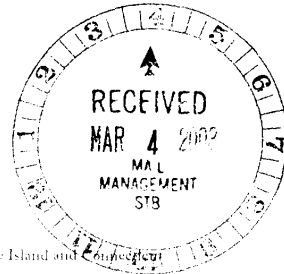


GEARY & ASSOCIATES

Attorneys At Law
161 Summer Street
Kingston, MA 02364
Telephone: (781) 585-0008
Facsimile: (781) 585-0332



John J. Geary**
Daniel B. Walsh
Charles E. Hayes

Maureen K. Flaherty (of counsel)**

ENTERED
Office of Proceedings

MAR - 4 2003

Part of
Public Record

* Also Admitted in Rhode Island and Connecticut

** Also admitted in Rhode Island

February 27, 2003

Honorable Vernon Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423

207334

RE: Peter Pan Bus Lines Trust
-Purchase and Acquisition of Control-
Arrow Line Acquisition, LLC, et al.
Surface Transportation Board
Docket MC-F-20995

Dear Secretary Williams:

There are transmitted herewith the original and 10 copies of a Supplemental Comment and a supporting affidavit regarding the proposed transaction involving the acquisition and acquisition of control of multiple motor passenger carriers.

I have also attached a copy of this letter and ask that you stamp it to acknowledge receipt of this filing. Thank you for your attention to this matter.

Very truly yours,
A handwritten signature in cursive script, appearing to read "Daniel B. Walsh".
Daniel B. Walsh

cc: Entertainment Tours, Inc.
Parties Identified in Application's Certificate of Service

ENTERED
Office of Proceedings

MAY 14 2003

Part of
Public Record

SURFACE TRANSPORTATION BOARD

STB Docket No. MC-F-20995

PETER PAN BUS LINES TRUST—PURCHASE AND ACQUISITION OF CONTROL—
ARROW ACQUISITION, LLC, BONANZA ACQUISITION, LLC, MAINE LINE, LLC,
PAWTUXET VALLEY, LLC, PETER PAN BOSTON, LLC,
AND PETER PAN BUS LINES, INC.

SUPPLEMENTAL COMMENT AND OPPOSITION OF ENTERTAINMENT TOURS, INC.,
TO APPROVAL OF PURCHASE AND ACQUISITION OF CONTROL
WITH RESPECT TO THE PENDING APPLICATION OF PETER PAN BUS LINES TRUST

With financial gain as their only clear motive, Coach USA and PPBLT urge the Board to approve their Application as expeditiously as possible. Clearly, the Board's primary obligation is to ensure its approval, if given at all, is consistent with the public interest. Accordingly, the Board must deny the request for expedited action to provide the Board with sufficient time to give the matter fair consideration.

The Applicants Misconstrued Entertainment Tours' Comment Relative to the Effect of the Proposed Acquisition on the Adequacy of the Transportation to the Public.

Coach USA and PPBLT wish to characterize Entertainment's Comment and Opposition as focused solely on business issues that pertain only to Entertainment Tours. Obviously, Entertainment can only present facts from its perspective, but the broader issue for consideration involves the reduction of competition and disproportionate market advantages that would result from an approval of the Application. Entertainment's underlying message to the Board suggests that if Peter Pan offers travelers favorable pricing and services only when competitors such as Entertainment offer lower prices and better service, it is not in the public interest to approve the application. While it is possible for consolidation in the industry to result in efficiencies

ultimately benefiting the public at large, this particular consolidation will most likely result in consumers receiving nothing but higher prices and fewer choices.

In order to depict the current competitive structure, Entertainment proudly described its commitment to service and providing value to its customers. PPBLT flatters Entertainment by saying the company has “bested” the current competitive strategy. As any business person realizes, as soon as a company assumes it has bested the competition, it is doomed to be overcome by those very same competitors. More accurately, Entertainment survives in the current competitive structure. Despite all the anti-competitive pressure PPBLT now applies, Entertainment survives in the current competitive structure. With innovative companies like Entertainment in the market place, consumers receive a demonstrable benefit. The Board must give due diligence to the Application to ensure the traveling public receives the benefit that viable, innovative competitors offer.

Approval of the Application, however, would cause a serious detrimental change to the current competitive structure. Coach USA, if it sold Bonanza, would no longer have a regular route bus company in the United States. PPBLT could now set the fares for yet another motor coach carrier. As referenced in Entertainment’s original comment, PPBLT does not have the public interest in mind when it sets its fares. They match Entertainment’s fares only when they compete directly with Entertainment’s scheduled trips. PPBLT charges the highest possible fares whenever the opportunity arises. The acquisition would broaden that opportunity for PPBLT.

Importantly, the Board should note PPBLT manipulates its prices when it competes head to head with Entertainment. As stated by Entertainment in its Comment, PPBLT charges a significantly higher fare when it makes a run unopposed. When a Peter Pan motor coach has a

departure scheduled at the same time as one of Entertainment's trips, PPBLT drops its one-way price to match Entertainment's everyday price of \$25.00, but for that departure only. Depending on whether the passenger books his or her ticket in New York or Boston, Peter Pan has two pricing structures. The passenger with a round-trip originating in Boston pays only \$40.00. If the passenger books his or her trip with a New York point of origin, the passenger pays \$79.00 for the same service!

