

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 3226

IN THE MATTER OF:

Served September 2, 1988

Application of THE AIRPORT)
CONNECTION, INC., to Transfer a)
Portion of Certificate of Public)
Convenience and Necessity No. 111)
to AIRPORT BAGGAGE CARRIERS, INC.)

Case No. AP-88-27

By application filed July 7, 1988, The Airport Connection, Inc. (TAC or transferor), seeks approval to transfer ". . . that portion of its Washington Metropolitan Area Transit Commission authority that permits it to conduct charter operations within the Metropolitan District, restricted against points solely within Virginia" to Airport Baggage Carriers, Inc. (ABC or transferee). An executed bilateral contract included with the application states that the transfer is made under the terms of the "Stock Purchase Agreement with Airport Transit, Inc." Mr. Mordecai E. Buckingham signed on behalf of transferor and transferee.

Certificate of Public Convenience and Necessity No. 111 authorizes the following transportation:

IRREGULAR ROUTES

PART A

SPECIAL OPERATIONS

Transporting passengers and their baggage, in the same vehicle with passengers, between Washington National Airport, Gravelly Point, Va.; and Dulles International Airport, Herndon, Va.; on the one hand, and, on the other, points in the Metropolitan District.

PART B

CHARTER OPERATIONS

Transporting passengers together with their baggage in the same vehicle with passengers, as follows:

- (1) between Washington National Airport, Gravelly Point, Va.; and Dulles International Airport, Herndon, Va.; on the one hand, and, on the other, points in Montgomery County, Md.

RESTRICTED in B(1) above to the transportation of passengers and aircraft crews having a prior or subsequent movement by air; and

(2) between points in the Metropolitan District, excluding Montgomery County, Md.; on the one hand, and, on the other, points in the Metropolitan District, excluding Montgomery County, Md.

RESTRICTED in A and B above against transportation solely within the Commonwealth of Virginia.

It would appear that, by this application, transferor seeks approval to transfer, in its entirety, Part B of WMATC Certificate No. 111.

Transferee is a Maryland corporation formed in 1979 for the purpose of acting as a common carrier and contract carrier of freight. However, its Articles of Incorporation do not preclude it from acting as a common carrier of passengers. In fact transferee has been authorized by the Interstate Commerce Commission to perform certain interstate charter and special operations since 1984. Mr. Mordecai E. Buckingham, III, is transferee's president and treasurer and owns 50 percent of the shares the company is authorized to issue by its Articles of Incorporation. Mr. John Tanavage is transferee's vice-president and secretary and appears to own the remaining 50 percent of the company's stock.

With its application transferee submitted a balance sheet as of May 31, 1988, which showed total assets of \$1,000,916 consisting of current assets of \$567,842 (\$390,124 of which are due from a wholly owned subsidiary, The Airport Connection, Inc., II); fixed assets, after allowance for depreciation, of \$431,074; and other assets of \$2,000. Current liabilities of \$265,605, long-term liabilities of \$63,126, and equity of \$672,185 which includes a year-to-date loss of \$10,870 are listed. A "cash position statement" for the month ended April 30, 1988, shows cash on hand of \$12,100, cash sales of \$71,511, total collected (pre- and post-petition */) of \$26,929, and total cash paid out of \$101,797 resulting in \$8,743 cash at the end of the month.

The Commission's records indicate that The Airport Connection, Inc., and The Airport Connection, Inc., II, both of which hold WMATC operating authority, are wholly-owned subsidiaries of Airport Baggage Carriers, Inc. Thus, this application will be governed by Title II, Article XII, Section 12(d)(3) of the Compact. Moreover, the application indicates that certain ownership changes may have occurred, raising certain factual issues and the possibility that airport ground transportation could be affected by this application. Therefore, this matter will be set for public hearing.

*/ Both transferor and transferee are Debtors-In-Possession in certain proceedings before the United State Bankruptcy Court for the District of Maryland.

