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SERVICE DATE – JUNE 13, 2025

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. MCF 21134

VAN POOL TRANSPORTATION LLC AND AG VAN POOL HOLDINGS, LP—
ACQUISITION OF CONTROL—BILL'S TAXI SERVICE INC.,
DELL TRANSPORTATION CORP., HENDRICKSON BUS CORPORATION,
HUNTINGTON COACH CORPORATION, HUNTINGTON COACH, L.L.C.,
TOWNE BUS CORP., TOWNE BUS LLC, VAN TRANS LLC, WE TRANSPORT (NY) LLC,
WE TRANSPORT LLC (CONNECTICUT), AND WE TRANSPORT, INC.

AGENCY: Surface Transportation Board.

ACTION: Notice Tentatively Approving and Authorizing Finance Transaction.

SUMMARY: On May 16, 2025, Van Pool Transportation LLC (Van Pool) and AG Van Pool Holdings, LP (AG Holdings) (collectively, Applicants), both noncarriers, filed an application to acquire control of an interstate passenger motor carrier, Bill's Taxi Service Inc. d/b/a A&A Metro Transportation (A&A), from its shareholders, Thomas Arrighi, Michael Arrighi, and Gaile Arrighi (collectively, Sellers). In addition to this proposed transaction, Applicants also seek after-the-fact control authority for the following Van Pool subsidiaries: Dell Transportation Corp. (Dell), Hendrickson Bus Corporation (Hendrickson), Huntington Coach Corporation (Huntington Corp.), Huntington Coach, L.L.C. (Huntington LLC), Towne Bus Corp. (Towne Corp.), Towne Bus LLC (Towne LLC), Van Trans LLC (Van Trans), WE Transport (NY) LLC (WE NY), WE Transport LLC (Connecticut) (WE CT), and WE Transport, Inc. (WE Transport) (collectively, the ATF Subsidiaries). The Board is tentatively approving and authorizing the control of A&A as well as the ATF Subsidiaries. If no opposing comments are timely filed, this notice will be the final Board action.

DATES: Comments must be filed by July 28, 2025. If any comments are filed, Applicants may file a reply by August 12, 2025. If no opposing comments are filed by July 28, 2025, this notice shall be effective on July 29, 2025.

ADDRESSES: Comments, referring to Docket No. MCF 21134, may be filed with the Board either via e-filing on the Board's website or in writing addressed to: Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, send one copy of comments to Applicants' representative: Kiefer A. Light, Beacon Mobility Corp., 3700 Embassy Parkway, Suite 500, Akron, OH 44333.

FOR FURTHER INFORMATION CONTACT: Jonathon Binet at (202) 245-0368. If you require an accommodation under the Americans with Disabilities Act, please call (202) 915-4348.

SUPPLEMENTARY INFORMATION: *Applicants and the Affiliate Regulated Carriers.* According to the application, Van Pool is a Delaware limited liability company indirectly controlled by AG Holdings through intermediary holding companies.¹ (Appl. 3-4.) Neither Van Pool nor AG Holdings is a federally regulated carrier. (*Id.*) However, excluding the ATF Subsidiaries, Van Pool directly owns and controls all equity and voting interest in 11 interstate passenger motor carriers (the Affiliate Regulated Carriers). (*Id.*)² The Affiliate Regulated Carriers are:³

- NRT Bus, Inc., which primarily provides non-regulated student transportation services for schools in Massachusetts (Essex, Middlesex, Norfolk, Suffolk, and Worcester Counties), and occasional charter services, (Appl. 5);
- Trombly Motor Coach Service, Inc., which primarily provides non-regulated student transportation services for schools in Massachusetts (Essex and Middlesex Counties), and occasional charter services, (*id.*);

