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SERVICE DATE - FEBRUARY 8, 1999

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33707]

Albany Bridge Company, Inc., Georgia & Florida Railroad Co., Inc., and Live Oak, Perry & Georgia Railroad Company, Inc.--Corporate Family Transaction Exemption--Gulf & Ohio Railways, Inc.

Albany Bridge Company, Inc., Georgia & Florida Railroad Co., Inc., and Live Oak, Perry & Georgia Railroad Company, Inc. (Railroad Companies), and Gulf & Ohio Railways, Inc. (G&O), have jointly filed a notice of exemption. The Railroad Companies and G&O are wholly owned by Gulf & Ohio Railways Holding Co., Inc. (Holding Company), and the Holding Company is wholly owned by H. Peter Claussen and Linda C. Claussen.¹ The Railroad Companies will be merged into G&O, with G&O as the surviving corporation.

The transaction was scheduled to be consummated on or shortly after January 21, 1999.

¹ See Abany Bridge Company, Inc., Georgia & Florida Railroad Co., Inc., Gulf & Ohio Railways, Inc., Lexington & Ohio Railroad Co., Inc., Live Oak, Perry & Georgia Railroad Company, Inc., Piedmont & Atlantic Railroad Co., Inc., Rocky Mount & Western Railroad Co., Inc., Wiregrass Central Railroad Company, Inc.--Corporate Family Transaction Exemption--Gulf & Ohio Railways Holding Co., Inc., STB Finance Docket No. 33576 (STB served Apr. 10, 1998).

The proposed merger is intended to consolidate the operations of the Railroad Companies and G&O, and to eliminate administrative and operating inefficiencies, improve service, and to improve the financial viability of the surviving corporation.

This is a transaction within a corporate family of the type specifically exempted from prior review and approval under 49 CFR 1180.2(d)(3). The parties state that the transaction will not result in adverse changes in service levels, significant operational changes, or a change in the competitive balance with carriers outside the corporate family.

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under sections 11324 and 11325 that involve only Class III rail carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

If the notice contains false or misleading information, the exemption is void ab initio. Petitions to reopen the proceeding to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to reopen will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33707, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy

of all pleadings must be served on Jo A. DeRoche, Weiner, Brodsky, Sidman & Kider, P.C., Suite 800, 1350 New York Avenue, N.W., Washington, DC 20005-4797.

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Decided: January 29, 1999.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary