



your transportation solution

CHARTERS & AIRPORTER

June 4, 2013

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Mr. Steven King
Washington Utilities and Transportation Commission
1300 S Evergreen Park DR SW
PO Box 47259
Olympia, WA 98504-7250

Subject: Letter of Protest re: TC-130708

Dear Mr. King:

We strongly urge you to deny the application made by Northwest Smoking & Curing, Inc. to provide scheduled Airporter Shuttle service.

Wickkiser International dba Airporter Shuttle has been providing Bellingham with scheduled service along I-5 since 1985. We started our business with one van and now offer our customers 11 round trips on a modern fleet of vehicles every day between the Canadian border and Seatac airport. Our fares are the lowest (when evaluated on a per mile basis) of any other scheduled operator in Washington State and our safety record, as measured by the WUTC, DOT and DOD is outstanding. Additionally, we lead our industry in customer service through ongoing driver training, a state of the art online presence, a 24-hour live phone reservation center, and we are significantly involved in our community. By all measurements, our broad schedule and service area continues to satisfy both large and small cities and customer segments. Since our inception, we have carried and served over 3 million people on our shuttle service.

Airporter Shuttle has consistently operated an efficient scheduled service. Our business is connected to our Ferndale Operations Center where there is 24-hour dispatch, reservation service agents, maintenance, personnel, marketing and management support and supervision. This infrastructure has helped Airporter Shuttle set the standard among all scheduled service providers. The following points emphasize how important this is:

- **Quality Personnel** - We believe that the value we bring to our customers is due to the skills of our employees, whether they are part of our corporate infrastructure or on the operating line. Our company is proud that our drivers are paid a good wage and because we now transport over 140,000 passengers each year, they also earn great tips. The result has been Outstanding Quality: good driver retention, consistent reliability, and excellent customer service.
- **Sales and Marketing** – Our company is consistently innovative in its approach to advertising. Our staff graphic artist has led the development of our Airporter brand. His work can be seen throughout all of our company's collateral materials and internet sites. We often move beyond using the traditional print media and acquire space on large roadside billboards or in campus publications.



Wickkiser International Companies, Inc.
In God We Trust

CORPORATE
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BURLINGTON
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SEATTLE
Bellair Charters
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Seattle WA 98104-5119
Ph: 800.422.4042

PUYALLUP
Bellair Charters
12116 Valley Ave E
Puyallup WA 98372
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We also advertise on the radio, use social media, quarterly e-newsletter, and other various Internet formats. This gives us a much wider consumer audience. Bellingham customers have come to know Airporter Shuttle through its marketing programs, and trusts the Airporter Shuttle because of its on-time record, comfort, and convenience. To help identify our drivers as professionals, we provide them with shirts, hats and jackets with the Airporter logo embroidered on them. When we arrive at our stops, passengers know and trust they are dealing with a professional service provider.

- Safety – Airporter Shuttle is committed to a sustained focus on transportation and passenger safety. Airporter’s efforts in managing safe practices have earned it top ratings from three separate inspection agencies, making it a verifiably safe company. These safety ratings not only provide our customers with confidence in our operations, but they also can be used to reduce the UTC’s risk in a liability lawsuit. In a lawsuit, the UTC will be able to respond that they did not ignore safety but instead choose the strongest certified carrier in Washington State to serve the people of Bellingham and surrounding area.

According to the Federal DOT, there were 8 serious motorcoach crashes in 2011 that resulted in 28 occupant fatalities. Two of the crashes in New York and Virginia accounted for 19 fatalities and multiple injuries. These crashes clearly illustrated the devastation that can occur when individuals and companies operate outside the statutory and regulatory safety requirements.

Perhaps the most thorough inspection in the motorcoach industry is completed by the Federal Department of Transportation. These inspections are random and often last one or more weeks. Recently, this agency shut down two Washington State carriers by pulling their operating authority. We were inspected by the DOT in March of this year and received a satisfactory rating (the highest DOT rating possible) along with congratulatory words by the inspectors about our internal systems and the dedication of our staff to safety and the federal operating regulations.

Airporter Shuttle has also been inspected by the Department of Defense and received the certifications that they require for us to carry United States military personnel. This inspection reviewed our internal operating procedures, our personnel administration files, maintenance records, and the coaches themselves. This certification is another independent verification that we are acting responsibly which in the case of an accident will substantially limit liability negligence claims.

Airporter is among the most certified carriers in Washington State - which means that we can be relied upon and that our systems have been audited and verified. All of which gives our customers both confidence and less liability exposure when riding on our vehicles.