¹ Specifically, Applicants state that Van Pool is wholly owned by VP Intermediate Company (VP Intermediate), a Delaware corporation and noncarrier holding company, and that VP Intermediate is wholly owned by Beacon Mobility Corp. (Beacon Mobility), a Delaware corporation and noncarrier holding company. (Appl. 26.) Beacon Mobility is wholly owned by Beacon Mobility Intermediate Corp. (Beacon Intermediate), a Delaware corporation and noncarrier holding company. (*Id.*) Beacon Intermediate is wholly owned by Beacon Mobility Preferred Issuer, LLC (Beacon Preferred), a Delaware limited partnership and noncarrier holding company, and Beacon Preferred is wholly owned and controlled by Van Pool Group Holdings, L.P. (Group Holdings), a Delaware limited partnership and noncarrier holding company. (*Id.*) Group Holdings is majority-owned and controlled by AG Holdings, a Delaware limited partnership and noncarrier holding company. (*Id.*) AG Holdings is owned by investment funds affiliated with Audax Management Company, LLC, a Delaware limited liability company. (*Id.*) Applicants state that “none of the aforementioned entities control any regulated interstate passenger carriers other than as set forth in [the] Application.” (*Id.*)

² Applicants note that Van Pool sought and obtained Board approval for the acquisition of PLSIII LLC (n/k/a Cedar Bus Company, LLC) (PLS). (*Id.* at 4 n.4); see Van Pool Transp. LLC—Acquis. of Control—PLSIII LLC, MCF 21111 (STB served Nov. 17, 2023). Applicants add, however, that PLS no longer provides any regulated interstate service. (Appl. 4 n.4.) Therefore, PLS voluntarily revoked its interstate authority on August 30, 2024, and is no longer among the Affiliate Regulated Carriers. (*Id.*)

³ Additional information about these motor carriers, including U.S. Department of Transportation (USDOT) numbers, motor carrier numbers, and USDOT safety fitness ratings, can be found in the application. (See Appl. 5-9, Ex. A.)

- Salter Transportation, Inc., which primarily provides non-regulated student transportation services for schools in Massachusetts (Essex County) and southern New Hampshire, and occasional charter services, (id. at 5-6);
- Easton Coach Company, LLC, which provides (i) intrastate paratransit, shuttle, and line-run services under contracts with regional transportation authorities and other organizations, primarily in New Jersey and eastern Pennsylvania, and (ii) private charter motor coach and shuttle services (interstate and intrastate), primarily in eastern Pennsylvania, (id. at 6.);
- F. M. Kuzmeskus, Inc., d/b/a Travel Kuz, which provides (i) non-regulated school bus transportation services, (ii) intrastate and interstate motor coach and limousine charter services, and (iii) limited intrastate and interstate charter services using school buses, all in western Massachusetts and southern Vermont, (id. at 6-7);
- Alltown Bus Service Inc., which primarily provides non-regulated student transportation services for schools in the metropolitan area of Chicago, Ill., and its northern suburbs, and occasional charter services, (id. at 7);
- DS Bus Lines, Inc., which primarily provides (i) non-regulated student transportation services for schools in Kansas (Beloit, Kansas City, Lincoln, Olathe, and Shawnee), Missouri (Belton and Smithville), Colorado (the metropolitan area of Denver), and Oklahoma (the metropolitan area of Tulsa), (ii) intrastate employee shuttle services in Colorado and Texas, and (iii) occasional charter services, (id.);
- Royal Coach Lines, Inc., which primarily provides (i) non-regulated student transportation services for schools in the metropolitan area of Westchester County, N.Y., and southern Connecticut, and (ii) contract and charter transportation services, (id. at 7-8);
- Local Motion, LLC, d/b/a Local Motion of Boston (Local Motion), which provides non-regulated school bus, charter, and shuttle services in the metropolitan area of Boston, Mass., (id. at 8);
- Butler’s Bus Service, Inc. (BBS), which primarily provides non-regulated student transportation services for schools in New Hampshire and Vermont. BBS also provides occasional charter services when its buses are not in use for school activities, (id.);
- TransAction Corporate Shuttles, Inc (TCS), which primarily provides fixed-route commuter and municipal shuttle bus services and on-demand transportation for employees of businesses and communities in Massachusetts. See Van Pool Transp. LLC—Acquis. of Control—TransAction Corp. Shuttles, Inc., MCF 21119, slip op. at 3 (STB served Sept. 27, 2024).

