

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 18,431

IN THE MATTER OF:

Served October 16, 2019

Application of ERRANDS PLUS, INC., ) Case No. AP-2019-136  
Trading as RMA CHAUFFEURED )  
TRANSPORTATION and as RMA WORLDWIDE )  
CHAUFFEURED TRANSPORTATION, WMATC )  
No. 287, to Acquire Control of )  
INTERNATIONAL LIMOUSINE SERVICE, )  
INC., WMATC No. 38 )

By application accepted for filing September 3, 2019, applicant, Errands Plus, Inc., trading as RMA Chauffeured Transportation and as RMA Worldwide Chauffeured Transportation, WMATC No. 287, seeks Commission approval to purchase 100% of the stock of International Limousine Service, Inc., WMATC No. 38. Errands Plus also controls RMA Coach, LLC, WMATC No. 676, a wholly owned subsidiary. The application is unopposed.

This transaction is governed by Title II of the Compact, Article XII, Section 3(a)(iii), which provides: A carrier or any person controlling, controlled by, or under common control with a carrier shall obtain Commission approval to acquire control of another carrier that operates in the Metropolitan District through ownership of its stock or other means.

The Commission may approve an application under Article XII, Section 3, if it finds that the proposed transaction is consistent with the public interest.<sup>1</sup> The public interest analysis focuses on the fitness of the acquiring party, the resulting competitive balance, and the interest of affected employees.<sup>2</sup>

An existing WMATC carrier is entitled to a presumption of fitness, as is an acquiring party that controls an existing WMATC carrier.<sup>3</sup> Errands Plus is an existing WMATC carrier and therefore entitled to the presumption and so is its owner. We find that, for the purpose of determining whether the proposed transaction is in the public interest, Errands Plus and its owner are fit.

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<sup>1</sup> Compact, tit. II, art. XII, § 3(c).

<sup>2</sup> *In re RMA Coach, LLC*, No. AP-17-007, Order No. 17,124 (Aug. 1, 2017); Act of Sept. 15, 1960, Pub. L. No. 86-794, § 3, 74 Stat. 1031, 1050 (1960) (codified at DC CODE ANN. § 9-1103.04 (2019)).

<sup>3</sup> Order No. 17,124 at 2.

The primary concern when assessing the effect on competition of a transaction under Article XII, Section 3, is whether the transaction will increase the acquiring party's market share.<sup>4</sup> Transactions which do not increase market share give little pause for concern, and the Commission will approve even those transactions which tend to increase market share as long as there is sufficient post-transaction competition to check any adverse effects that such transactions otherwise might produce.<sup>5</sup>

The Commission defines the relevant market in terms of the common transportation service(s) provided by the parties to the transaction under review and uses the total number of WMATC carriers providing the relevant service and the size of their fleets as a proxy for determining overall market size and derivatively the approximate pre- and post-transaction market shares of the parties at issue.<sup>6</sup> Our analysis takes into consideration the fleet of Errands Plus's subsidiary, RMA Coach.

In support of its application, Errands Plus states that its primary focus has been executive transportation, while International Limousine has been focused on contract shuttle service. This would suggest that the overlap in submarkets of these carriers is minimal. Furthermore, according to vehicle lists submitted with the application, Errands Plus operates 129 vehicles, RMA Coach operates 3 vehicles, and International Limousine operates 79 vehicles. Under common control, the combined fleet would be 211 vehicles. When compared to the approximately 5,500 vehicles reported by current carriers holding authority from the Commission, we find there should be little or no adverse impact on competition in the Metropolitan District. We reach a similar conclusion when looking at vehicles by seating capacity. The three carriers combined operate 120 vehicles with a seating capacity of more than 15 persons, out of approximately 3,275 such vehicles reported by all licensed carriers, and 91 vehicles seating 15 or fewer persons, out of approximately 2,275 such vehicles reported by all licensed carriers.

Finally, in support of its application, Errands Plus submitted a statement stating all employees of both Errands Plus and International Limousine will keep their jobs and be positively impacted by the transaction. No employee has protested this application and there is no evidence in the record of an adverse impact on employees from any other source.<sup>7</sup>

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<sup>4</sup> *Id.* at 2.

<sup>5</sup> *Id.* at 2-3.

<sup>6</sup> *Id.* at 3.

<sup>7</sup> See *In re Luxury Cars DC LLC*, No. AP-18-149, Order No. 17,831 (Sept. 26, 2018) at 2-3 (burden to raise issue of whether a particular transaction analyzed under Article XII, Section 3 of the Compact is or is not consistent with the interest of affected employees falls on employees).

Accordingly, on the record before us, we find that the acquisition of control of International Limousine by Errands Plus is consistent with the public interest.

THEREFORE, IT IS ORDERED that the application of Errands Plus, Inc., trading as RMA Chauffeured Transportation and as RMA Worldwide Chauffeured Transportation, WMATC No. 287, to acquire control of International Limousine Service, Inc., WMATC No. 38, is hereby approved.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS MAROOTIAN, HOLCOMB, AND RICHARD:



Jeffrey M. Lehmann  
Executive Director