

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 3473

IN THE MATTER OF:

Served March 21, 1990

Application of AM INTERNATIONAL)
EXPRESS, INC., for Temporary)
Authority to Conduct Charter)
Operations for the Accounts of:)
AMERICANA TOURS CO., IMAGE)
ADVERTISING CONSULTANTS, ACCU)
TRAVEL AGENCY, KOREANA TOURS,)
A. L. WILLIAMS, and LINCOLN TOURS &)
TRAVEL)

Case No. AP-90-10

By application filed February 27, 1990, AM International Express, Inc. (AM International or applicant), seeks temporary authority to transport passengers, together with mail, express, and baggage in the same vehicles as passengers, in charter operations between points in the Metropolitan District except transportation solely within the Commonwealth of Virginia, restricted to transportation in vehicles having a manufacturer's designed seating capacity of 26 passengers or less (including the driver) and further restricted to transportation for the accounts of Americana Tours Co., Annandale, VA; Image Advertising Consultants, Annandale, VA; Accu Travel Agency, Annandale, VA; Koreana Tours, Falls Church, VA; A. L. Williams, Annandale, VA; and Lincoln Tours & Travel, Annandale, VA.

Applicant would conduct operations using one 25-passenger minibus. AM International's proposed tariff lists charter rates of \$38 an hour (October through February) and \$40 an hour (March through September) with a four-hour minimum plus positioning charges. Transfer rates between Washington National Airport and points in the Metropolitan District would be \$115. The rate proposed for transfers between Washington Dulles International Airport and points in the Metropolitan District is \$160. One hour of "free" time would be allotted for loading and unloading the vehicle. Time used in excess of the free allotment would be charged at a rate of \$38 an hour or portion thereof.

With its application AM International submitted a balance sheet as of February 23, 1990, showing total assets in cash of \$15,500. The sole liability of the company is a shareholder loan of \$12,500. The balance sheet shows \$3,000 in capital stock. For the 10 months */ ending December 31, 1990, applicant projects \$88,415 in WMATC operating income and \$63,490 in expenses, yielding a projected net income of \$24,925.

*/ Title II, Article XII, Section 4(d)(3) of the Compact limits grants of temporary authority to 180 days.

Mr. Hun Kim is applicant's president and owner. He is also the general manager of Americana Tours Co. (Americana), a travel agency supporting this application. Because Mr. Kim had difficulty securing transportation that totally met the travel agency's needs, he formed AM International to serve the needs of Americana and others requiring charter service in 25-passenger vehicles. Applications for permanent authority with this Commission and the Interstate Commerce Commission are pending. Applicant, through Mr. Kim, is prepared to comply with the Compact and all rules and regulations governing the proposed operations.

The application was supported by six notarized letters of support. As previously mentioned, Mr. Hun Kim is the general manager of Americana Tours Co. Americana specializes in making tour arrangements for Korean visitors. Mr. Kim attests that, on at least 15 occasions during the past six months, Americana has required transportation in a 25-passenger vehicle but has not been able to charter such equipment. To meet its clients' transportation needs Americana charters either full-size coaches or several small vans. Neither option is economically desirable or convenient for the groups transported. The letter states that there is an immediate and urgent need for the proposed transportation. Twenty tours requiring transportation in a 25-passenger vehicle have been booked for the next six months. Americana requires transportation for airport and hotel transfers and sightseeing throughout the Metropolitan District. Mr. Kim believes that AM International's ability to provide Korean-speaking drivers with knowledge of Korean customs would make Americana clients' visits more enjoyable.

Mr. Lincoln Tucker, president of Lincoln Tours & Travel, supports the application. Lincoln Tours & Travel makes arrangements for persons requiring transportation throughout the Metropolitan District for sightseeing and airport transfers. Mr. Tucker has been unable to secure adequate transportation in 25-passenger vehicles from existing companies. To accommodate their transportation needs, groups are segmented and transported in small vans, an arrangement Mr. Tucker finds unsatisfactory. Mr. Tucker believes there is an immediate and urgent need for the proposed transportation because Lincoln Tours & Travel's busy season begins in March. Transportation in a 25-passenger vehicle will be required for approximately 10 groups within the next six months. Lincoln Tours & Travel is looking for a small carrier with the ability to offer personal service. The company expects that applicant's service would fill its currently unmet needs.

Mr. Frank Na, manager of Accu Travel Agency, believes there is an immediate and urgent need for the proposed service and that there is no other carrier capable of providing such service. In the past six months the agency required transportation in 25-passenger vehicles on at least four occasions and was unable to secure the needed service. The company was forced to hire smaller vans which were cramped and unsatisfactory to clients. Mr. Na expects that approximately 10 groups during the next six months will require transportation in 25-passenger vehicles throughout the Metropolitan District. Applicant's ability to supply Korean-speaking drivers familiar with Korean customs would be helpful to Accu's Korean-speaking clients.

Mr. Kil Bin Lim, regional vice president of A. L. Williams, an insurance company, is called upon to make transportation arrangements for Korean groups visiting the Washington area. Transportation is required for transfers and sightseeing throughout the Metropolitan District. In the past Mr. Lim has been unable to secure service in a 25-passenger vehicle and has been forced to use vans to transport passengers. A. L. Williams will require transportation in 25-passenger vehicles on approximately five occasions during the next six months with transportation needed as early as March. The availability of a carrier able to provide Korean-speaking drivers would be a major advantage to Mr. Lim. No other carrier offers Korean language service, and Korean-speaking clients cannot be properly served without it. The proposed service is, therefore, required as soon as possible.

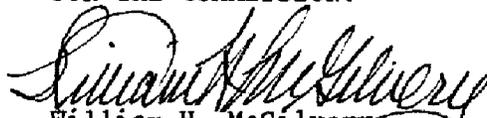
Mr. Bon Sam Koo owns Koreana Tours which specializes in arranging tours for Korean visitors to Washington, DC. Koreana Tours' busy season begins in March. During the upcoming six months Koreana Tours will need transportation in 25-passenger minibuses approximately 20 times for airport and hotel transfers as well as sightseeing. Mr. Koo seeks a carrier capable of providing Korean-speaking drivers with knowledge of Korean customs. Such service is required as soon as possible since it is unavailable from other sources.

Ms. Jennifer Ahn, the president of Image Advertising Consultants, requires transportation in 25-passenger minibuses for Korean clients. Ms. Ahn has not been able to secure transportation in vehicles of the appropriate size in the past and hopes that applicant's service is made available as soon as possible. Ms. Ahn's transportation needs begin in March.

The standards for temporary authority are set forth in the Compact, Title II, Article XII, Section 4(d)(3). The essential elements are (1) an immediate and urgent need for service, (2) no other carrier capable of meeting such need, and (3) fitness of the applicant. This order will provide notice of AM International's application, and a brief period will be established for the filing of protests if any. Each protest should contain all evidence and argument upon which protestant would rely. No extension of time will be granted. The application is available for inspection at the office of the Commission during regular business hours.

THEREFORE, IT IS ORDERED that any person desiring to protest this application shall file a notarized protest in conformance with Commission Rule No. 14 at the office of the Commission, 1828 L Street, N.W., Suite 703, Washington, DC 20036-5104, no later than Friday, March 30, 1990, and simultaneously shall serve a copy of such protest on applicant's counsel, Jeremy Kahn, Esquire, 1726 M Street, N.W., Suite 702, Washington, DC 20036.

FOR THE COMMISSION:


William H. McGilvery
Executive Director

