

The Motor Coach Metamorphosis

2012 Year-in-Review of Intercity Bus Service in the United States

Chaddick Institute for Metropolitan Development



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Executive Summary

1. Intercity bus service grew by 7.5% between the end of 2011 and 2012—the highest rate of growth in four years. *Conventional bus lines*, after declining modestly between 2010 and 2011, expanded by 1.4%, in part due to Greyhound and Peter Pan’s new specialty services.
2. Service by *discount city-to-city operators* (discount operators) that do not use traditional terminals in many cities, such as BoltBus and Megabus, surged by 30.6%. For the first time, this sector accounts for more than 1,000 daily scheduled operations. BoltBus’ expansion in the Pacific Northwest and Megabus’ expansion in California, Nevada, and Texas have greatly expanded the sector’s visibility on the national travel scene.
3. Conventional and discount operators appear to be benefitting from the federal crackdown of “Chinatown” bus operators, several dozen of which were shut down on May 31, 2012 for noncompliance with certain safety regulations.
4. Discount operators are developing new technologies to inform customers about service issues, such as delays and cancellations. Such innovations have also helped operators find arrival and departure locations that create less neighborhood interference at hub cities than in the past. The debate over the locations of bus stops has been particularly vigorous in Dallas, New York, and Pittsburgh.
5. The intercity bus remains America’s fastest growing form of intercity travel by a comfortable margin. The sector’s 7.5% growth outpaces the 3.0% expansion of rail service (in seat-miles) and the less than one percent growth being reported by both airlines and agencies tracking automobile travel.

Introduction

The country's intercity bus system underwent marked change in 2012. Services that were previously available only in certain regions were brought to the national stage, carriers adopted new business models, and the country's largest operator—Greyhound Lines—created a pair of new subsidiaries focusing on niche markets. The result has been a metamorphosis in intercity bus travel that is heightening the visibility of scheduled motor coach service across the United States.

This Chaddick Institute report, the fifth in an annual series, summarizes changes to the sector during the 2012 calendar year by reviewing:

- the expansion of the intercity network between the start of 2012 and 2013;
- the industry's rate of growth relative to other modes of transportation; and
- notable initiatives undertaken by traditional bus lines as well as discount operators emphasizing city-to-city service.

Those interested in the general decline and recovery of intercity bus services over the past half century should consult *The Return of the Intercity Bus: The Decline and Recovery of Scheduled Service, 1960 – 2007*, a Chaddick Institute study published in 2008 (available at: las.depaul.edu/chaddick).

Growth of the Industry in 2012

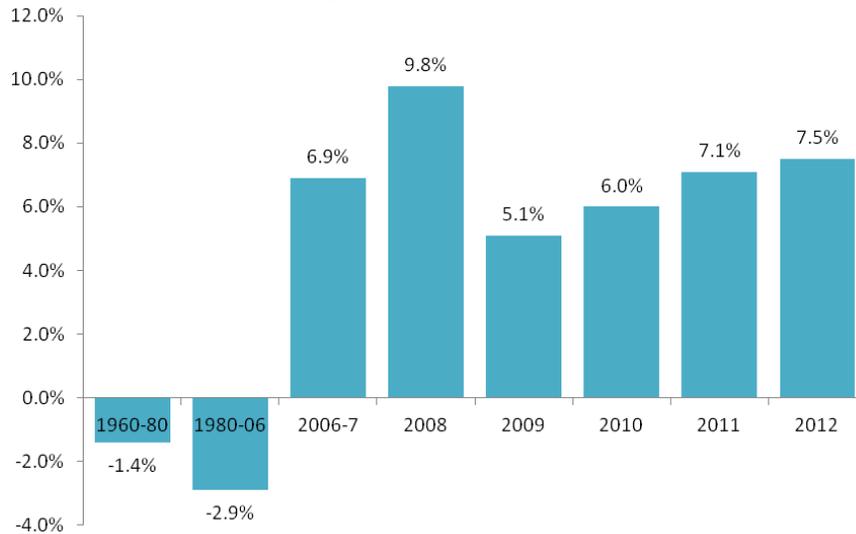
Using the Intercity Bus Database maintained at the Chaddick Institute at DePaul University, this section reviews the most notable changes in scheduled intercity service from the end of 2011 to the end of 2012. For the first time since data collection was launched five years ago, the database encompasses information of *all* known scheduled operators that meet a fairly broad set of criteria. A summary of the database, the names of the 92 companies for which we have recorded information, and our methods for categorizing them as either *conventional carriers* or *discount city-to-city operators* (discount operators), appears in *Appendix 2b*. (It warrants emphasis, however, that many companies we classify as discount operators offer a wide range of amenities that consumers find attractive). As in previous years, we exclude airport-shuttle operators, "Chinatown" bus operators, and public-transit oriented services.

The following five conclusions about the 2012 warrant particular attention:

1) The growth of the intercity bus service accelerated from 7.1% in 2011 to 7.5% in 2012—the highest rate of growth since 2008-2009 (Figure 1). Conventional bus lines, after declining modestly between 2010 and 2011, expanded by 1.4%, in part due to Greyhound and Peter Pan's investments in new specialty services.

The total number of daily scheduled operations by intercity bus lines rose from 3,608 at the start of 2012 to its present level of 3,879 at the start of 2013. The conventional bus sector grew by 1.4%, while discount carriers, as noted below, expanded operations by 30.6% (Figure 3).

Figure 1: Changing Level of Intercity Bus Service
Percentage Annual Growth & Decline



On the whole, it was year of service enhancements on heavily used corridors rather than entry into new markets:

Greyhound and Peter Pan, which partner to provide services in major Northeast markets, accounted for 1,112 of scheduled operations (together, with their affiliates).¹ Some of the growth in conventional service was attributable to dramatic expansion in Greyhound Express and Peter Pan Express—premium service (jointly offered in some markets) over relatively short-distance routes that includes dedicated indoor waiting areas, guaranteed seating, leather seats, Wi-Fi, and power outlets. These services were rolled out in California, Kentucky, New England, Nevada, Texas, and elsewhere this year, in some cases by converting existing services to the newly updated product (*Figure 2*).