The ATF Subsidiaries. Applicants explain that they acquired the ATF Subsidiaries in two separate transactions. (Appl. 22.)⁴ According to Applicants, at the time of those acquisitions, none of the ATF Subsidiaries held interstate operating authority. (*Id.* at 22.) At various points following the acquisitions, however, certain of the ATF Subsidiaries were presented with opportunities to provide limited interstate transportation related to school-sponsored extracurricular activities. (*Id.* at 23-25.) According to the application, a regional employee of Van Pool then applied for interstate operating authority from the Federal Motor Carrier Safety Administration. (*Id.* at 24-25.) Applicants state that staff more familiar with Board processes only became aware of the failure to seek the requisite Board authority while preparing the application to acquire A&A. (*Id.* at 23.)

The ATF Subsidiaries are:⁵

- Dell, with a fleet of approximately 149 passenger vehicles, primarily provides non-regulated home-to-school transportation within the town of Hempstead, N.Y. Dell also provides charter transportation for school-related extracurricular activities. While Dell's operations are predominantly intrastate, its charter services, on occasion, may cross state lines into neighboring jurisdictions, particularly New Jersey or Connecticut, depending on the location of the extracurricular activities, (Appl. 12-13);
- Hendrickson, with a fleet of approximately 236 passenger vehicles, primarily provides non-regulated home-to-school transportation within the town of Bayville, N.Y. Hendrickson also provides charter transportation for school-related extracurricular activities. While Hendrickson's operations are predominantly intrastate, its charter services, on occasion, may cross state lines into neighboring jurisdictions, particularly New Jersey, Connecticut, Pennsylvania, and Massachusetts, depending on the location of the extracurricular activities, (*id.* at 13-14);
- Huntington Corp., with a fleet of approximately 328 passenger vehicles, primarily provides non-regulated home-to-school transportation within the town of Huntington Station, N.Y. Huntington Corp. also provides charter transportation for school-related extracurricular activities. While Huntington Corp.'s operations are predominantly intrastate, its charter services, on occasion, may cross state lines into neighboring jurisdictions, particularly New Jersey, Connecticut, Pennsylvania, and Massachusetts, depending on the location of the extracurricular activities, (*id.* at 14);
- Huntington LLC has a fleet of approximately 231 vehicles and operates similarly to Huntington Corp., (*id.* at 14-15);

⁴ Specifically, Applicants acquired Towne Corp., Towne LLC, Van Trans, WE NY, WE CT, and WE Transport on June 25, 2021. (Appl. 23.) Applicants then acquired Dell, Hendrickson, Huntington Corp., and Huntington LLC on February 1, 2023. (*Id.* at 25.)

⁵ Additional information about these motor carriers, USDOT numbers, motor carrier numbers, and USDOT safety fitness ratings, can be found in the application. (See *id.* at 12-20; *id.*, Ex. A.)

