush Hill Transportation Company, and McGinn Bus Company, Inc.*, STB Docket No. MCF 21089, (served January 3, 2020); *Transportation Demand Management Holdings, LLC – Acquisition of Control – Badger Bus Transportation Group, Inc.*, STB Docket No. MCF 21088 (served November 8, 2019); and *AAAHI Regional Acquisition LLC – Acquisition of Control – First Class Tours, Inc. and Sierra Stage Coaches, Inc.*, STB Docket No. MCF 21087 (served November 1, 2019).

The demand for shuttle and charter transportation services in the Reston Service Area is strong and is expected to increase in the foreseeable future. Reston competes directly with other passenger service providers in the Reston Service Area, which is a very competitive market due to the significant number of national, regional and local providers operating within the Reston Service Area, including, but not limited to, RMA Worldwide, W&T Travel Services, Chariots for Hire, and Lansdowne Coach. The Reston Service Area is

geographically dispersed from service areas of the Affiliated Regulated Carriers in regard to their service offerings, and there is no overlap in customer bases among the Affiliated Regulated Carriers and Reston in that regard. In light of the foregoing, it is clear that the impact of the Contemplated Transaction on the regulated motor carrier industry will be minimal at most and that neither competition nor the public interest will be adversely affected.

Board approval of this Application will allow the acquisition of control of Reston to be accomplished without the approval of state regulatory authorities, thus relieving the parties of the Contemplated Transaction from potentially burdensome regulatory requirements. See 49 U.S.C. § 14303(f).⁶

VII. Safety Fitness Certification (49 C.F.R. § 1182.2(a)(8)).

Applicant certifies that the Safety Rating (if any) for each of the Affiliated Regulated Carriers is as set forth on the Summary Table. Seller certifies that the Safety Rating of Reston is as set forth hereinabove.

VIII. Insurance Certification (49 C.F.R. § 1182.2(a)(9)).

Seller certifies that Reston currently has the requisite insurance coverage under 49 U.S.C. § 13906. Applicant certifies that Reston immediately following the closing of the Contemplated Transaction will continue to have the requisite insurance coverage under 49 U.S.C. § 13906.

⁶ 49 U.S.C. § 14303(f) provides that “A carrier or corporation participating in or resulting from a transaction approved by the [Surface Transportation] Board under this section, or exempted by the Board from the application of this section pursuant to section 13541, may carry out the transaction, own and operate property, and exercise control or franchises acquired through the transaction without the approval of a State authority. A carrier, corporation, or person participating in the approved or exempted transaction is exempt from the antitrust laws and from all other law, including State and municipal law, as necessary to let that person carry out the transaction, hold, maintain, and operate property, and exercise control or franchises acquired through the transaction.”

IX. Mexico Certification (49 C.F.R. § 1182.2(a)(10)).

A. Applicant. Applicant certifies that neither it nor any of the Affiliated Regulated Carriers are domiciled in Mexico, nor are any of such entities owned or controlled by persons of that country.

B. Reston. Seller certifies that Reston is neither domiciled in Mexico, nor owned or controlled by persons of that country.

X. No Individuals Holding Operating Authority (49 C.F.R. § 1182.2(a)(11)).

The Contemplated Transaction does not involve the transfer of operating authority to an individual who will hold the authority in his or her name.

XI. Exempt Transaction under Federal Premerger Notification Laws.

Pursuant to 15 U.S.C. § 18a(c)(6), this Application and copies of all other information and documentary material filed with the Board in connection with the Contemplated Transaction are being filed with the United States Federal Trade Commission and the Antitrust Division of the United States Department of Justice in keeping with the Contemplated Transaction's status under the regulated-industry provisions of that statute.

XII. Conclusion.

As provided by 49 C.F.R. Part 1182 and for the reasons set forth herein, the Board is respectfully requested to approve this Application and authorize the Contemplated Transaction and acquisition of control as described herein.

