## **SURFACE TRANSPORTATION BOARD**

[Docket No. MCF 21091]

# Notice Tentatively Approving and Authorizing Finance Transaction

**ACTION:** Notice tentatively approving and authorizing finance transaction.

**SUMMARY:** National Express LLC (National Express), a non-carrier, has filed an application to acquire control of Premier Transportation, LLC (Premier). The Board is tentatively approving and authorizing the transaction, and, if no opposing comments are timely filed, this notice will be the final Board action.

**DATES:** Comments must be filed by April 27, 2020. If any comments are filed, National Express may file a reply by May 11, 2020. If no opposing comments are filed by April 27, 2020, this notice shall be effective on April 28, 2020.

ADDRESSES: Comments may be filed with the Board either via e-filing or in writing addressed to: Surface Transportation Board, 395 E Street SW, Washington, DC 20423–0001. In addition, send one copy of comments to National Express's representative: Andrew K. Light, Scopelitis, Garvin, Light, Hanson & Feary, P.C., 10 W Market Street, Suite 1400, Indianapolis, IN 46204.

### FOR FURTHER INFORMATION CONTACT:

Jonathon Binet at (202) 245–0368. Assistance for the hearing impaired is available through the Federal Relay Service at (800) 877–8339.

SUPPLEMENTARY INFORMATION: According to the application, National Express is a noncarrier company organized under the laws of Delaware that is indirectly wholly owned and controlled by a publicly held British corporation, National Express Group, PLC (Express Group).¹ (Appl. 1.) National Express states that, in addition to National Express, Express Group also indirectly wholly owns and controls the following 19 motor passenger carriers (collectively, National Express Affiliated Carriers) that hold interstate carrier operating authority in the United States (id. at 2-8): 2

- A & S Transportation Inc., which primarily provides non-regulated student school bus transportation services in the southeastern United States, and occasional charter passenger services to the public;
- Aristocrat Limousine and Bus, Inc., which provides public passenger charter services in New Jersey, New York, and Pennsylvania, and intrastate passenger charter services in New Jersey;
- Beck Bus Transportation Corp., which primarily provides student school bus transportation services in Illinois, and charter passenger services to the public:
- Chicagoland Coach Lines LLC, which provides charter passenger services in the general area of Chicago, Ill.
- Durham School Services, L.P., which primarily provides student school bus transportation services in several states, and charter passenger services to the public:
- Fox Bus Lines Inc., d/b/a Silver Fox Coaches, which operates as a motor carrier providing airport shuttle services from Framingham, Mass., to and from Boston Logan International Airport; interstate and intrastate passenger charter services in the Commonwealth of Massachusetts and surrounding areas; and tour services in and to areas of New York City, Boston, and other areas of New England;
- Free Enterprise System/Royal, LLC, which operates as a motor carrier providing interstate and intrastate passenger charter services in Illinois and Indiana, and their surrounding states, and corporate and university shuttle services for employees and students in the greater metropolitan area of Chicago;
- New Dawn Transit LLC, which primarily provides non-regulated school bus transportation services in New York, and charter passenger services to the public;
- Petermann Ltd., which primarily provides non-regulated school bus transportation services in Ohio, and charter passenger services to the public;
- Petermann Northeast LLC, which provides non-regulated school bus transportation services primarily in Ohio and Pennsylvania, and charter passenger services to the public;
- Petermann STSA, LLC, which provides non-regulated school bus transportation services primarily in Kansas, and charter passenger services to the public;
- Quality Bus Service LLC, which primarily provides non-regulated

Transportation (USDOT) numbers, motor carrier numbers, and USDOT safety fitness ratings, can be found in the application. (See id. at 2–8; sched. A.)

- student school bus transportation services primarily in New York, and charter passenger services to the public;
- Queen City Transportation, LLC, which primarily provides non-regulated school bus transportation services in Ohio, and charter passenger services to the public;
- Trans Express, Inc., which provides interstate and intrastate passenger transportation services in New York;
- Transit Express Inc, which primarily provides para-transit transportation services in the area of Milwaukee, Wis., and does not currently provide any interstate transportation services;
- Trinity, Inc., which provides nonregulated school bus transportation services in southeastern Michigan, and charter service to the public;
- Trinity Student Delivery LLC, which primarily provides non-regulated school bus transportation services in northern Ohio, and passenger charter services to the public;
- White Plains Bus Company, Inc., d/b/a Suburban Paratransit Service, which primarily provides non-regulated school bus transportation services in New York, paratransit services, and charter service to the public; and
- Wise Coaches, Inc., which provides interstate passenger charter services in Tennessee and its surrounding states, and intrastate passenger charter and shuttle services in Tennessee.

National Express states that Premier, the carrier being acquired, provides nationwide motor coach passenger charter services out of facilities in Knoxville, Chattanooga, and Greenville, Tenn., as well as shuttle services in those cities and surrounding areas (the Service Area). (Appl. 12.) According to the application, all of the issued and outstanding membership interests in Premier are owned and held by Nicholas G. Cazana and Rebecca Cazana, both of whom are citizens of the United States and neither of whom has any direct or indirect ownership interest in any interstate passenger motor carrier other than Premier. (Id. at 8.)

National Express states that the National Express Affiliated Carriers and Premier are the only carriers with regulated interstate operations involved in this application. (*Id.* at 9.) According to National Express, through this transaction, National Express will acquire all of the issued and outstanding membership interest of Premier, the effect of which will be to place Premier under the control of National Express. (*Id.*)

Under 49 U.S.C. 14303(b), the Board must approve and authorize a transaction that it finds consistent with

<sup>&</sup>lt;sup>1</sup> National Express initially submitted its application on February 10, 2020. On March 5, 2020, National Express filed a supplement to its application providing clarification regarding the number of passenger carrying vehicles and the number of drivers for each National Express Affiliate Carrier, and providing information for two affiliated carriers holding interstate carrier authority, A & S Transportation Inc., and Transit Express Inc., which it mistakenly omitted from its initial application.

 $<sup>^{\</sup>rm 2}$  Additional information about these motor carriers, including U.S. Department of

the public interest, taking into consideration at least: (1) The effect of the proposed transaction on the adequacy of transportation to the public, (2) the total fixed charges that result from the proposed transaction, and (3) the interest of affected carrier employees. National Express has submitted the information 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), see 49 CFR 1182.2(a)(7), and a jurisdictional statement under 49 U.S.C. 14303(g) that the aggregate gross operating revenues of the National Express Affiliated Carriers and Premier exceeded \$2 million during the 12-month period immediately preceding the filing of the application, see 49 CFR 1182.2(a)(5). (Appl. 10–13.)

National Express asserts that the proposed transaction is not expected to have a material, detrimental impact on the adequacy of transportation services available to the public in the Service Area. (Id. at 10-11.) It states that National Express expects that services available to the public will be improved as operating efficiencies are realized and additional services and capacity are made available. (Id. at 10.) Further, National Express states that, for the foreseeable future, Premier will continue to provide the services it currently provides under the same name but will operate within the National Express corporate family, which is "thoroughly experienced in passenger transportation operations." (Id.) National Express further states that Premier is experienced in some of the same market segments already served by some of the National Express Affiliated Carriers, and that the transaction will result in improved operating efficiencies, increased equipment utilization rates, and cost savings derived from economies of scale within Premier, which will help ensure the provision of adequate service to the public. (Id. at 10–11.) It also asserts that adding Premier to National Express' corporate family will enhance the viability of the overall National Express organization and the operations of the National Express Affiliated Carriers. (Id. at 11.)

