

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 2028

IN THE MATTER OF:

Served September 6, 1979

Special Application of AIRPORT)
LIMO, INC., for Authorization to) Case No. CP-79-02
Perform Charter Operations)
Pursuant to Contract with TWA)

By application filed August 9, 1979, Airport Limo, Inc., seeks authorization to operate pursuant to WMATC Special Certificate of Public Convenience and Necessity No. 1, transporting flight crews of Trans World Airlines between "Washington National Airport and Dulles International Airport and/or points in the District of Columbia." Applicant also seeks authority to transport mail, express and baggage in the same vehicle with passengers. Service would be performed in accordance with a bilateral contract between Airport Limo and TWA. Notice of the application was published on August 16, 1979.

Order No. 2020, served August 14, 1979, generally described the evidence submitted with this application and that order is incorporated by reference herein. Protests were due August 27, 1979, and were to contain all evidence and argument on which a protestant intended to rely.

On the due date, Executive Limousine Service, Inc., filed a protest asserting that Certificate of Public Convenience and Necessity No. 18 confers authority on Executive to perform the proposed service. Executive is engaged in performing such service for TWA cabin crews, but no longer transports flight-deck crews inasmuch as no contract therefor is in effect. Executive states that it is ready and willing to transport flight-deck crews and that a grant of authority herein would divert needed revenues from the protestant.

Executive argues that Airport Limo has operated illegally since November 1978 by transporting TWA crews without proper authority. In fact, such conduct was the subject of a cease-and-desist directive in Order No. 2001, served June 6, 1979. Despite allegations that unauthorized operations have continued beyond that date, no competent proof thereof has been submitted.

Executive further alleges that the rates proposed by Airport Limo (\$25 between Dulles International Airport, on the one hand, and, on the other, Washington National Airport and points in the District of Columbia, and \$6.50 between Washington National Airport and points in the District of Columbia) are too low to be compensatory. No data were submitted to support this contention. It is noted that Airport Limo's statement of revenue and costs projects an operating ratio for the proposed operation of 95.1, including allocated expenses, such as management salary, insurance, legal fees and vehicle insurance and depreciation, in excess of \$17,855. Projected revenue compares favorably to variable expenses, and the revenue to be derived from this service should help to offset fixed expenses generated by Airport Limo's other operations.

Finally, Executive contends that Airport Limo's poor financial posture renders it unfit to conduct the proposed operations. Applicant, in fact, has a substantial negative net equity, and its current liabilities vastly exceed its current assets. Official notice is taken, however, of the resolution filed by Allstate Messenger and Delivery Service, Inc., in Application No. 1018, by which that company guarantees to meet all liabilities of Airport Limo. (Allstate Messenger and Airport Limo are corporations under common ownership.)

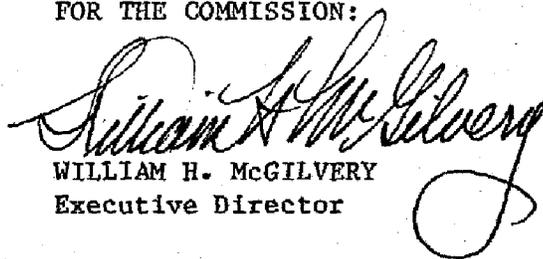
Commission Regulation No. 70 which governs the processing of this application provides that the application shall be granted if it is determined that the applicant is fit, willing and able properly to perform the proposed service and to conform to the provisions of the Compact and the rules, regulations, and orders of the Commission thereunder and if it is determined that the proposed operation conforms to the provisions of Regulation No. 70. The issue of whether the public convenience and necessity require such service has been determined in Case No. MP-79-04. See Order No. 2004, served June 20, 1979.

Inasmuch as the contract is for a minimum of 181 days, is between an employer and a carrier, and calls for the transportation of the contracting employer's employees, the proposal conforms to the provisions of Regulation No. 70. It is also found that Airport Limo is fit, willing and able to meet the obligations described above. Airport Limo's financial obligations are guaranteed by a commonly controlled company, and the granting of this authorization should strengthen Airport Limo's overall financial picture. Moreover, there is no evidence, in this case or any other, warranting the conclusion that Airport Limo has violated the cease-and-desist directive contained in Order No. 2001. Accordingly, the application shall be granted to the extent the service called for by the contract between Airport Limo and

TWA is within the jurisdiction of the Commission. An appropriate authorization is attached hereto.

IT IS SO ORDERED.

FOR THE COMMISSION:

A handwritten signature in cursive script, reading "William H. McGilvery". The signature is written in black ink and is positioned above the printed name and title.

WILLIAM H. MCGILVERY
Executive Director

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

AUTHORIZATION NO. SP-26-08
TO OPERATE PURSUANT TO
SPECIAL CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY NO. 1

AIRPORT LIMO, INC.

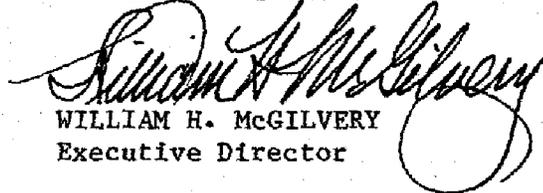
ARLINGTON, VIRGINIA

BE IT KNOWN, that pursuant to Special Certificate of Public Convenience and Necessity No. 1 issued by the Washington Metropolitan Area Transit Commission by Order No. 2004, served June 20, 1979, and effective July 23, 1979, and pursuant to Commission Regulation No. 70 and Order No. 2028, served September 6, 1979, approving the issuance of this authorization, the above-named carrier may engage in the transportation of passengers, in charter operations pursuant to contract, between points in the Metropolitan District, as follows:

CHARTER OPERATIONS PURSUANT TO CONTRACT with Trans World Airlines to transport Trans World Airlines flight deck crews having a prior or subsequent movement by air, together with their baggage, (a) between Dulles International Airport, Herndon, Va., and Washington National Airport, Gravelly Point, Va., on the one hand, and, on the other, points in the District of Columbia, and (b) between Dulles International Airport, Herndon, Va., and Washington National Airport, Gravelly Point, Va., restricted to transportation operations traversing the District of Columbia.

This authorization is valid until canceled.

FOR THE COMMISSION:


WILLIAM H. MCGILVERY
Executive Director