Rather than having Bonanza as a competitor in the market, PPBLT appeals to the Board for a hurried approval to bring Bonanza under the PPBLT umbrella. Expedited consideration of the Application would only serve to reassure PPBLT regarding its current pricing practice of selectively giving passengers competitive prices. PPBLT could continue its practice, not only in the Boston/New York corridor, but in other markets as well.

Entertainment's Comment primarily addressed concerns regarding the effect of the proposed transaction on the adequacy of transportation services to the public by providing specific examples of PPBLT stifling competition. The Applicants suggest that the two other factors pursuant to 49 U.S.C. §14303(b), have been approved by default and can now be disregarded. The Applicants are clearly mistaken, however, as the Board's temporary grant of authority is now void, 49 CFR 1182.6(a). The Applicants cannot assert the validity of any portion of the Board's December 19, 2002 decision.

The Applicants Bear the Burden of Providing Grounds for Expedited Action but Have Failed to Describe Any Circumstances Justifying Expedite Handling.

In its Comment, Coach USA refers to "real-world business considerations" that justify expedited handling of this matter. The "real-world" considerations they give, however, relate solely to the bottom lines of the two parties involved in the acquisition. Those are the only

consideration the Applicants hope to address in an expedited manner. Both parties are large, sophisticated companies, well aware of the statutory and regulatory framework governing their Application. The truly important considerations for this Board relate to the public interest, something both PPBLT and Coach USA gloss over in their filings.

The applicable regulations require the Applicants to submit "Information to demonstrate that the proposed transaction is consistent with the public interest, including the effect of the proposed transaction on the adequacy of transportation to the public." 49 CFR 1182.2(a)(7). The Applicants, however, leave the Board hard-pressed to find any substantive information supporting their contention that the public would somehow be better served by the Board's approval of their Application. PPBLT refers generally "an unbroken line" of prior Board decisions (Application, p. 16), but PPBLT provided precious little helpful information specific to *this* transaction. The Application states the companies will be operated essentially in the same manner as they are today (Application, p.14), but the Application also states the consolidation would result in "enhanced efficiencies." Application, p. 17. One would presume enhanced efficiencies would result in the elimination of runs, drivers and facilities. (See Affidavit of Michael Curreri, filed herewith.)

Curiously, PPBLT would have the Board believe Entertainment seeks protection from competition through government regulation. See, Applicant's Reply, p. 3. Instead, quite the opposite is true. It is the Applicants that seek to circumvent routine regulations specifically enacted to govern the Board's review process. Both PPBLT and Coach USA make repeated pleas for expedited action, even though they cited no matters of urgency, save their own financial benefit. In as much as all of the carriers to be acquired are by all accounts on-going concerns, the Applicants have provided no reason at all for expedited handling, other than their desire to

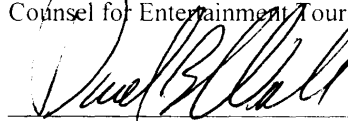
avoid further opposition to the transaction.

PPBLT argues Entertainment "advances no specific factual allegations which require time-consuming evaluation." PPBLT makes a misguided attempt to shift the burden to Entertainment to convince the Board that it should expedite the Application. The burden remains with the Applicants, however, to affirmatively set forth some set of circumstances justifying the Board to do anything but handle the Applications within established timeframes.

CONCLUSION

The applicants provided no factual support to justify an expedited consideration of their Application. In evaluating the Application for the acquisition of the five motor carriers, it is incumbent upon this Board to fully consider the factors stated in 49 U.S.C. 14303(b). The Board promotes the public interest by denying the Applicants' request for expedited handling and giving the Application the careful consideration it warrants.

Respectfully submitted,
Counsel for Entertainment Tours, Inc.,



John J. Geary, Esq.
Daniel B. Walsh, Esq.
Geary & Associates
161 Summer Street
Kingston, MA 02364

February 27, 2003

CERTIFICATE OF SERVICE

I, Daniel B. Walsh, attorney for Entertainment Tours, Inc., hereby certify that I served a copy of the Supplemental Comment and Affidavit of Michael Curreri in Support thereof, on the following parties:

Jeremy Kahn, Esq.
Kahn & Kahn
1730 Rhode Island Ave., N.W.
Suite 810
Washington, D.C. 20036

Federal Motor Carrier Safety Administration
U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

David H. Coburn, Esq.
Steptoe & Johnson, LLP
1330 Connecticut Ave., N.W.
Washington, D.C. 20036

Mr. Robert Cumpstone
Director, Motor Transport Services
Connecticut Department of Transportation
28 Berlin Turnpike
Newington, CT 06111

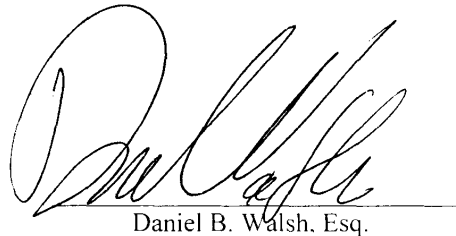
Director of Operations
Antitrust Division
U.S. Department of Justice
601 D Street, N.W., Room 1013
Washington, D.C. 20530

Mr. Brian Cristy
Director, Transportation Division
Massachusetts Department of Telecommunications
and Energy
One South Station
Boston, MA 02110

Premier Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20580

Mr. William A. Maloney
Associate Administrator
Motor Carriers Division
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

Ms. Jane Lincoln
Acting Commissioner
Maine Department of Transportation
16 Statehouse Station
Augusta, ME 04333



Daniel B. Walsh, Esq.