This past July, Greyhound also launched Crucero Direct, designed with the same features as Greyhound Express, and oriented toward Latino travelers.² This branded service is now provided in the Los Angeles – San Diego – San Ysidro, CA corridor.

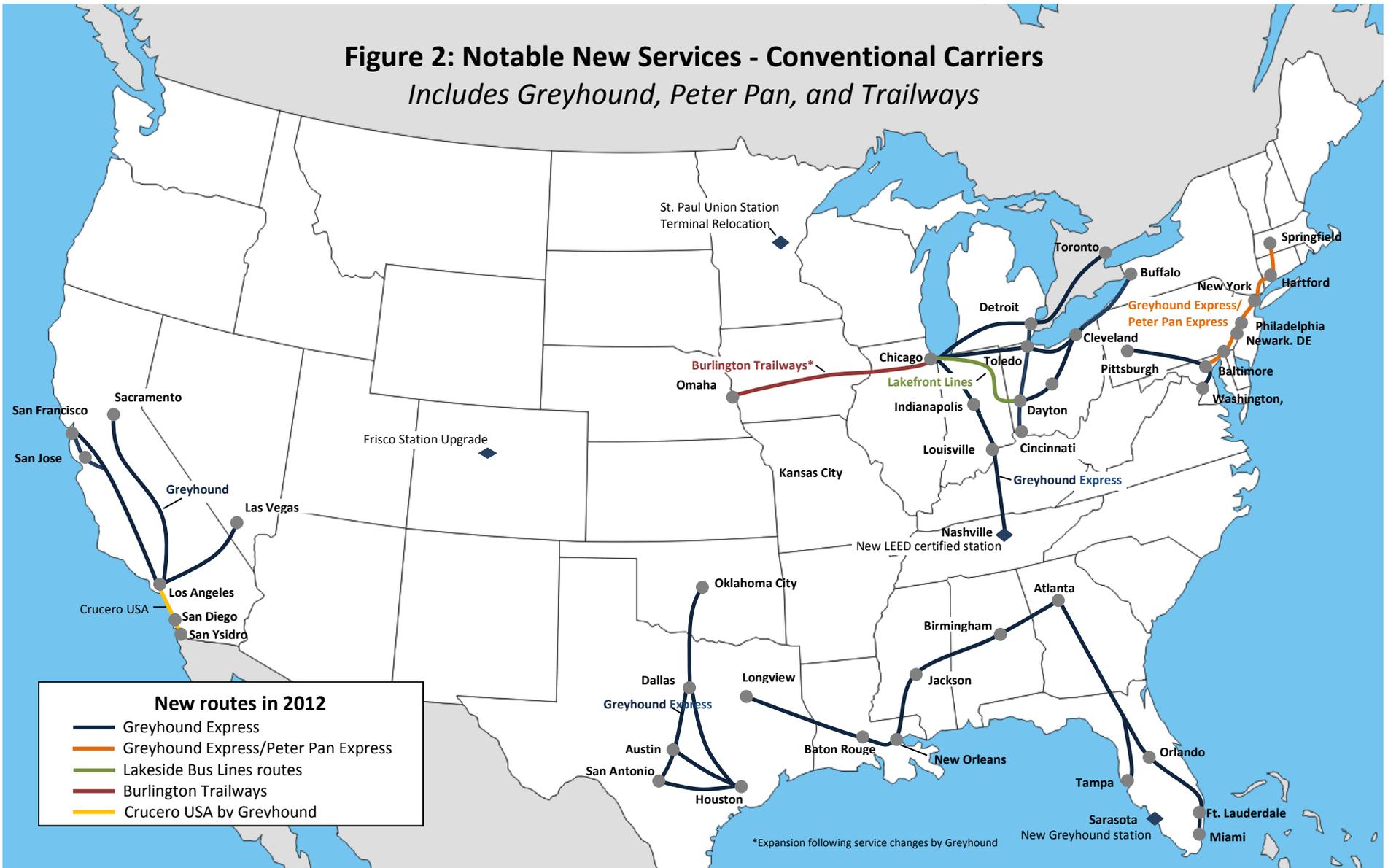
Burlington Trailways increased several routes from Omaha, NE.

Coach-USA's acquisition of nine regional bus lines (*Appendix 1a*) also was also a springboard for growth. Two of these, Kerrville Bus Lines and Lakefront Lines, were transformed from conventional carriers to operators having both conventional and discount carrier characteristics.

Boston Express, a regional operator affiliated with Concord Coach Lines, was lauded in August by local governments as “the most successful new bus line in the country”.³

Service in several smaller markets, meanwhile, was dropped. Minnesota-based Rochester City Lines ceased providing service.⁴

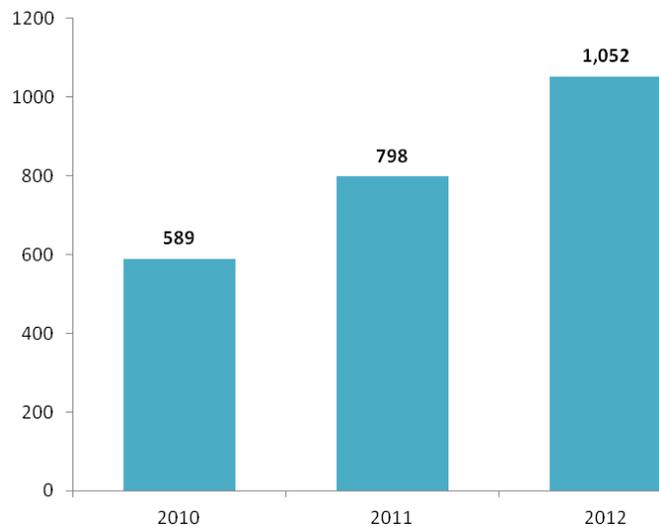
Figure 2: Notable New Services - Conventional Carriers
Includes Greyhound, Peter Pan, and Trailways



2) Service by discount operators surged between 2011 and 2012, growing by 30.6%. For the first time, this sector accounts for more than 1,000 daily operations. BoltBus’ expansion in the Pacific Northwest and Megabus’ expansion in California, Louisiana, Nevada, Texas, and several other states have made the discount sector an important player on the national travel scene.