- Towne Corp., with a fleet of approximately 311 passenger vehicles, primarily provides non-regulated home-to-school transportation within Long Island, N.Y. Towne Corp. also provides charter transportation for school-related extracurricular activities. While Towne Corp.'s operations are predominantly intrastate, its charter services, on occasion, may cross state lines into neighboring jurisdictions, particularly New Jersey, Connecticut, Pennsylvania, and Massachusetts, depending on the location of the extracurricular activities, (id. at 15-16);
- Towne LLC has a fleet of approximately 390 vehicles and operates similarly to Towne Corp., (id. at 16-17);
- Van Trans, with a fleet of approximately 160 passenger vehicles, primarily provides non-regulated home-to-school transportation within Bronx, N.Y. Van Trans also provides charter transportation for school-related extracurricular activities. While Van Trans's operations are predominantly intrastate, its charter services, on occasion, may cross state lines into neighboring jurisdictions, particularly New Jersey, Connecticut, Pennsylvania, and Massachusetts, depending on the location of the extracurricular activities, (id. at 17-18);
- WE NY, with a fleet of approximately 232 passenger vehicles, primarily provides non-regulated home-to-school transportation within Long Island, N.Y. WE NY also provides charter transportation for school-related extracurricular activities. While WE NY's operations are predominantly intrastate, its charter services, on occasion, may cross state lines into neighboring jurisdictions, particularly New Jersey, Connecticut, Pennsylvania, and Massachusetts, depending on the location of the extracurricular activities, (id. at 18-19);
- WE CT, with a fleet of approximately 299 passenger vehicles, primarily provides non-regulated home-to-school transportation in Bridgeport, Conn. WE CT also provides charter transportation for school-related extracurricular activities. While WE CT's operations are predominantly intrastate, its charter services, on occasion, may cross state lines into neighboring jurisdictions, particularly New York, Rhode Island, and Massachusetts, depending on the location of the extracurricular activities, (id. at 19);
- WE Transport, with a fleet of approximately 652 passenger vehicles, primarily provides non-regulated home-to-school transportation within Long Island, N.Y. WE Transport also provides charter transportation for school-related extracurricular activities. While WE Transport's operations are predominantly intrastate, its charter services, on occasion, may cross state lines into neighboring jurisdictions, particularly New Jersey and Connecticut, depending on the location of the extracurricular activities, (id. at 19-20).

A&A. A&A, a motor carrier, provides a range of passenger transportation services, including charter, shuttle, school, and non-emergency medical transportation. (Appl. 9.) A&A's core-service area includes the Massachusetts communities of Bridgewater, Boston, Quincy, and North Dartmouth. (Id. at 10.) However, based on customer needs, A&A's charter operations extend beyond this core area to include interstate service. (Id.) Specifically, over the past three

years, A&A has provided charter service from Massachusetts to or through Connecticut, Delaware, Maine, Maryland, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Vermont, and Virginia. (Id.) In 2024, A&A also conducted a limited amount of charter service into Quebec, Canada. (Id.)

A&A's fleet consists of approximately 32 minibuses, 11 motor coaches, 39 vans (1-8 passengers, and 12 vans (9-15 passengers). (Id.) Applicants also provide details about A&A's principal place of business, USDOT number, FMCSA docket number, safety rating, fleet composition, and driver count. (Id., Ex. A.)

The Statutory Standard. Under 49 U.S.C. 14303(b), the Board must approve and authorize a transaction that it finds 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 affected carrier employees. Applicants have submitted the information required by 49 CFR 1182.2, including information to demonstrate that the acquisition of the ATF Subsidiaries and A&A are both consistent with the public interest under 49 U.S.C. 14303(b), see 49 CFR 1182.2(a)(7), and a jurisdictional statement under 49 U.S.C. 14303(g) that the aggregate gross operating revenues of the involved carriers exceeded \$2 million during the 12-month period immediately preceding the filing of the application, see 49 CFR 1182.2(a)(5). (See Appl. 26-27.)

The ATF Transactions and A&A Acquisition. Applicants claim that the control of the ATF Subsidiaries and the acquisition of A&A will not have a material, detrimental impact on the adequacy of transportation services available to the public. (Id. at 27.) They note that there are numerous motor passenger carrier companies in the same geographic areas as the subject motor carriers and that barriers to entry into the business are low. (Id.)

