

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 4103

IN THE MATTER OF:

Served May 18, 1993

Application of S & W BUS SERVICE,)
INC., for a Certificate of)
Authority -- Irregular Route)
Operations)

Case No. AP-93-15

By application filed March 29, 1993, and amended April 5, 1993, S & W Bus Service, Inc. (S&W or applicant), a Maryland corporation, seeks a certificate of authority to transport passengers, together with baggage in the same vehicles as passengers, in irregular route operations between points in the Metropolitan District.

Notice of this application was served on April 7, 1993, in Order No. 4081, and S&W was directed to publish further notice in a newspaper and file an affidavit of publication. S&W complied. The application is unopposed.

SUMMARY OF EVIDENCE

S&W's application includes information regarding, among other things, its corporate status, equipment, facilities, safety fitness, proposed tariff, finances, and regulatory compliance record.

S&W proposes to commence operations with a 47-passenger coach. Applicant's proposed tariff contains hourly charter rates.

S&W's president certifies on its behalf that applicant 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.

Applicant filed a balance sheet as of December 31, 1992, showing net fixed assets of \$5,760; long-term loans from stockholders of \$72,117; and negative equity of \$66,357. Applicant's statement of revenues and expenses for the year ended December 31, 1992, shows operating revenues of \$33,425; expenses of \$42,566; loss on sale of assets of \$1,142; and a net loss of \$10,283. Applicant's projected operating statement for the first twelve months of WMATC operations shows WMATC operating income of \$3,200; other operating income of \$31,800; operating expenses of \$30,634; and net income of \$4,366.

It is certified that neither S&W nor any person controlling, controlled by, or under common control with S&W has any control relationship with a carrier other than S&W.

DISCUSSION AND CONCLUSION

This case is governed by the Compact, Title II, Article XI, Section 7(a), which provides in relevant part that:

. . . the Commission shall issue a certificate to any qualified applicant . . . if it finds that --

- (i) the applicant is fit, willing, and able to perform [the] transportation properly, conform to the provisions of this Act, and conform to the rules, regulations, and requirements of the Commission; and
- (ii) that the transportation is consistent with the public interest.

Applicant's balance sheet shows an unusually high debt-equity ratio. However, this appears to result from applicant's choosing a balance sheet structure that shows capital from its shareholders as debt, rather than paid-in equity. The result in either view is that the shareholders have made adequate funds available for operations. It is also noted that applicant is a going concern, currently operating under its Maryland and Interstate Commerce Commission rights. Applicant's projected operating statement reflects its belief that WMATC rights will enhance its revenue opportunities.

Based on the evidence in this record, the Commission finds S&W to be fit, willing, and able to perform the proposed transportation properly and to conform with applicable regulatory requirements. The Commission further finds that the proposed transportation is consistent with the public interest.

THEREFORE, IT IS ORDERED:

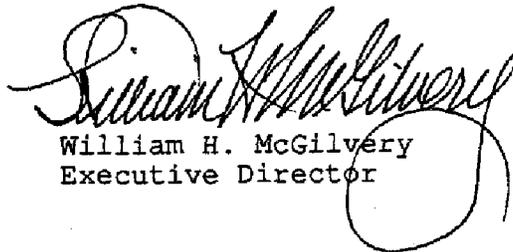
1. That S & W Bus Service, Inc., 5816-66th Avenue, Riverdale, MD 20737, is hereby conditionally granted, contingent upon timely compliance with the requirements of this order, authority to transport passengers, together with baggage in the same vehicles as passengers, in irregular route operations between points in the Metropolitan District.

2. That S & W Bus Service, Inc., is hereby directed to file the following documents with the Commission: (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 Commission 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; (e) proof of current safety inspection of said vehicle(s) by or on behalf of the United States Department of Transportation, the State of Maryland, the District of Columbia, or the Commonwealth of Virginia; and (f) a notarized affidavit of identification of vehicles pursuant to Commission Regulation No. 61, for which purpose WMATC No. 229 is hereby assigned.

3. That upon timely compliance with the requirements of the preceding paragraph and acceptance of the documents required by the Commission, Certificate of Authority No. 229 shall be issued to S & W Bus Service, Inc.

4. That unless S & W Bus Service, Inc., complies with the requirements of this order within 30 days from the date of its issuance, or such additional time as the Commission may direct or allow, the grant of authority 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

