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SERVICE DATE - MAY 23, 1997

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB No. MC-F-20909]

East West Resort Express, LLC--Control--Resort Express, Inc.

AGENCY: Surface Transportation Board.

ACTION: Notice Tentatively Approving Finance Application.

SUMMARY: East West Resort Express, LLC (East West), a noncarrier in control of Colorado Mountain Express (CME), and Resort Express, Inc. (REI) jointly seek approval under 49 U.S.C. 14303(a)(5) for East West to acquire control, through purchase, of the assets and properties of REI, together with certain leases of motor vehicle equipment, and to assume certain liabilities of REI. In addition, Harry H. Frampton, III, John C. Goff, Gerald W. Haddock, and Charles I. Madison (collectively, the Control Persons) have joined in the application for approval under 49 U.S.C. 14303(a)(5) as persons in control, either through ownership, management, or the right to control management, of both REI and CME.

Persons wishing to oppose the transaction must follow the rules at 49 CFR 1182, subpart B.

The Board has tentatively approved the transaction, and, if no opposing comments are timely filed, this notice will be the final Board action. If opposing comments are timely filed, this tentative grant of authority will be deemed vacated, and the Board will consider the comments and any replies and will issue a further decision on the application.

DATES: Unless opposing comments are filed, this notice will be effective July 7, 1997.

Comments are due by July 7, 1997 and, if any are filed, applicants may reply by July 22, 1997.

STB No. MC-F-20909

ADDRESSES: Send an original and 10 copies of comments referring to STB No. MC-F-20909 to: Surface Transportation Board, Office of the Secretary, Case Control Unit, Room 713, 1925 K Street, N.W., Washington, DC 20423-0001. Also, send one copy of comments to applicants' representatives: Thomas J. Burke, Jr., 1625 Broadway, Suite 1600, Denver, CO 80202; and Lee E. Lucero, 651 Chambers Road, Suite 203, Aurora, CO 80011-7127.

FOR FURTHER INFORMATION CONTACT: Beryl Gordon, (202) 565-1600. [TDD for the hearing impaired: (202) 565-1695.]

SUPPLEMENTARY INFORMATION: Approval of the transaction is required under 49 U.S.C. 14303(a)(5) because East West controls CME, a motor common carrier, through its relationship to the Control Persons and its affiliations with following entities: East West Resorts Transportation, LLC, East West Resorts Transportation II, LLC, HF Holding Corp., Crescent Development Management Corp., and East West Resorts Management II, LLC.

REI (MC-181367), a motor common carrier of passengers, holds regular route interstate and intrastate operating rights authorizing operations between: (1) Denver International Airport at or near Denver, CO, and Breckenridge, CO, and various Colorado ski resorts; (2) Copper Mountain ski resort and Avon, CO; and (3) Cheyenne, WY, and Albuquerque, NM, and Denver, CO; (4) Walsenburg, CO, and Santa Fe, NM; and (5) Raton, NM, and Taos, NM.

CME (MC-169174),<sup>1</sup> a motor common carrier of passengers, holds interstate and intrastate operating rights authorizing: (a) charter and special operations within CO; and (b) regular route service between Denver and Grand Junction and Aspen, CO.

Applicants state that the aggregate gross operating revenues conducted by REI and CME, for the 12-month period that ended on December 31, 1996, exceeded \$2 million. They assert that the proposed transaction will not affect competition in the involved market because REI and CME do not compete materially in the same territory. They state that the availability of needed capital and management expertise from East West will improve REI's ability to meet the needs of the traveling public in the area. Additionally, applicants state that the transaction's total fixed charges are approximately \$4.9 million, and East West anticipates offering employment to all of REI's employees.

REI holds a satisfactory safety rating from the U.S. Department of Transportation. Applicants certify that: (1) they have sufficient insurance to cover the services they intend to offer; (2) no party to the transaction is either domiciled in Mexico or owned or controlled by persons of that country; and (3) approval of the transaction will not significantly affect either the quality of the human environment or the conservation of energy resources.

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<sup>1</sup> CME holds certificates of public convenience and necessity issued to CME's predecessor, Colorado Mountain Express Investors Inc., formerly known as Colorado Mountain Express, Inc., in Docket No. MC-169174 and subnumbers thereunder. In *Airport Shuttle Colorado, Inc.-Control- Aspen Limousine Service, Inc., d/b/a Vans To Vail, Inc.*, Docket No. MC-F-20786 (ICC served Dec. 19, 1995), CME acquired certificates issued to Airport Shuttle Colorado, Inc., in Docket No. MC-174332 and subnumbers thereunder. In *Colorado Mountain Express, Inc., and Airport Shuttle Colorado, Inc., d/b/a Aspen Limousine Service, Inc.--Consolidation and Merger--Colorado Mountain Express*, STB No. MC-F-20902 (STB served Nov. 27, 1996), CME's predecessor, Colorado Mountain Express Investors, Inc., was authorized to be merged into CME.

Under 49 U.S.C. 14303(b), we must approve and authorize a transaction that we find consistent with the public interest, taking into consideration at least: (1) the effect of the proposed transaction on the adequacy of transportation to the public; (2) the total fixed charges that result from the proposed transaction; and (3) the interest of carrier employees affected by the proposed transaction. We find, based on the application, that the proposed transaction is consistent with the public interest and should be authorized.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

*It is ordered:*

1. The proposed acquisition of control is approved and authorized, subject to the filing of opposing comments.

2. This notice will be effective on July 7, 1997, but will be deemed vacated if opposing comments are filed on or before that date.

3. A copy of this notice will be served on: (1) the U.S. Department of Transportation, Office of Motor Carriers-HIA 30, 400 Virginia Avenue, SW, Suite 600, Washington, DC 20024; and (2) the Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530.

Decided: May 15, 1997

By the Board, Chairman Morgan and Vice Chairman Owen.

Vernon A. Williams

Secretary