

EXPEDITED ACTION REQUESTED

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BEFORE THE SURFACE TRANSPORTATION BOARD

AVALON MOTOR COACHES, LLC

-- ACQUISITION OF CONTROL --

ROSE CHAUFFEURED TRANSPORTATION, INC.

Docket No. MCF 21128

December 11, 2024

REQUEST FOR INTERIM APPROVAL

Pursuant to 49 U.S.C. § 14303(i) and 49 C.F.R. § 1182.7, Avalon Motor Coaches, LLC (“Avalon Motor Coach”) and its affiliates Virgin-Fish, Inc. and Jeffrey Brush (collectively with Avalon Motor Coach, “Avalon”) submit this request to seek expeditious interim approval from the Surface Transportation Board (“Board”) to temporarily manage and operate certain of the assets (including the good will, property, contracts, and vehicles) of Rose Chauffeured Transportation, Inc. (“Rose,” and collectively with Avalon, Jennifer Marie Thompson, and Andrew P. Thompson, the “Applicants”).

Interim approval is appropriate here, as failure to grant the approval may result in injury to Rose’s assets and could substantially interfere with their future usefulness in providing adequate and continuous service to the public within the meaning of 49 C.F.R. § 1182.7. The Rose operations are a small, closely held family business owned by Andrew and Jennifer Thompson. Although both Mr. and Mrs. Thompson participate in the business, Mr. Thompson’s knowledge

and experience is key to Rose's ability to function on a day-to-day basis.¹ However, Mr. Thompson's age and poor health led the owners to conclude that, in order to ensure the company's future viability and management succession, the sale must be effected while they are healthy enough to commit their time and energy to preserving the business, and likewise while they are still able to ensure a smooth transition to a buyer, i.e., Avalon, for the benefit of the workers Rose employs and the community it serves. After such transition, the company's labor force and inventory is set to thrive for an extended period of time that cannot be guaranteed—and in fact is imperiled—under current ownership.

Avalon intends to retain all of Rose's over 50 employees, on terms and conditions of employment that are the same or better than in their current employment. Without the transaction, existing service levels could decrease, which would negatively affect the size of the workforce needed and impact the interests of carrier employees. Rose's local passengers could also suffer from the loss of dedicated charter services and unfilled contracts. A decrease in service due to the current owner's health challenges could lead to cancelled orders or potential lost deposits. Local church groups, sports teams, the military, corporations, and most importantly school districts and their students are some of the diverse clientele that could be impacted by the current circumstances. Without interim approval, Rose's customers could face interruptions to the availability of their transportation. These effects to Rose's employees and its customers could also negatively impact the local economy more broadly.

¹ Mrs. Thompson has experience and expertise in dealing with clients and safety issues, but otherwise lacks depth of knowledge and experience in Rose's day-to-day operations, mechanics, and processes sufficient to allow her to independently run the business at the same level of service as it currently provides. Additionally, Mr. Thompson's health issues are anticipated to increasingly detract from Mrs. Thompson's time and ability to attend to business duties.

Avalon is a qualified, proven company that has been in business for over 34 years and currently has operations across the country in New Jersey, New York, Connecticut, California, Massachusetts, Washington D.C., Arizona, Texas, and adjacent areas. Given interim approval, Avalon will step in immediately to maintain the same high level of services that Rose is and has been offering to its community. Avalon will also preserve the value of the purchased assets by assuming Rose's existing contracts, providing needed maintenance to acquired vehicles, and building on Rose's existing good will in the community. This will ensure that the many clients depending on Rose's services receive the continuous transportation that they expect and that the public depends upon. Avalon intends to assume and expand the market in which Rose currently operates.

The Board has granted interim approval under similar circumstances in the past. See, e.g. *Cavallo Bus Lines, LLC – Acquisition of Control of Assets – White Knight Limousine, Inc.*, STB Docket No. MC-F-21075 (served March 8, 2017) (interim approval granted within fourteen days where acquiring company needed to assume services quickly to provide uninterrupted services to customers). The Board has also granted interim approval to Avalon in prior acquisitions of certain assets of Wynne Transportation and Coach USA. See *Avalon Motor Coaches, LLC-Acquisition of Control-Wynne Transportation, LLC*, STB Docket No. MC-F-21105 TA (served January 30, 2023) (interim approval granted within one week); and *Avalon Motor Coaches, LLC, and Avalon Transportation, LLC--Acquisition of Control—Kerrville Bus Company, Inc., All West Coachlines, Inc., American Coach Lines of Atlanta, Inc., Coach Leasing, Inc., CAM Leasing, LLC, Coach USA, Inc., and Coach USA Administration, Inc.*, STB Docket No. MC-F-21120 TA (served August 30, 2024).

Interim approval to operate is needed to ensure a smooth purchase and transition that will assure continued employment for the workforce, uninterrupted service to the community, and proven management and ownership succession. Given the health uncertainties of Rose's owner, the Applicants respectfully request a ruling of interim approval as soon as possible. With interim operating approval, Avalon can seamlessly maintain the employee jobs and needed services to the traveling public.

CONCLUSION

A grant of interim approval will allow Rose's services to the public to continue uninterrupted and avoid injury to those properties. For the reasons stated herein, the Applicants respectfully request that the Board grant this request for interim approval.

Respectfully submitted,

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