The growth of discount carriers (which as previously noted operate from a mix of terminal and curbside locations) has been extraordinary over the past several years. We estimate that the sector has expanded from roughly 589 departures in 2010, to 798 in 2011, and to 1,042 in 2012 (Figure 3). As recently as 2010, all buses operated by discount carriers either originated or terminated in the heavily traveled Northeast Corridor or in Chicago. Now, the service is provided abundantly in auto-oriented cities of the South and South Central states, as well as the West Coast.

Figure 3: Daily Bus Operations by Discount City-to-City Operators
(Includes BoltBus, Megabus, and Smaller Carriers)



Most of the growth was attributable to expansion by BoltBus and Megabus, which we estimate now cumulatively account for about 86.5% of the discount sector and 23.8% of total intercity bus operators (Figure 4). (As noted in *Appendix 2b*, our definition of discount city-to-city carriers excludes Chinatown and airport-shuttle operators).

BoltBus: This subsidiary of Greyhound and Peter Pan launched a Pacific Northwest division in 2012, its first operating unit outside of the Northeast. BoltBus began its Portland – Seattle service on May 12 and supplemented it with Seattle – Vancouver service two weeks later. The company later added a stop in Bellingham, WA. BoltBus also entered the commuter market by adding Manhattan - Long Island service in partnership with Hampton Luxury Liner—a service that competes heavily with the publicly-run Long Island Railroad.

Megabus: This unit of Coach USA (a division of Stagecoach Ltd.) captured headlines for its California, Nevada, and Texas expansions. The Texas service, launched in June, was made possible by its acquisition of Kerrville Bus Lines and other regional properties. While this new service was not without its difficulties (*Appendix 1e*), it introduced the services of discount carriers to numerous corridors that had lacked high-quality bus and rail ground public transportation for many years.

In December, Megabus launched California and Nevada service, which in some cases reintroduced service that had been previously offered by the carrier in 2007-08, when it was a relatively new operator in the United States. Megabus presently operates 28 daily bus operations to and from cities in California, and more than 70 to and from cities within Texas.⁵

At older hubs, Megabus added service to Athens, GA; New Orleans, LA; Grand Rapid and Lansing, MI; Louisville, KY; Morgantown, WV; Newark, DE; and Saratoga Springs, NY. In addition to expanding operations in these cities, Megabus is gradually increasing the number of bus stops at or near other bus and rail stations.⁶ The carrier also began the practice of selling tickets for trips involving connections between buses. A consumer, for example, can now travel on a single ticket from Dallas to New York, which requires several transfers at intermediate stops (*Appendix 1c*).

Such vigorous expansion prompted Megabus to air its first-ever television commercial, which appeared primarily in Texas markets on June 5, 2012.⁷ Megabus is also a lead sponsor of Jason Bowles, a NASCAR Nationwide Series race-car driver.⁸

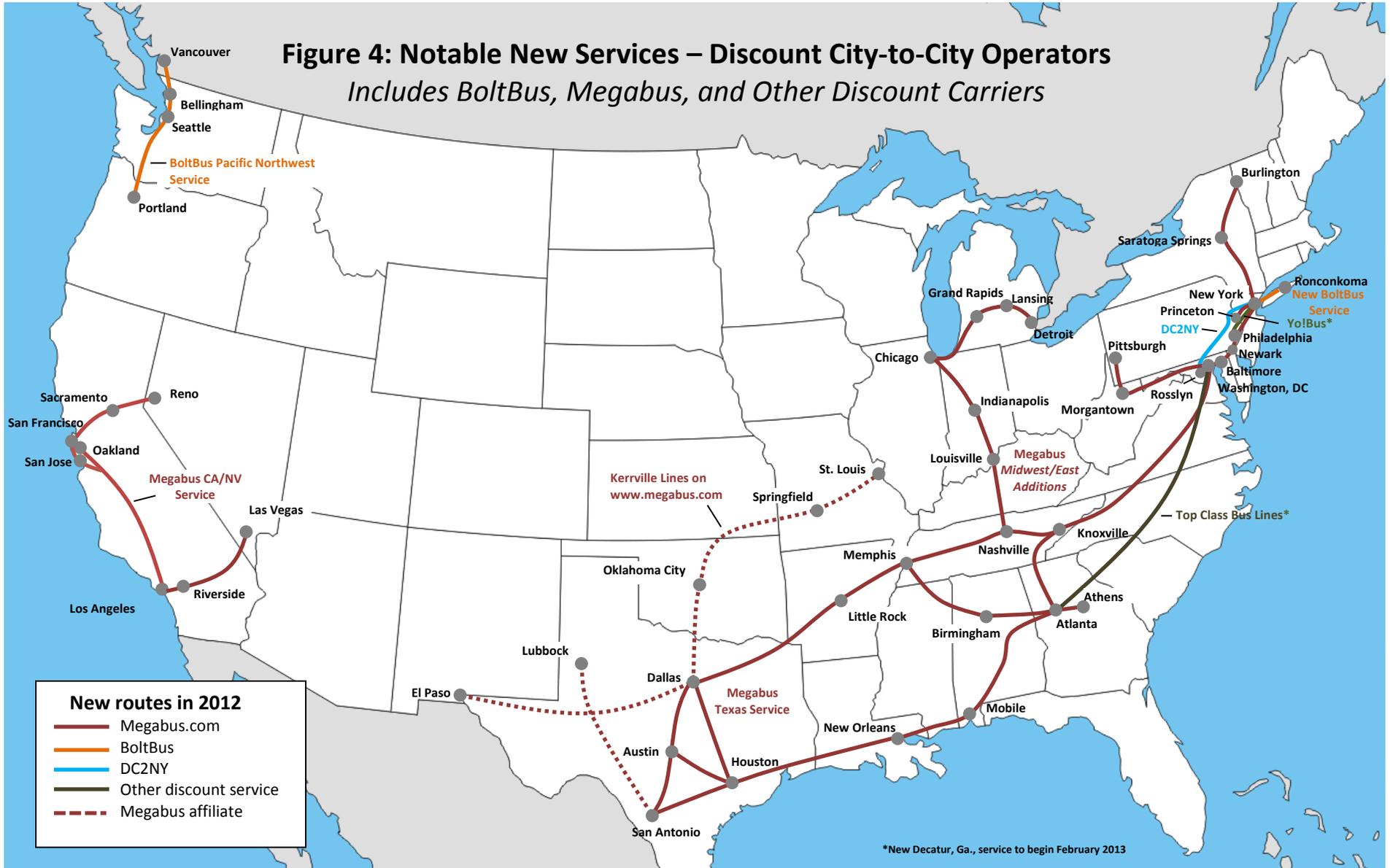
Other Discount Operators: Smaller operators were also on the move, particularly in the Northeast. Vamoose, a popular operator in the Northeast, added New York – Rosslyn, VA trips. DC2NY, a specialty operator, added two roundtrips between its namesake cities. Top Class Coach, an African American-owned operator, announced Decatur, GA – New York service.