THEREFORE, IT IS ORDERED:

1. That Airport Baggage Carriers, Inc., is hereby made co-applicant and a party to these proceedings.
2. That The Airport Connection, Inc., II, is hereby made a party to these proceedings.
3. That Airport Transit, Inc., is hereby made a party to these proceedings.
4. That Case No. AP-88-27 is hereby scheduled for public hearing to commence Thursday, October 6, 1988, at 9:30 a.m. in the Hearing Room of the Commission, Room 314, 1625 I Street, N.W., Washington, DC 20006.
5. That Airport Baggage Carriers, Inc.; The Airport Connection, Inc.; Airport Transit, Inc.; and The Airport Connection, Inc., II, are hereby directed, jointly and severally, to publish once in a newspaper of general circulation in the Metropolitan District no later than Friday, September 9, 1988, and to post conspicuously and continuously in each and all of their vehicles from Friday, September 9, 1988, through the date of public hearing hereon, notice of the application and the hearing in the form prescribed by the Commission staff, and to produce at the hearing affidavits of said publication and posting.
6. That any person desiring to protest shall file a protest in accordance with Commission Rule No. 14 or any person desiring to be heard on this matter shall so notify the Commission, in writing, no later than Friday, September 23, 1988, and shall simultaneously serve a copy of such protest or notice on Jere W. Glover, Esq., and Thomas F. Koerner, Jr., Esq., 1725 K Street, N.W., #308, Washington, DC 20006; F. Thomas Rafferty, Esq., Schwarz, Greenblatt & Rafferty, 2600 Legg Mason Tower, 111 South Calvert Street, Baltimore, MD 21201; and Robert B. Patterson, Esq., Petit and Martin, 1800 Massachusetts Avenue, N.W., Suite 600, Washington, DC 20036.
7. That The Airport Connection, Inc.; Airport Baggage Carriers, Inc; Airport Transit, Inc; and The Airport Connection, Inc., II, are hereby, jointly and severally, assessed \$750 pursuant to Title II, Article XII, Section 19 of the Compact and directed to deliver said amount to the office of the Commission no later than Friday, September 23, 1988.
8. That The Airport Connection, Inc.; Airport Baggage Carriers, Inc.; Airport Transit, Inc.; and The Airport Connection, Inc., II, are each hereby directed to file with the Commission no later than Tuesday, September 20, 1988, an original and four copies of (a) an affidavit stating all properties acquired by each party to these proceedings or its principals from any other party since July 31, 1988, and the agreements, if any, governing said acquisition(s) and (b) an equipment list for each party to these proceedings stating the make, model, serial number, vehicle number, seating capacity, and license plate number (with jurisdiction) for each and every vehicle owned or used by each party.

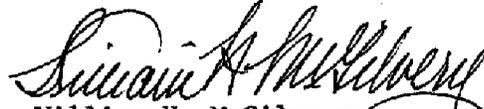
9. That The Airport Connection, Inc.; Airport Baggage Carriers, Inc.; and The Airport Connection, Inc., II, are each hereby directed to file with the Commission, no later than Tuesday, September 20, 1988, an original and four copies of an operating statement for the six months ended July 31, 1988.

10. That Airport Baggage Carriers, Inc., is hereby directed to file with the Commission, no later than Tuesday, September 20, 1988, an original and four copies of a proposed tariff covering the operations that would be authorized if this transfer were approved.

11. That The Airport Connection, Inc.; The Airport Connection, Inc., II; and Airport Transit, Inc., are hereby each directed to file with the Commission, no later than Tuesday, September 20, 1988, an original and four copies of the following: Articles of Incorporation; list of officers with titles; the names and business addresses of directors; and the names and business addresses of five principal stockholders, shareholders, or other owners (whichever applicable) and their respective holdings (if holdings are in names of nominees, state names of real owners).

12. That Airport Transit, Inc., is hereby directed to file with the Commission, no later than Friday, September 23, 1988, application for such authority as it deems appropriate to its needs in light of its (presumed) contract obligation to provide certain airport charter service.

FOR THE COMMISSION:


William H. McGilvery
Executive Director 