

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In re Application TC-143691

SPEEDISHUTTLE WASHINGTON,
LLC D/B/A SPEEDISHUTTLE
SEATTLE

For a Certificate of Public Convenience
and Necessity to Operate Motor Vehicles
in Furnishing Passenger and Express
Service as an Auto Transportation
Company

DOCKET TC-143691

STATEMENT ON BEHALF OF THE
APPLICANT BY CECIL S. MORTON, CEO
OF SPEEDISHUTTLE

1 On behalf of Applicant Speedishuttle Washington, LLC. d/b/a Speedishuttle, I submit the following statement in support of our company's application for auto transportation authority from the Washington Utilities and Transportation Commission seeking authority from the Commission for door to door passenger service between Seattle International Airport and points within King County. I am the founder and owner of Speedishuttle and Arthur's Limousine Service which has operated in the State of Hawaii since November 1999. Speedishuttle started as a two-island operation with approximately 40 employees and 15 shuttles and has grown to an operation with over 385 employees and a fleet of over 115 Mercedes Benz vehicles and thus far transporting 1.2 million passengers in 2014. In the course of that operation, we serve the islands of Oahu, Maui, Kauai and the Big Island of Hawaii and residents of and visitors to the islands, 24 hours a day seven days a week in all four airports located on the major Hawaiian Islands. In Honolulu, we have the airport concession for all on-demand airport shuttle services and are also the on-demand concessionaire at Kona International Airport on the Big Island of Hawaii. We are one of four primary and at least five

additional airport shuttle providers in Honolulu, two providers in Kauai, four providers in Maui and four providers on the Big Island.

2 In the 15 years we have operated in service regulated by the Public Utilities Commission of Hawaii, we have seen relatively stable ground transportation passenger counts between the airport and major points on those islands despite increasing competition and have attempted to adapt our equipment configuration, employment base and services to both demographic and technological changes. As to the latter, we have installed free Wi-Fi service in all of our Oahu Island shuttles and have bilingual websites and ticketing agents serving Asian customers from China, Japan and Korea and have particularly adapted our operations to facilitating visitors from the Asian markets who come to Hawaii for either pleasure or on business.

3 We anticipate that many of these service application and expansion developments can also be utilized in the Seattle-King County airport shuttle marketplace because of the Northwest's increasingly prominent position in international trade and tourism and because of the burgeoning economic base represented by the Seattle-King County area. In terms of comparisons, we note from the Federal Aviation Administration's website, faa.gov, that in the decade for the period of 2002 through 2012, our base, Honolulu International Airport, ranked 24th in United States airport volumes versus Sea-Tac's 16th place ranking. By 2012, Honolulu had declined to 27th place with 1.4% growth for that decade versus Sea-Tac's increased rank of 15th and 24.9% enplanement growth for the same period. In 2013, the FAA website reveals a 2.61% growth rate for Honolulu versus 3.53% for Sea-Tac. In the referenced decade when Honolulu had only a 1.4% enplanement growth, Oahu-based shuttle providers grew from

approximately 3 to 10, while Sea-Tac's existing authorized airport shuttle providers appeared to remain largely static, despite almost a 25% growth in enplanement traffic in that interval. That suggests to us a growing and dynamic airport market at Sea-Tac which should be well-positioned to absorb another experienced and sufficiently financed airport shuttle provider.

4 Our interest in the Washington marketplace has evolved over a number of years, but particularly in the past year when we were contacted by a wholesale network provider, GO Airport Shuttle, who indicated to us in late summer 2014 that Shuttle Express had determined to sever their long-standing relationship. That contact plus an updated assessment of the Seattle-King County airport shuttle marketplace sparked by contacts by our travel company customers who package Hawaii with hotel, and if not rental cars, Speedishuttle for ground transportation who also regularly do business in the Pacific Northwest, has stimulated a renewed interest in serving the regulated Washington airport shuttle marketplace. In addition, we have generally familiarized ourselves with the laws and rules of this Commission and understand the Commission's auto transportation industry policy changes in 2013 which have recognized the dynamic, competitive transitions in the local and regional airport shuttle transportation marketplace which have only heightened our interest in serving this marketplace.

5 We have thus committed to attempting to open our unique form of operations that we have developed in Hawaii over the past decade and a half to apply them to the Washington marketplace which we believe may have the ultimate effect of enhancing recognition of the availability, viability, convenience and value of door-to-door airport shuttle service in this marketplace. We ultimately believe that our entrance into this arena may well have the effect of improving the financial and operational status of most existing providers in the marketplace.

All 350 Speedishuttle drivers are employees of the company, which will continue to be the case in all our Washington operations.

6 While we understand that some incumbents may not concur, our experience generally in the Hawaiian marketplace is that it has been a positive when an experienced provider enters the marketplace and we subsequently compete for existing and expanding customer bases in the airport ground passenger transportation business. With the toehold of taxis, limousines and the omni-present “Uber” operations, solidifying and augmenting the airport shuttle provider base with an experienced company like Speedishuttle may redound to the benefit of all providers like the two current incumbent objectors to our application.

DATED this 29th day of December, 2014.

RESPECTFULLY SUBMITTED,

By 
Cecil S. Morton, CEO
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