3) Conventional and discount carriers appear to be benefitting from the federal crackdown of Chinatown bus operators, several dozen of which were shut down on May 31, 2012 for noncompliance with certain safety regulations. To fill the void, Greyhound created its own Chinatown operator. Smaller carriers are also expanding in the affected markets.

Concerns over safety and business transparency were at the heart of the complaints filed in recent years by the Federal Motor Carrier Safety Administration (FMSCA) on the Chinatown bus companies. Driver fatigue, violations of drivers' hours of service on their logbook, vehicle maintenance, and driver registration were among the problems that brought the matter to a boiling point in late May, when the FMSCA shut down 26 of the worst violators.⁹ Prior to the shutdown, the FMSCA had trouble keeping tabs on these operators, as it was easy for reprimanded carriers to simply remake themselves into new carriers with new names.

Although issues of enforcement still loom, conventional and discount carriers appear to be benefitting from the notoriety. Both conventional carriers and Megabus took steps to inform the public about its commitment to safety.¹⁰ In October 2012, Greyhound and Peter Pan Bus created Yo!Bus to serve the New York Chinatown – Philadelphia market. Yo!Bus offers the same low fares offered by Chinatown carriers but with refurbished buses equipped with Wi-Fi, leather seats, and more legroom.¹¹ After overcoming issues related to neighborhood concern, the new carrier began service on December 18, 2012 (*Appendix 1e*). A Chinese-based ticket agent in New York facilitates customer service to make the transition for customers accustomed to using Chinatown operators as easy as possible.

Figure 4: Notable New Services – Discount City-to-City Operators
Includes BoltBus, Megabus, and Other Discount Carriers



4) Discount city-to-city operators, recognizing the implications of their rapid growth, are stepping up efforts to inform customers about service issues and find arrival and departure locations that create less neighborhood interference at hub cities than in the past. The debate over the locations of bus stops has been particularly vigorous in Dallas, New York, and Pittsburgh.

Changes in Pick-Up and Drop-off Locations: In 2012, both BoltBus and Megabus have worked to find new pickup and drop-off locations to increase convenience and accessibility for users. For example, both carriers have long operated from Boston's South Station bus terminal. Due to an increasing market, each added access from the bus terminal at Washington Union Station, as well.

Discount carriers are engaged far more intensively with municipal officials about pickup and drop-off locations than in the past. In August 2012, Megabus moved its New York location to the far West Side on 34th Street between 11th and 12th Avenues, across from the Jacob Javits Convention Center. This area is currently relatively desolate, but has long-term promise due to the planned opening of a new subway station and Hudson Yards mixed-use development. Initiatives have also been taken, or are underway, in Dallas and Pittsburgh. (See *Appendix 1e* for a summary of planning processes in these three cities).

The difference between discount and conventional bus lines is gradually becoming blurred as discount operators explore the possibility of using established stations, and Greyhound and other carriers that have traditionally operated from traditional terminals experiment with new business models.

Mobile applications: To provide customers more timely information both onboard and at stop locations, Megabus rolled out a new mobile application on February 16, 2012 in the Midwest and in other regions, shortly thereafter. The "Megabus USA" app, available through the Apple store and linked to real time GPS data, has helped to alleviate some of the communication problems between customer service and passengers. Because of this app, passengers are now able to track their bus in real time.

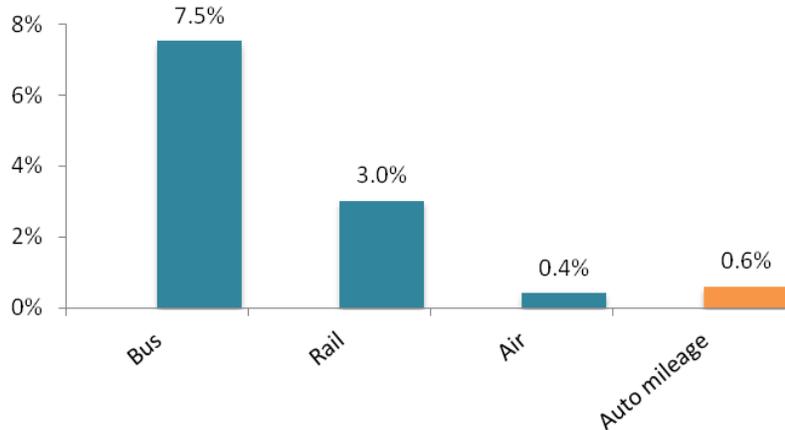
5) The intercity bus remains America's fastest growing form of intercity travel by a comfortable margin. The sector's 7.5% growth easily outpaces the expansion of rail service, which grew (in seat-miles) by 3.0%, as well as the slow-growth results being reported by airlines and agencies tracking automobile travel.

This marks the fifth consecutive year that scheduled bus service grew faster than these other modes of intercity transportation.

In *Appendix 2a*, we provide a summary of the differing levels of growth by mode of transportation. Amtrak seat-miles rose 3.0%. Highway travel grew by 0.6% through September of this year. Airlines slightly increased domestic flying, increasing available seat miles by 0.4% through September (the most recent month for which data is available). Rail services grew by a greater amount than air travel. As previously noted, the amount of bus service, measured by the number of bus operations, grew by 7.5%.