XIII. Verification.

The verifications of Applicant and Seller are as follow:

[Remainder of Page Intentionally Blank – Verification and Signature Pages Follow]

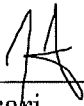
VERIFICATION

I, John Ferrari, Chief Executive Officer of Applicant, verify under penalty of perjury, under the laws of the United States of America, that all information supplied in connection with this Application relative to Applicant is true and correct. Further, I certify that I am qualified and authorized to file this application or pleading. I know that willful misstatements or omissions of material facts constitute Federal criminal violations punishable under 18 U.S.C. § 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable as perjury under 18 U.S.C. § 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

“Applicant”

TBL Group, Inc.

Dated: November 25, 2024

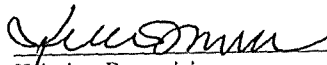
By:  _____
John Ferrari
Chief Executive Officer

VERIFICATION

The undersigned verifies under penalty of perjury under the laws of the United States of America, that all information supplied by such person on behalf of and limited to Reston and Seller in connection with this Application is true and correct. Further, the undersigned with respect to Reston and Seller, respectively, is qualified and authorized on behalf of Reston and Seller, respectively, to submit this verification and file this Application. The undersigned further certifies under penalty of perjury under the laws of the United States, that willful misrepresentations or omissions of material facts constitute Federal criminal violations punishable under 18 U.S.C. § 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable under 18 U.S.C. § 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

"Seller"

Dated: November 25, 2024



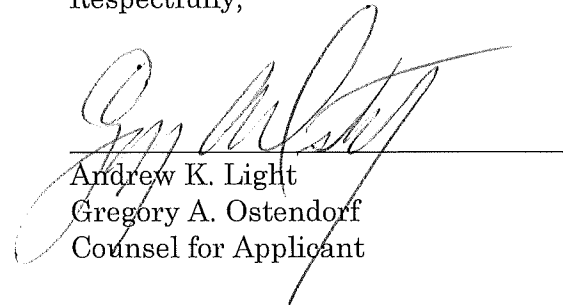
Kristina Bouweiri

XIV. Applicant Legal Counsel.

“Applicant”

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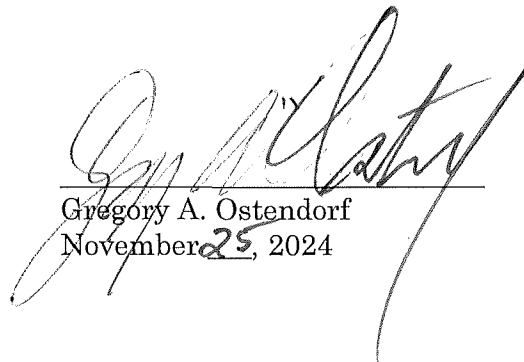
Respectfully,



Andrew K. Light
Gregory A. Ostendorf
Counsel for Applicant

Certificate of Service

I hereby certify that as required by 49 C.F.R. § 1182.3, I have served a copy of the foregoing Application by mailing a copy thereof, via U.S. first-class mail on the U.S. Department of Transportation, Chief Licensing and Insurance Division, 1200 New Jersey Avenue, S.E., Mail Stop W65-331, Washington, DC 20590; and the state regulatory agency for the states in which intrastate operations are affected. I further certify that as required by 15 U.S.C. § 18a(c)(6), I have also served a copy of the foregoing Application, and copies of all other information and documentary material filed with the Surface Transportation Board in connection with the Contemplated Transaction, via email on the United States Federal Trade Commission and the Antitrust Division of the United States Department of Justice.



Gregory A. Ostendorf
November 25, 2024

Exhibit A
Summary Table

<u>Entity Names</u>	<u>USDOT No.</u>	<u>FMCSA Docket No.</u>	<u>USDOT Safety Rating</u>	<u>Vehicles and Drivers</u>
GBJ Inc. 15734 Aldine Westfield Rd., Houston, Texas 77032	835782	MC-369531	Satisfactory	Motor Coach – 53 Mini-Bus – 14 Drivers – 56
Echo East Coast Transportation LLC 14125 Beach Road Jacksonville, Florida 32250	4148029	MC-1591798	None	Motor Coach – 4 Mini-Bus – 12 Drivers – 38
Echo Tours & Charters, LP 1505 Skyline Rd., Dallas, Texas 75051	2172280	MC-755212	Satisfactory	Motor Coach – 42 Mini-Bus – 19 Drivers – 38

Exhibit B