Northwest Smoking and Curing, Inc. Application

The application is critically incomplete and illustrative of how unprepared and unaware Northwest Smoking and Curing is for what is involved in running a transportation company.

No DOT number: Northwest Smoking and Curing does not comment that he has made an application nor has he shown that he holds a DOT number. If Northwest Smoking and Curing makes a DOT application, they will be placed in the new entrant pool which will require that they understand and implement the Federal Motorcarrier Safety Regulations. These regulations are numerous and difficult and form the backbone of a safety program. Northwest Smoking and Curing's application fails to indicate simple awareness of these operating standards. They are a risk to the passenger – period.

No Safety and Operations Knowledge: Northwest Smoking and Curing has not completed any part of Section 7. This is particularly concerning given the attention that the Federal DOT is placing on identifying and closing down unsafe, unaware and negligence passenger carriers. Bellingham residents trust that the UTC and DOT are careful in whom they grant authority. Northwest Smoking and Curing has provided nothing in their application to earn this trust and their absence of discussion indicates a complete lack of understanding about safety.

No Financial Statement: Northwest Smoking and Curing has neither supplied a balance sheet nor projected income statement which indicates a gross lack of attention to the financial requirements of operating a passenger carrying business. Our business is very capital intensive in the equipment that it needs (and quickly wears out) and is very cash flow intensive in that a scheduled bus must run whether there are passengers on board or not. For example, if it costs \$2/mile to run a vehicle, each round trip will cost approximately \$440. (This is a very low estimate and is without administrative or advertising burdens). NWS is committing to 8 daily round trips, which is a financial commitment of \$3400/day. Their application contains no proof that NWS has the significant financial depth to manage this cash flow burn rate.

Competing/Predatory Schedule: Northwest Smoking and Curing has proposed a directly competing schedule with our Airporter Shuttle schedule. Out of their 8 southbound trips, 2 depart Bellingham within 30 minutes of Airporter, 1 departs at the same time and the others depart right in the middle of our scheduled trips. Out of their 8 northbound trips, 2 depart at the same time as Airporter, 2 depart within 15 minutes and 1 departs within 30 minutes, and the remaining 3 depart 45 minutes in front of an Airporter trip. Furthermore, NSC's proposed new service has gaps of 2 to 2 ½ hours between trips so anyone who needs to get to Seatac can actually find an Airporter that will get them to the airport before any of their proposed shuttles' times. Northwest Smoking and Curing's schedule does not offer a true new service to Bellingham but instead copies Airporter's service both in time and in pick-up, as their pick-up spot is less than 1 mile from our current location. Northwest Smoking and Curing is being predatory and is not offering the public a new product. The public interest will not be improved, and allowing Northwest Smoking and Curing's application dilutes our authority.

Passenger Rules: Northwest Smoking and Curing has copied the language (almost verbatim) from our Airporter Shuttle tariff. This again indicates a lack of understanding and preparation for what they are proposing to provide. For example, a van E450 with a rear luggage space does not have the physical size to carry a bicycle or even to have two pieces of luggage for each of the ten seats in the van; yet by copying portions of language from Airporter's tariff, NSC makes this commitment. Thus, Northwest Smoking and Curing again demonstrates that they are unprepared to carry passengers.

Support Statements: The proposed service is between Bellingham and Seatac, yet the second statement is from Mr. Carillo who resides in Mt Vernon, Washington. His opinion about what Bellingham needs should be questioned as it is hard to believe that he would drive 30 minutes north to take a Bellingham Shuttle, when the Airporter Shuttle serves his own city 11 times each day.

Conclusion

Airporter brings unique value to Bellingham and Whatcom County by running reliable, safe operations through a 24 hour schedule that serves all of the county (not only Bellingham). Our community embraces us as is evidenced by our 27 years of operation, 22 daily trips and over 145,000 annual passengers. Our fares are the lowest on a per mile basis in the State and we are the most highly safety-credentialed company in the State. Airporter is providing service to Bellingham to the satisfaction of the commission.

By contrast, Northwest Smoking and Curing appears to be a "fly by night" operation that is copying Airporter's schedule and tariff and being predatory by not providing true additional service. They have a very incomplete application and have shown ignorance of the vehicle maintenance, driver training and safety requirements that are necessary when providing passenger transportation. The Federal DOT and UTC safety officers will cringe at NSC's incomplete and negligent application. Additionally, Northwest Smoking and Curing is a financial risk to our community because they have little understanding of the cash flow or capital needs of a scheduled transportation business.

We strongly urge you to support Airporter Shuttle's long-standing history of successful passenger transportation and deny the application made by Northwest Smoking & Curing, Inc.

Sincerely



Richard Johnson
President