No reliable data set is available on the *passenger traffic* moving by intercity bus services. Information released by FirstGroup (owner of Greyhound and BoltBus) and Stagecoach (owner of Coach USA and its Megabus subsidiary), however, suggests that growth exceeds 20% on discount operators and is likely 5% or more for the intercity bus industry as a whole¹² (*Figure 6*). By contrast, traffic on air and Amtrak travel (measured by revenue passenger models) grew by 1.5% and 2.6%, respectively. The intercity bus remains America's fastest growing form of intercity travel by a comfortable margin.

**Figure 5: Changes in Intercity Services Level by Mode
2012 vs. 2011**



Note: Intercity bus service is measured by changes in *daily bus operations* (see Appendix 2b), while air and rail service is measured by the year-of-year changes in Amtrak *seat-miles* from January - September. Auto mileage is measured by year-over-year changes in private automobile mileage between January and September. For data table and sources, see Appendix 2a.

Conclusion

After years of sluggish growth or decline, the intercity bus industry's comeback is now in its sixth year. Vigorous competition between BoltBus, Greyhound, and several other lines under the aegis of FirstGroup, as well as those under the Stagecoach umbrella (most notably Coach USA and Megabus) appears destined to give consumers more travel options in 2013. New options for making reservations on discount carriers will also become available this year with the launch of the beta version of a new website, www.wanderu.com.¹³

The metamorphosis of the intercity bus service is noteworthy when viewed against the backdrop of the country's relatively weak economy. As Greyhound and Peter Pan expand their specialty and express-oriented services while discount operators tap into regions in which these services were unavailable, more expansion seems imminent. Megabus continues to build upon its partnerships with regional lines and, along with BoltBus, expand into new markets from existing hubs as well as into the West.

The "Notable Corporate and Regulatory Developments of 2012" section in the Appendix offers details on five industry trends and issues that appear poised to affect the sector's performance this year, including:

1. Coach USA Purchases 12 Coach America Properties
2. Corporate Discount Operators "Go Regional"
3. Connecting the Hubs – Networked City Pairs
4. Federal government's new SAFER Bus Mobile Application
5. New Stop Locations for Discount City-to-City Operators

Appendices

Appendix 1: Notable Corporate and Regulatory Developments of 2012

a) Coach USA Purchases nine Coach America Properties

Coach USA's purchase of a dozen Coach America properties in May 2012 provides an enhanced platform for the expansion of Megabus, one of its many subsidiaries. This transaction came in the wake of a bankruptcy filing by Coach America (a diversified corporation with number of bus properties) for Chapter 7 liquidation. After being ordered to divest to the highest bidder, twelve of the bankrupt company's properties were sold to Coach USA, some of which were previously owned by Coach USA during its first wave of expansion in the late 1990s and early 2000s.

Among the companies brought into the Coach USA fold were Coach America of Atlanta (contractor of Megabus services in the Southeast), Kerrville Bus Company (interline partner with Greyhound in Texas), Lakefront Lines (over-the-road and line services company in Ohio), and Pacific Coastal Sightseeing (leisure operation in Los Angeles). These companies provide an attractive platform for the expansion of Megabus operations across the country.¹⁴ As noted earlier in this report, such expansion began with new Texas service last June and continued into California and Nevada this December.

b) Corporate Discount Carriers "Go Regional"

Since their launch in the United States, Megabus and Boltbus have developed route networks around regional hubs and focus cities. This year, however, brought significant diversification away from this business model.

Megabus adopted a new method to expand its network, offering regionally operated services, such as local bus lines serving smaller towns, for sale on its website. This represented a major departure from its past focus on point-to-point services from its hub.¹⁵ Megabus also expanded in short-distance routes to college campuses, such as the New York – New Brunswick and Princeton route, which it began selling on its website in April. This service is operated by the Coach USA affiliate Suburban Transit. Service provided by two other Coach USA-owned companies which emphasize smaller-town service, Kerrville Bus (operating mostly in Texas) and Lakefront Lines (operating in the Great Lakes States) were also brought onto the "Megabus platform." Similarly, Megabus entered a partnership with Dattco of New Britain, CN in April to serve the New York – Saratoga Springs, NY and Burlington, VT markets. As a result, the number of routes available for sale under the Megabus label has grown dramatically, and appears likely to grow appreciably more in 2013.

BoltBus, through a strategic partnership with regionally oriented Hampton Luxury Liner, launched its first service confined to the metropolitan New York market on December 10, 2012.¹⁶ This route links communities on Long Island, including Riverhead, Ronkonkoma, and Huntington, to the east side of Manhattan. Not only does this service have the potential to feed traffic to existing BoltBus routes, it may redefine the role of *discount* carriers in "intra-regional markets" (such as the market for travel within metropolitan New York) and position them as a formidable competitor to publicly subsidized commuter railroad routes. For an analysis of the carrier's competitive position, see the Drexel LeBow College of Business Consulting Project for BoltBus.¹⁷

c) Connecting the Hubs – Networked City Pairs

The hallmark of conventional Greyhound service has been that it can allow for travel between practically any two cities in the country on a single ticket. Travelers can buy itineraries that have pre-determined connections and layover time, much as they would when buying airlines tickets. In 2012, both Greyhound Express and Megabus began selling tickets that involve connections between their routes serving different hubs. Greyhound Express began selling such tickets through the eastern half of the country on March 28th.¹⁸ Megabus followed suit in the fall on select city pairs in the Northeast and Southeast. Prior to this development, customers were largely on their own in scheduling their connections. The new practice can generate greater revenue potential from feeder traffic and offer “single click” ticketing for services to an ever-larger number of destinations.

d) Federal Development of new SAFER Bus Mobile Application

In addition to cracking down on Chinatown carriers in 2012, the Federal Motor Carrier Safety Administration (FMSCA) unveiled a mobile application to provide prospective travelers a better understanding about the safety of bus companies. Whereas consumers previously had to hunt for this information on the websites of registered carriers, they can now more easily access a company’s safety record using this app.

