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January 23, 2023

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Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
395 E Street S.W.
Washington, D.C. 20423-001

Re: Avalon Motor Coaches, LLC
– Acquisition of Control –
Wynne Transportation, LLC
Docket # MCF 21105

Dear Ms. Brown:

Please find enclosed the application for Avalon Motor Coaches, LLC to control the assets of Wynne Transportation, LLC, together with a request for interim approval. Expedited action by January 27, 2023 is requested with respect to the application for interim approval. The filing fees have been paid via pay.gov.

Respectfully submitted,

/s/ Barry M. Weisz

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FILED
January 23, 2023
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
January 23, 2023
SURFACE
TRANSPORTATION BOARD

EXPEDITED ACTION REQUESTED

BEFORE THE SURFACE TRANSPORTATION BOARD

AVALON MOTOR COACHES, LLC

-- ACQUISITION OF CONTROL --

WYNNE TRANSPORTATION, LLC

Docket No. MCF 21105

January 23, 2023

REQUEST FOR INTERIM APPROVAL

Pursuant to 49 U.S.C. § 14303(i) and 49 C.F.R. § 1182.7, Avalon Motor Coaches, LLC (“Avalon”) seeks expeditious interim approval from the Surface Transportation Board (“Board”) to move forward with the purchase of substantially all of the assets (the “Purchased Assets”) of Wynne Transportation, LLC (“Wynne Transportation”, and collectively with Avalon, the “Applicants”) and to temporarily manage and operate the Purchased Assets (the “Transaction”).

Interim approval is appropriate here, as failure to grant the approval may result in injury to the Purchased Assets. Wynne Transportation and its parent, Wynne Transportation Holdings, LLC (“Wynne Holdings”), will be allocating all of their respective management focus and financial resources to contractual transportation that Wynne Transportation, and the other wholly-owned subsidiaries of Wynne Holdings (the “Sister Subsidiaries”), conduct at other operating locations. Wynne Transportation operates the Purchased Assets primarily in Texas, providing charter services. The Sister Subsidiaries hold contracts for operations in other states, and these contracts must be the priority in order to protect the company as a whole. Should the Sister Subsidiaries fail to meet the obligations of the aforementioned contracts, they would incur

financial penalties that would threaten the financial viability of the entire operation across the country and could interrupt adequate and continuous service to the public.

If all of the current subsidiaries (including, without limitation, Wynne Transportation) of Wynne Holdings attempt to provide all of their services and contracts at the same scale they have been, it will likely jeopardize their ability to effectively manage and continue operations. It will likely result in the Sister Subsidiaries' failure to fulfill their respective contractual obligations and in interruption of continuous service to the public. It has become apparent to the management of Wynne Holdings and its subsidiaries that they cannot be successful with their existing companies given the disparate service offerings between Wynne Transportation's focus on charter services in Dallas and Houston to the Sister Subsidiaries' focus on specialized contracts in other states. The staffing, financial commitments, vehicle requests, insurance requirements, driver training, and overall management of the asset varies greatly between contracts and charter services. Because of Wynne Holdings' current structure, management cannot adequately focus its attention and financial resources on both aspects of the company's business. The charter division has been incurring losses in the current format, and to reach financial and service viability, the Purchased Assets need immediate financial and staffing attention Wynne Transportation is unable to provide.

Wynne Transportation will be required to invest a large amount of cash by January 31, 2023 to cover its vehicle International Registration Plan renewal, its 2023 vehicle taxes bill, its workers compensation renewal, and its general liability insurance renewal. These expenses could reach up to \$400,000. Such a large cash infusion could be too burdensome for Wynne Transportation and Wynne Holdings, and it may result in disruption to Wynne Transportation's business, absent a relatively swift transaction to sell the business.

Without interim approval, Wynne Transportation's 70 local employees, some of whom have been with the company upwards of 20 years, could be promptly let go, without benefit of severance pay, or time to locate new employment. Wynne Transportation's local passengers could also suffer from the loss of dedicated local bus services and unfilled contracts. A shut down would lead to cancelled orders, potentially lost deposits, and further financial losses as customers may need to cancel reservations at destination hotels or other commitments. Local church groups, sports teams, the military, corporations, and most importantly school districts and their students are some of the diverse clientele that would be impacted with the pending closure. Without interim approval, this community will face significant interruptions to the local economy and availability of transportation. Wynne Transportation is currently one of the top three charter service providers in the Dallas Fort Worth area. Interruptions to Wynne Transportation's services would negatively impact the public's options for transportation.

Avalon is a qualified, proven company that has been in business for over 33 years and currently has operations within Texas in San Antonio and Beaumont. Avalon will, given interim approval, step in immediately to save the employee jobs by retaining 100% of the existing staff on the same employment terms and with increased potential opportunities as Avalon grows its business. Avalon will preserve the value of the assets purchased, immediately deploying additional resources to these markets by sending new buses, hiring additional staff, and assignment and assumption of current Wynne Transportation contracts. This will ensure that the many clients depending on Wynne Transportation's services receive continuous transportation that they expect and that the public depends upon. Avalon will look to build the existing company by using efficiencies of its existing consolidated back offices, putting the entire State of Texas on a single

software platform, and broadening the scope of services it provides in Texas. It intends to assume and expand the market that Wynne Transportation may be required to leave.

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).

Wynne Holdings faces significant business pressure to focus on the Sister Subsidiaries' operations and avoid the burdensome annual expenses relating to the Purchased Assets due on January 31, 2023. Given this deadline, the Applicants respectfully request a ruling of interim approval as soon as possible, preferably by January 27th, to allow Avalon several days to smoothly transition before this deadline. With interim approval of the acquisition, Avalon can seamlessly maintain the employee jobs and needed services to the traveling public, and can prevent Wynne Transportation from diminishing or terminating its business.

CONCLUSION

A grant of interim approval will allow Wynne Transportation's services to the public to continue uninterrupted. For the reasons stated herein, the Applicants respectfully request that the Board grant this application for interim approval.

Respectfully submitted,

/s/ Barry M. Weisz

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