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SERVICE DATE – DECEMBER 29, 2006

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FR-4915-01-P

Surface Transportation Board

[STB Docket No. MC-F-21019]

Fenway Partners Capital Fund III, L.P., et al.—Control—

Coach America Holdings, Inc., et al.

AGENCY: Surface Transportation Board.

ACTION: Notice Tentatively Approving Finance Transaction.

SUMMARY: Fenway Partners Capital Fund III, L.P. (Fenway Partners), a noncarrier, and various subsidiary entities of Fenway Partners (collectively, applicants), have filed an application under 49 U.S.C. 14303 to acquire control of noncarrier Coach America Holdings, Inc. (Coach America), and 30 Coach America-controlled motor passenger carriers. Coach America currently controls through intermediate subsidiaries the following federally regulated motor carriers of passengers: America Charters Ltd.; American Coach Lines of Atlanta, Inc.; American Coach Lines of Jacksonville, Inc.; American Coach Lines of Miami, Inc.; American Coach Lines of Orlando, Inc.; CUSA LLC; CUSA ASL, LLC d/b/a Arrow Stage Lines; CUSA AT, LLC d/b/a Americoach Tours; CUSA AWC, LLC d/b/a All West Coachlines; CUSA BCCAE, LLC d/b/a Blackhawk-Central City Ace Express; CUSA CC, LLC d/b/a Coach USA Los Angeles; CUSA CSS, LLC d/b/a Crew Shuttle Services; CUSA EE, LLC d/b/a El Expreso; CUSA ELKO, LLC d/b/a K-T Contract Services Elko; CUSA ES, LLC d/b/a Express Shuttle; CUSA FL, LLC d/b/a Franciscan Lines; CUSA FTT, LLC d/b/a Fun Time Tours; CUSA GCBS, LLC d/b/a Goodall's Charter Bus Service; CUSA GCT, LLC d/b/a Gulf Coast Transportation; CUSA KBC, LLC d/b/a Kerrville Bus Company; CUSA K-TCS, LLC d/b/a Coach USA and d/b/a Gray Line Airport Shuttle; CUSA K-TCS, LLC d/b/a Arizona Charters; CUSA PCSTC, LLC d/b/a Pacific Coast Sightseeing Tours & Charters; CUSA PRTS, LLC d/b/a Powder River Transportation Services; CUSA RAZ, LLC d/b/a Raz Transportation Company; Dillon's Bus Service Inc.; Florida Cruise Connection, Inc. d/b/a Cruise Connection; Midnight Sun Tours, Inc.; Southern Coach Company; and Southern Tours, Inc.¹ Persons wishing to oppose this application must follow the rules at

¹ The application, as originally filed, also sought authority to control CUSA NC, LLC d/b/a Nevada Charters (Nevada Charters). Applicants subsequently advised the Board that Nevada Charters has voluntarily surrendered its interstate operating authority and that applicants no longer seek authority to control Nevada Charters.

49 CFR 1182.5 and 1182.8. The Board has tentatively approved the transaction, and, if no opposing comments are timely filed, this notice will be the final Board action.

DATES: Comments must be filed by February 12, 2007. Applicants may file a reply by February 27, 2007. If no comments are filed by February 12, 2007, this notice is effective on that date.

ADDRESSES: Send an original and 10 copies of any comments referring to STB Docket No. MC-F-21019 to: Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, send one copy of comments to the applicants' representative: Richard H. Streeter, BARNES & THORNBURG LLP, 750 17th Street, N.W., Washington, DC 20006-4675.

FOR FURTHER INFORMATION CONTACT: Eric S. Davis, (202) 565-1608 [Federal Information Relay Service (FIRS) for the hearing impaired: 1-800-877-8339].

SUPPLEMENTARY INFORMATION: Fenway Partners is a Delaware limited partnership organized in 2005 by Fenway Partners, Inc. (Fenway), a private equity firm that invests in numerous different businesses, including other transportation-related entities, through various limited partnerships and other investment entities. Fenway has \$1.6 billion under management. Fenway Partners owns all of the outstanding stock of Coach Am Holdings Corp. (Coach Am Holdings), a Delaware corporation organized to consummate this transaction. Coach Am Holdings in turn owns all of the stock of Coach Am Acquisition Corp. (Coach Am Acquisition), another Delaware corporation set up for purposes of this transaction. Coach Am Acquisition will be merged into Coach America, with Coach America left as the surviving company. Following the merger, Coach America will be wholly owned by Coach Am Holdings, and, indirectly, by Coach Am Holdings' parent, Fenway Partners. No operating authorities will be transferred as a result of the transaction.

Coach America, a Delaware corporation, controls the previously named federally regulated motor carriers through its subsidiaries Coach America Group, Inc., and KBUS Holdings, LLC. The motor carriers controlled by Coach America had gross operating revenues for the 12-month period ending October 31, 2006, greater than the \$2 million threshold required for Board jurisdiction (gross revenues of approximately \$330 million in 2005).

Under 49 U.S.C. 14303(b), the Board must approve and authorize a transaction found to be consistent with the public interest, taking into consideration at least: (1) the effect of the transaction on the adequacy of transportation to the public; (2) the total fixed charges that result; and (3) the interest of affected carrier employees.

Applicants have submitted information, as required by 49 CFR 1182.2, including the information to demonstrate that the proposed transaction is consistent with the public interest under 49 U.S.C. 14303(b). They state that the proposed transaction will have no impact on the adequacy of transportation services available to the public, that the proposed transaction will not have an adverse effect on total fixed charges, and that there will be no material adverse impact on the employees of the Coach America-controlled carriers. Additional information, including a copy of the application, may be obtained from the applicants' representative.

On the basis of the application, we find that the proposed acquisition of control is consistent with the public interest and should be authorized. If any opposing comments are timely filed, this finding 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(c). If no opposing comments are filed by the expiration of the comment period, this notice will take effect automatically and will be the final Board action.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

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

It is ordered:

1. The proposed finance transaction is approved and authorized, subject to the filing of opposing comments.
2. If timely opposing comments are filed, the findings made in this notice will be deemed as having been vacated.
3. This notice will be effective February 12, 2007, unless timely opposing comments are filed.

4. A copy of this notice will be served on: (1) the U.S. Department of Transportation, Federal Motor Carrier Safety Administration, 400 7th Street, S.W., Room 8214, 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, 400 7th Street, S.W., Washington, DC 20590.

Decided: December 22, 2006

By the Board, Chairman Nottingham, Vice Chairman Mulvey, and Commissioner Buttrey.

Vernon A. Williams
Secretary