The app, by syncing to smart phones, can provide extensive information in a matter of seconds. This new tool, however, suffers from the FMSCA’s inability to provide for the lineage of parent corporations and their various subsidiaries or other registered operating names. For example, when searching for “Megabus,” the app provides information for different units of the carriers, such as Megabus Northeast LLC (Northeast services) and Megabus USA (Midwest services), which is potentially confusing to consumers.¹⁹ For many other companies, however, the tool works more effectively. Gradual enhancement should make this a widely used enhancement.

e) New Stop Locations for Discount City-to-City Operators

The pickup and drop-off locations of discount carriers were prominent in news stories in Dallas, New York, Philadelphia, and Pittsburgh. The news coverage focused on the effects of bus operations on quality of life, safety, pollution, and pedestrian and vehicular congestion.

New York- Megabus: At the start of 2012, Megabus operated from two Manhattan locations, 7th Avenue and 28th Street (in front of the Fashion Institute of Technology) for arriving buses and 9th Avenue between 31st and 33rd Streets for departing buses. (Megabus had moved to the 9th Avenue location following the start of construction at its former stop on 31st Street and 8th Avenue in front of Madison Square Garden and Penn Station). Shortly after, it leased space from the owner of a parking lot to allow passengers to form queues, organized by route and departure time, to alleviate pedestrian congestion on 9th Avenue.

This arrangement lasted only until spring 2012, when a developer bought the rights to develop the property at the 9th Avenue location. Passengers could no longer utilize the parking lot, resulting in rising congestion along the narrow sidewalk between 31st and 33rd Street, which aggravated the local community’s concerns.²⁰ With guidance from the New York City Department of Transportation (NYCDOT) and a local community board, Megabus then relocated its departures to 10th Avenue between 40th and 41st Streets for most north and westbound services and 41st Street between 8th and 9th Avenue

for most southbound services. Both stops were outside the Port Authority Bus Terminal. This moved proved to be controversial. A coalition of terminal-based carriers, including Greyhound Lines, Peter Pan Bus, and Trailways of New York, filed suit against the NYCDOT in June on the basis that they provided Megabus with an unfair advantage. The aggrieved parties claimed that Megabus benefited from the Port Authority Terminal's services, including its restrooms, passenger shelter, and food and retail outlets, while not having to pay for them.²¹ After a short litigation period, their lawsuit was struck down. The Port Authority of New York and New Jersey, however, recommended to the NYCDOT a short time later that Megabus not be granted the right to use this stop permanently.²²

After convening other stakeholders, the NYCDOT decided not to renew the two stop locations. So in August, Megabus moved to the far West Side on 34th Street between 11th and 12th Avenues, across from the Jacob Javits Convention Center.²³ This area is relatively unpopulated but within walking distance from Penn Station. This location has considerable long-term promise due to the planned opening of a new subway station as well as the impending Hudson Yards mixed-used development. Unlike its previous locations, Megabus now has ample space to load and accommodate passengers for multiple schedules in an orderly manner, and customers have appeared to accept it.

New York- BoltBus: At the start of 2012, BoltBus began operating a limited amount of service to and from Gate 84 in the North Wing of the Port Authority Bus Terminal. The use of this space was possible due to the lease that Greyhound and Peter Pan had with the Port Authority of New York and New Jersey. (Service to Boston, Baltimore, Greenbelt, and Washington D.C. was available from the terminal and complemented existing curbside service from nearby locations). In early spring, however, the company gradually phased their service away from this gate and transferred them back to non-terminal locations at its existing Midtown Manhattan locations.

Megabus- Dallas: A focus point of Megabus's new Texas service in June 2012 was a mini-hub at the East Transfer Center in downtown Dallas. This location was adjacent to a heavily used bus and light rail transit center and near several major corporate office and hotel properties.²⁴ Shortly after service launched, however, the City of Dallas began blocking Megabus from the site due to its belief that the company needed to provide an actual terminal facility for passengers and buses. As a result, the carrier was forced to relocate to Grand Prairie, located at the Dallas-Fort Worth border, at the Kerrville Bus Garage. Their situation was resolved late November when the city approved a new stop location at DART's East Transfer Center.

Megabus- Pittsburgh: The Megabus stop location in Pittsburgh, located in front of the city's convention center, created a terminal-like setting that many customers found attractive. After a number of complaint calls from the convention center and the community-at-large, the city asked Megabus to relocate their services effective July 2, 2012. The tipping point was the perceived lack of order among passengers waiting for departures. The property owner at the proposed location where Megabus was to be moved, the Gateway Center, filed a lawsuit on the impending move, citing potential safety and transit connectivity concerns. One week before the move, the city ultimately balked under these pressures, so the Megabus stop location remains at the convention center while an ongoing search for a permanent solution continues.²⁵

Philadelphia- Yo!Bus: The creation of Yo!Bus hit a bump when residents and community board officials objected to the company's proposed stop location in front of a local neighborhood park. Although approval had been given for Yo!Bus to operate from the location, it was immediately revoked on the day

of launch (September 27th) due to political and public outcry. A later proposal for a new stop location in Manhattan was later adopted and approved, with service starting on December 18, 2012.²⁶

Appendix 2: Measuring the Growth of Intercity Service

a) Growth Rates by Transportation Mode

The 7.5% growth in scheduled departures by intercity bus service compares with the growth of other modes as noted below. Although it is necessary to use different units of measure to compare bus service with the growth of air, rail, and automobile travel, the following table offers some perspective.

Figure 6: Growth Comparison by Mode of Transportation²⁷

Daily Operations				
	2011	2012	Growth	Time Period
<i>Intercity Bus</i>	3,608	3,879	7.5%	Year over year

Available Seat Miles				
	YTD 2011	YTD 2012	Growth	Time Period
Amtrak	12,530,200,000	12,908,823,000	+3.0%	Jan. – Sept
Airlines - total	1,348,554,371	922,670,415	+1.5%	Jan. – Sept
Airlines - domestic	460,366,160	462,030,885	+0.4%	Jan. – Sept

Revenue Passenger Miles				
	YTD 2011	YTD 2012	Growth	Time Period
Amtrak	6,634,609,000	6,805,904,000	+2.6%	Jan. – Sept
Airlines - total	744,648,317	764,733,269	+2.7%	Jan. – Sept
Airlines - domestic	382,311,613	387,536,846	+1.4%	Jan. – Sept
Driving Miles	n/a	n/a	+0.6%	Jan. – Sept.