Specific to the ATF Subsidiaries, Applicants state that those entities compete with numerous local and regional school bus operators for contracts, including companies such as Guardian Bus, Montauk Bus, and Educational Bus Transportation. (Id. at 32.) In addition, they face competition from large national providers affiliated with transportation companies such as First Student, National Express, and Student Transportation of America. (Id.) With respect to charter services, the relevant market is also competitive. (Id. at 33.) Applicants explain that numerous providers operate in the Long Island and broader New York area, including local and regional companies such as Long Island Coach Bus, Gogo Charters New York, Winston Transportation, New York Charter Bus Company, and A1 Metro Limousine Service. (Id.) Applicants note that national charter operators such as Academy Bus, Coach USA, and National Express also maintain a strong presence in the region. (Id.) Therefore, the record indicates that Applicants' control of the ATF Subsidiaries has not and will not affect the adequacy of transportation to the public.

As to A&A, Applicants note that it also competes for contracts and assert that demand for charter, school, shuttle, and non-emergency medical transportation services within its service area is strong. (Id. at 28, 31.) They acknowledge that A&A competes in certain limited aspects of the business conducted by Local Motion and TCS but add that A&A continues to face

competition from established providers, including DPV Transportation, Lucini Transportation, and Fisher Bus Inc. (Id. at 31.)

Furthermore, according to Applicants, adding A&A and the ATF Subsidiaries will enhance the viability of Applicants' organization. (Id. at 29.) Applicants explain that the common control will improve operating efficiencies, increase equipment utilization rates, and be more cost effective because of economies of scale. (Id. at 28.) Applicants assert that these enhancements will help ensure the provision of adequate service to the public. (Id.)

Applicants acknowledge that the acquisition of the ATF Subsidiaries resulted in a modest increase in fixed charges in the form of interest expense because the acquisitions were financed through borrowed capital. (Id. at 29 n.8.) Applicants note, however, that the Board has approved transactions involving debt financing, even when such financing has resulted in increased interest expense. (Id. at 29 (citing Variant Equity I, LP—Acquis. of Control—Coach USA Admin., Inc., MCF 21084, slip op. at 4 (STB served Feb. 15, 2019); Sureride Charter Inc.—Acquis. of Control—McClintock Enters., Inc., MCF 21077, slip op. at 3 (STB served Nov. 2, 2017)).) Applicants state that the acquisition of A&A will also result in a modest increase in fixed charges but add that it will not affect the provision of transportation services to the public. (Appl. 29.)

Additionally, Applicants indicate that the acquisition of the ATF Subsidiaries did not have a substantial impact on employees or labor conditions, and they do not anticipate a measurable reduction in force or changes in compensation levels or benefits in the future. (Id. at 30.) Similarly, Applicants state they do not expect the acquisition of A&A to have a substantial impact on employees or labor conditions. (Id.) Applicants also state that they do not anticipate a measurable increase in force or changes in compensation levels or benefits at A&A. (Id.)

Based on Applicants' representations, the Board finds that the acquisition of the ATF Subsidiaries and A&A is consistent with the public interest. The application will be tentatively approved and authorized. If any opposing comments are timely filed, these findings will be deemed vacated, and, unless a final decision can be made on the record as developed, a procedural schedule will be adopted to reconsider the application. See 49 CFR 1182.6. If no opposing comments are filed by expiration of the comment period, this notice will take effect automatically and will be the final Board action in this proceeding.

This action is categorically excluded from environmental review under 49 CFR 1105.6(c).

Board decisions and notices are available at www.stb.gov.

It is ordered:

1. The acquisition of the ATF Subsidiaries and A&A is approved and authorized, subject to the filing of opposing comments.

2. If opposing comments are timely filed, the findings made in this notice will be deemed vacated.

3. This notice will be effective on July 29, 2025, unless opposing comments are filed by July 28, 2025. If any comments are filed, Applicants may file a reply by August 12, 2025.

4. A copy of this notice will be served on: (1) the U.S. Department of Transportation, Federal Motor Carrier Safety Administration, 1200 New Jersey Avenue, S.E., Washington, DC 20590; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530; and (3) the U.S. Department of Transportation, Office of the General Counsel, 1200 New Jersey Avenue, S.E., Washington, DC 20590.

Decided: June 9, 2025.

By the Board, Board Members Fuchs, Hedlund, Primus, and Schultz.