

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 3980

IN THE MATTER OF:

Served July 23, 1992

Application of COTTER LIMOUSINE OF )  
WASHINGTON, INC., to Expansively )  
Amend Certificate of Authority )  
No. 69 and to Transfer that )  
Certificate to CAREY LIMOUSINE )  
D.C., INC. )

Case No. AP-92-22

By application filed June 10, 1992, Cotter Limousine of Washington, Inc. (Cotter or applicant), a Delaware corporation, seeks to amend and transfer to Carey Limousine D.C., Inc. (Carey or transferee), also a Delaware corporation, Certificate of Authority No. 69. Cotter is a wholly-owned subsidiary of Carey.

Notice of this application was served on June 12, 1992, in Order No. 3954 and applicant was directed to publish further notice in a newspaper and file an affidavit of publication. Applicant complied. This application is unopposed.

SUMMARY OF EVIDENCE

The application contains information regarding, among other things, transferee's corporate status, vehicle maintenance program, minimum requirements for drivers, facilities, finances, and regulatory compliance record.

In addition to transferring Certificate No. 69 from Cotter to Carey, the application seeks to remove from that certificate a restriction limiting the carrier's operations to transportation in vehicles with a manufacturer's designed seating capacity of 15 or fewer persons, including the driver. The application provides that upon transfer of the certificate to Carey, Cotter will cease being a carrier. The application further shows that Carey would begin its operations using two 15-passenger vehicles and one 29-passenger vehicle.

Carey's vice president certifies on its behalf that it has access to, is familiar with, and will comply with the Compact, the Commission's rules and regulations, and United States Department of Transportation regulations relating to transportation of passengers for hire.

Carey is a subsidiary of Carey International and has affiliates in Los Angeles, CA; Philadelphia, PA, and New York, NY. Only Carey operates in the Washington metropolitan area.

Carey filed a balance sheet as of November 30, 1991, showing current assets of \$694,199; net fixed assets of \$359,775; other assets of \$1,248,366; current liabilities of \$778,698; long-term liabilities of \$284,712, and equity of \$1,238,930. Carey's operating statement for the year ended November 30, 1991, shows operating income of \$3,095,760; operating expenses of \$2,774,313, and net income of

\$321,447. Carey's projected operating statement for the first 12 months of WMATC operations shows WMATC income of \$172,000; other operating income of \$3,099,000; total operating expenses of \$3,152,000, and net income of \$119,000.

#### DISCUSSION AND CONCLUSION

Certificate of Authority No. 69 authorizes Cotter to transport passengers between points in the Metropolitan District in irregular route operations, restricted to transportation in vehicles with a manufacturer's designed seating capacity of 15 or fewer persons, including the driver. Cotter seeks removal of that restriction, additional authority to transport baggage in the same vehicles as passengers, and transfer of the certificate, as amended, to Carey.

The Compact, Title II, Article XI, Section 10(b) provides that the Commission may amend a certificate of authority upon application by the holder. Carey proposes to transport baggage as an adjunct to its airport and other charter service. Carey also proposes using a 29-passenger vehicle to accommodate larger groups. This would appear to be more efficient than using two 15-passenger vehicles.

The Commission finds the requested amendments to be consistent with the public interest. Accordingly, the Commission will amend Certificate No. 69 to provide for transportation of baggage in the same vehicles as passengers and to remove the 15-or-fewer-persons restriction.

Regarding the transfer, the Compact, Title II, Article XI, Section 11(a) provides that a carrier "may not transfer a Certificate of Authority unless the Commission approves the transfer as consistent with the public interest." The fitness of the transferee also is at issue.<sup>1</sup>

The application shows that Carey's regulatory compliance fitness was the subject of several proceedings before the Virginia State Corporation Commission late last year and earlier this year. Staff advises that those proceedings have concluded and that Carey has satisfied all judgments, thus correcting its past errors and establishing its willingness to comply with regulatory requirements in the future. Further, Carey avers that conducting operations directly, instead of through a subsidiary, should improve operational efficiency and facilitate compliance with regulatory reporting requirements.

Based on the evidence in this record, the Commission finds Carey to be fit, willing, and able to perform the proposed transportation properly and to conform with applicable regulatory requirements. It is further found that applicant's proposed transfer of Certificate of Authority No. 69 to Carey is consistent with the public interest.

---

<sup>1</sup>In re Application of William C. Dye, No. AP-92-14, Order No. 3965 (July 8, 1992); In re Application of Atwood's Transport Lines, Inc., No. AP-78-30, Order No. 1912 (Nov 6, 1978).

THEREFORE, IT IS ORDERED:

1. That the application of Cotter Limousine of Washington, Inc., to amend Certificate of Authority No. 69 is hereby conditionally granted, contingent upon timely compliance by applicant and Carey Limousine D.C., Inc., with the requirements of this order.

2. That Cotter Limousine of Washington, Inc., is hereby conditionally granted approval to transfer Certificate of Authority No. 69 to Carey Limousine D.C., Inc., contingent upon their timely compliance with the requirements of this order.

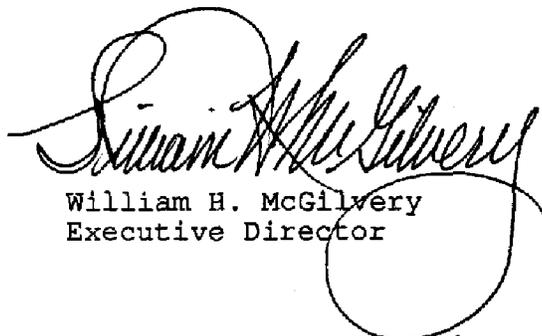
3. That Carey Limousine D.C., Inc., is hereby directed to file the following documents with the Commission within 30 days of the date of this order or such additional time as the Commission may direct or allow (a) evidence of insurance pursuant to Commission Regulation No. 58 and Order No. 3623; (b) four copies of a tariff or tariffs in accordance with Regulation No. 55; (c) an equipment list stating the year, make, model, serial number, vehicle number, license plate number (with jurisdiction) and seating capacity of each vehicle to be used in revenue operations; (d) evidence of ownership or a lease as required by Commission Regulation No. 62 for each vehicle to be used in revenue operations, and (e) a notarized affidavit of identification of vehicles pursuant to Commission Regulation No. 61.

4. That Cotter Limousine of Washington, Inc., shall file within 30 days of the date of this order, or such additional time as the Commission may direct or allow, an affidavit stating that it has discontinued transportation of passengers for hire in the Metropolitan District and removed its name from all vehicles operating therein.

5. That upon timely compliance by Cotter Limousine of Washington, Inc., and Carey Limousine D.C., Inc., with the requirements of this order and acceptance of the documents required by the Commission, Certificate of Authority No. 69, as amended consistent with the terms of this order, shall be reissued to Carey Limousine D.C., Inc., 768 South 23rd Street, Arlington, VA 22202.

6. That unless Cotter Limousine of Washington, Inc., and Carey Limousine D.C., Inc., comply with the requirements of this order within 30 days from the date of issuance, or such additional time as the Commission may direct or allow, the approval of amendments and transfer granted herein shall be void and the application shall stand denied in its entirety effective upon the expiration of said compliance time.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS DAVENPORT, SCHIFTER, AND SHANNON:



William H. McGilvery  
Executive Director