Sources of Data:

Amtrak.com, “September 2012 Monthly Performance Report,” Available in “Reports and Documents” at:
www.amtrak.com

USDOT, Research and Innovative Technology Administration, “Available Seat-miles, All Carriers- All Airports,” available at: www.transtats.bts.gov/Data_Elements.aspx?Data=4

USDOT, Federal Highway Administration, Office of Highway Policy Information, “September 2012 Traffic Volume Trends,” available at: www.fhwa.dot.gov/policyinformation/travel_monitoring/12septvt/index.cfm

b) Measuring Changes in Intercity Bus Operations

The Intercity Bus Data Set maintained by DePaul University is a record of daily bus operations for intercity bus providers in the United States. The Chaddick Institute has gradually expanded the record from encompassing only bus lines publishing schedules in traditional ways to *all* intercity bus providers throughout the country that we have been able to identify. Since its inception in 2008, the database has grown to include data on 20,000 bus departures, organized by carrier, since 1960.

Definitions used

Scheduled intercity bus operator: A provider of city-to-city service on a fixed schedule over a fixed route that meets generally-accepted characteristics, as noted below.

Criteria for inclusion: The 92 scheduled operators known to provide conventional or discount city-to-city service operating under a publicized “brand name.” This year, for example, the data set includes more than 50 carriers listed in the Russell’s Motor Coach Guide and several dozen other identified carriers (including trans-border services, operators that concurrently service both airport and downtown locations, and suburban and regional services—including those in the New York region—that are not short-distance public transit operations). We include known “rural transit operators” if they publish timetables in a manner comparable to traditional intercity bus providers and operate lengthy fixed-route services.

Criteria for exclusion: Carriers meeting any of these six characteristics are excluded: i) *Latino-oriented operators* that neither publish timetables nor operate extensively from terminals outside of neighborhoods with large Spanish-speaking populations; ii) *Chinatown operators*, i.e., Asian run businesses that operate to or form Chinatown districts in major cities, typically in buses that lack a company logo, iv) *Campus-oriented or casino operators* that are designed almost exclusively to serve specialized markets while making little attempt to advertise their service to other markets; v) *Airport-shuttle operators* that do not simultaneously serve other markets; and vi) *Public-transit providers*, typically with stops every few minutes and over routes confined to a single urbanized area, or *short-distance commuter bus services* over routes less than 45 minutes.

Bus operation: A bus trip with a distinct origin and destination, which is often noted by a bus or schedule number. When a bus operation makes several stops before reaching its destination, it is counted as only one operation. For purposes of this study, we measured daily bus operations scheduled for Friday, January 4, 2013 and compared them to those on Friday, January 4, 2012.

Conventional operator: A bus line that operates over a fixed route using a motor coach that primarily uses traditional terminals in larger cities. This includes luxury operators, regional operators, and rural transit companies that operate from nontraditional stations. Examples include Greyhound, Peter Pan, Trailways, and Coach USA services operated to and from New York’s Port Authority Bus Terminal.

Discount city-to-city operator: A bus line that emphasizes express downtown-to-downtown service between major cities, which relies on internet ticketing and a mix of terminal and curbside drop-off and pickup locations. Discount operators do not participate in “interline” arrangements with Greyhound or other bus companies. Unlike many conventional bus companies, the carriers offer guaranteed seating and are not oriented toward serving airports. Examples include Boltbus, Megabus, and DC2NY bus.

Figure 7: List of Carriers with Identified Carriers with Intercity Service 2012
Excludes Airport Oriented Operators and Transit Services

ACR Express	Escot Bus Lines	Peter Pan Bonanza
Adirondack/Pine Hill Trailways ⁸	Florida Express Bus	Plymouth & Brockton Street Ry.
All Aboard America	Fullington Trailways*	Porter Stage Lines
Americanos ¹	GoBus Boston ⁴	Prescott Transit Authority
Arrow Trailways of Texas	Greyhound Canada ¹	Prestige Bus Lines
Badger Bus Lines	Greyhound Lines	Radio Cab Bus Shuttle Service
Bieber Tourways/Harrisburg	<i>Hampton Jitney</i>	Red Coach
Birnie Trailways	<i>Hampton Luxury Liner</i>	Ride Solution
Black Hills Stage Lines, Inc.	High Desert Point	Rimrock Trailways
<i>BoltBus</i>	Indian Trails	Rio Vista Delta Breeze
Boston Express ²	Jefferson Lines	Rochester City Lines ⁶
Burlington Trailways	Kerrville Bus Company ³	Salt Lake Express
C&J	LA Swift	Southeastern Stages, Inc.
California Shuttle	Lake Front Lines*/GO Bus ³	Southwest Point
Cantrail Coach Lines ⁴	Lamers Bus Lines, Inc.	Southwest Transit
Central Oregon Breeze	<i>Limo Liner</i>	<i>Sprinter Bus</i>
Coach America N. Carolina	<i>LUX Bus</i>	Susquehanna Trailways
Coach USA - Short Line	Martz Trailways	<i>Top Class Bus Company</i>
<i>Coach USA - Van Galder</i>	<i>Megabus</i>	Trans-Bridge Lines
Coach USA Erie	Miller Trailways	Travel Washington Goldline
Coach USA Int'l Bus Services	<i>New York City Shuttle</i>	Travel Washington Grapeline
Concord Coach Lines	New York Trailways	<i>Tripper Bus</i>
Crucero ¹	Northwest Point	Utah Trailways
Curry Public Transit	Northwestern Trailways	Valley Retriever
Coastal Express	Olympic Bus Lines	Valley Transit ¹
CYR Bus Lines	Orange Belt Trailways	<i>Vamoose</i>
Dartmouth Coach ¹	Oregon Rural Van Mover:	<i>Washington Deluxe</i>
David Thomas Tours	People Mover	West's Transportation
<i>DC2NY Bus</i>	Peoria Charter Coach Company	White Mountain Lines
Diamond Express	Peter Pan	Yankee Trails
Eastern Point		<i>Yo!Bus</i> ¹
El Paso-Los Angeles Limo		

Bus lines categorized as discount city-to-city carriers shown in italics. These carriers emphasize express service between urban areas, generally from a mix of terminal and non-terminal pickup and drop-off locations, while emphasizing internet ticketing, guaranteed seating, and steeply discounted fares, particularly for customers booking in advance.