National Express claims that neither competition nor the public interest will be adversely affected by the proposed transaction. (*Id.* at 13.) National Express states that the population and demand for charter and shuttle services in the Service Area are expected to increase in the foreseeable future, and that Premier competes directly with other passenger charter and shuttle service providers in

the Service Area, including Knoxville Tours, Chariots of Hire, Gentry Trailways, Priority Coach, Todlow, May Transportation, Royal Charters, Malone, D & J, Lattimore Tours, and Mashburn. (Id. at 12-13.) According to National Express, several passenger transportation arrangers or brokers for charter services operate within the Service Area, and passenger motor coach charter providers also compete with "scheduled rail transportation and a number of scheduled airlines within the Service Area." (Id. at 13.) With regard to interstate charter service offerings, National Express also states that the Service Area of Premier is geographically dispersed from most of the service areas of the National Express Affiliated Carriers, and there is very limited overlap in the service areas and customer bases among the National Express Affiliated Carriers and Premier. (Id.)

National Express states that fixed charges are not contemplated to have a material impact on the proposed transaction. (Id. at 11.) Regarding the interests of employees, National Express claims that the transaction is not expected to have substantial impacts on employees or labor conditions, nor does National Express anticipate a measurable reduction in force or changes in compensation levels or benefits. (Id.) National Express submits, however, that staffing redundancies could potentially result in limited downsizing of back-office or manageriallevel personnel. (Id.)

The Board finds that the acquisition of Premier as proposed in the application is consistent with the public interest and should be tentatively approved and authorized. If any opposing comments are timely filed, these findings 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. If no opposing comments are filed by expiration of the comment period, this notice will take effect automatically and will be the final Board action.

This action is categorically excluded from environmental review under 49 CFR 1105.6(c).

Board decisions and notices are available at www.stb.gov.

It is ordered:

- 1. The proposed transaction is approved and authorized, subject to the filing of opposing comments.
- 2. If opposing comments are timely filed, the findings made in this notice will be deemed vacated.

3. This notice will be effective April 28, 2020, unless opposing comments are filed by April 27, 2020.

4. A copy of this notice will be served on: (1) The U.S. Department of Transportation, Federal Motor Carrier Safety Administration, 1200 New Jersey Avenue SE, Washington, DC 20590; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, NW, Washington, DC 20530; and (3) the U.S. Department of Transportation, Office of the General Counsel, 1200 New Jersey Avenue SE, Washington, DC 20590.

Decided: March 6, 2020.

By the Board, Board Members Begeman, Fuchs, and Oberman.

#### Tammy Lowery,

Clearance Clerk.

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BILLING CODE 4915-01-P

# OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket No. USTR-2019-0003]

### Ministerial Error Correction: Enforcement of U.S. WTO Rights in Large Civil Aircraft Dispute

**AGENCY:** Office of the United States Trade Representative.

**ACTION:** Correction of ministerial error.

SUMMARY: In a notice published February 21, 2020 (February 21 notice), the U.S. Trade Representative determined to modify the action being taken in this Section 301 investigation. This notice corrects a ministerial error in the consolidated list of descriptive subheadings included in Section 2 of Annex 2 of the February 21 notice. The operative tariff language in Annex 1 of the February 21 notice is not affected.

**DATES:** The corrected, consolidated list of descriptive subheadings annexed to this notice replaces Section 2 of Annex 2 of the February 21 notice.

**FOR FURTHER INFORMATION CONTACT:** For questions about this notice, contact Assistant General Counsel Megan Grimball at (202) 395–5725. For questions on customs classification of products covered by this action, contact *Traderemedy@cbp.dhs.gov.* 

SUPPLEMENTARY INFORMATION: For background on the proceedings in this investigation, please see the prior notices issued in the investigation including 84 FR 15028 (April 12, 2019), 84 FR 32248 (July 5, 2019), 84 FR 54245 (October 9, 2019), 84 FR 55998 (October 18, 2019), 84 FR 67992 (December 12, 2019), and 85 FR 10204 (February 21, 2020).