Key:

¹ Wholly owned subsidiary of Greyhound Lines

² Part of Concord Coach

³ Selected routes by these carriers sold as Megabus

⁴ Sold as part of Amtrak Cascade service

⁵ Formerly Worldwide Bus

⁶ Terminated service in 2012

⁷ Schedules published within Greyhound timetables

⁸ These carriers known as Trailways of New York

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- ¹ Carriers with service that are listed in the same timetable numbers as Greyhound in the Russells Motor Coach Guide include Americanos, Crucero, Greyhound Canada, Valley Transit, and various units of Peter Pan Lines.
- ² This Greyhound subsidiary operates in California, Arizona, and Mexico and focuses on the Hispanic market.
- ³ Start-up funds provided by governments helped create this carrier, which now covers 91% of its costs. See <http://www.nashuatelegraph.com/news/972328-469/nashua-to-boston-bus-line-lauded-at-executive-council.html>
- ⁴ An example of a community that lost service this year is Hammond, Indiana.
- ⁵ The count does not include Dallas – Oklahoma City buses, which are operated by Kerrville Bus Lines but appears on the Megabus route map as a Megabus route. These buses were classified as conventional bus operations.
- ⁶ The carrier now operates, for example, from the Caltrain Station in San Francisco, the 30th Street Station in Philadelphia, the Regional Transit Center South Transfer Station in Las Vegas, the DT Metro Station in Riverside, the DART station in Dallas, the MARTA Station in Atlanta, the Mata Transit in Memphis, the Union Station in Los Angeles, the Caltrain Station in San Jose, the BART station in Oakland, the South Station in Boston, 1-block from the Metrodome Light Rail Metro Transit Station in Minneapolis, and the Charlotte Transportation Center.
- ⁷ Prior to the television ad, the Megabus brand was primarily chosen by public relations awareness and grassroots networking campaigns. Most other discount carriers also generated awareness through word of mouth and rider reviews via social media.
- ⁸ For a discussion of the Jason Bowles sponsorship, see <http://www.rotoworld.com/recent/nas/463/jason-bowles>
- ⁹ Among the carriers shut down on May 31, 2012 were New Century Travel, I-95 Coach, and Apex Bus.
- ¹⁰ Megabus, for example, issued this statement and video related to its “Safety First” policies: <http://us.megabus.com/safetyandtraining.aspx>
- ¹¹ The new Yo!Bus service was particularly aimed at filling the void left by the shutdown of New Century Travel, which had a loyal customer base due to its frequent service (almost every half hour each day throughout the day) and low fares (\$12 one way, \$20 round trip).
- ¹² These conclusions are based heavily on analysis by Liberum Capital, Megabus.com press releases reporting milestones in passenger traffic, and First Group and Stagecoach USA statements. Accurate ridership statistics, however, are not reported in a systematic way.
- ¹³ Wanderu.com is designed to allow users to type in any address in the U.S., and find the nearest bus or train station, schedules, and ticket prices. Wanderu is launching in beta on Feb 1st with door-to-door searches, local transportation directions, multi-leg routing and fast ticket booking.
- ¹⁴ See “Stagecoach Group and Coach USA, et. al, acquisition and Control of Assets of American Coach Lines,” *Federal Register*, June, 22, 2012, available at <https://www.federalregister.gov/articles/2012/06/22/2012-15287/stagecoach-group-plc-and-coach-usa-inc-et-al-acquisition-of-control-of-assets-american-coach-lines>
- ¹⁵ For a Megabus perspective of this, see press releases available at www.megabus.com.
- ¹⁶ See http://www.bizjournals.com/prnewswire/press_releases/2012/11/28/SF19481
- ¹⁷ The Drexel LeBow College of Business Consulting Project Report for BoltBus, presented on June 17, 2012 by Brian Antolin, Zheyang Chen, Dana D’Angelo, Andy Macaleer, Boney Pandra, Priyanka Sharma, Delong Yo, Dionne Long with assistance from LeBow faculty advisor. Available from the authors upon request.
- ¹⁸ For a description of the new ticketing policy, see the Greyhound Press Release available at: <http://www.greyhound.com/en/newsroom/viewrelease.aspx?id=485&year=2012>
- ¹⁹ Another problem with this app is that it does not provide information on the other services operating under the Megabus brand name, such as those provided through its operating partnership with Dattco in New England. For a summary of the new tools, see “Bus Safety app makes Date more Accessible,” *Metro Magazine*, May, 2012.
- ²⁰ See “Ninth Avenue Megabus Bus Will Move,” *DNA Info New York Neighborhood News*, September 22, 2012. www.dnainfo.com/new-york/20110922/chelsea-hells-kitchen/ninth-avenue-megabus-hub-will-move
- ²¹ See WABC New York, May 7, 2012. “Port Authority, neighbors takes aim at Megabus”, available at: www.abclocal.go.com/wabc/story?section=news/local/new_york&id=8651106
- ²² See “Ninth Avenue Megabus Bus Will Move,” *op. cit.*
- ²³ See Susan Stellin, “City to City, on the Cheap, New York Times, April 27, 2012, available at: www.nytimes.com/2012/08/28/business/as-boltbus-and-megabus-expand-regulators-call-for-stricter-standards.html?pagewanted=all&_r=0

²⁴ See WFAA-TV Dallas, "Megabus resumes service to Dallas," November 18, 2012, available at: www.wfaa.com/news/consumer/Megabus-resumes-service-to-Dallas-179892131.html

²⁵ See "Megabus Stop Moves to Gateway Center," *Pittsburgh Post Gazette*, June 14, 2012.

²⁶ See "Yo!Bus Began Chinatown Service This Morning," *News from the Lower East Side*, December 18, 2012, available at: www.thelodownny.com/leslog/2012/12/yo-bus-began-chinatown-service-this-morning.html

²⁷ Amtrak's fiscal year is October 2011-September 2012.