

LOOK BACK AT A CENTURY OF BUS TRANSPORTATION: 1990-1999

by William A. Luke

This is the finale of a 10-part series looking back at bus transportation in the 20th century. Each installment focused on the highlights of a particular decade.

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The CompoBus, a new concept bus with a lightweight composite body, was unveiled by North American Bus Industries at the 1999 UITP Congress in Toronto.

The last decade of the 20th century was a time of consolidation, mergers and acquisitions in the bus industry. There were numerous other changes taking place, including some bankruptcies.

The early 1990s reflected the uncertainty and change evident in the previous decade. But as the 90s progressed, prosperity began to return. Ridership for both intercity bus lines and transit properties has been on the upswing, and times are generally good as the century draws to a close. Even concerns about potential Y2K problems seem to be minimal.

Transit entered the decade still concerned about funding. However, in 1991, the Intermodal Surface Transportation Efficiency Act (ISTEA) was enacted, bringing increased funding for transit. Valid through March 31, 1998, ISTEA was flexible because it allowed funds to be spent for either highways or transit, whichever was most suitable for specific local areas. This was the first time highway funds were authorized for transit. Federal fuel taxes dedicated for transit were increased by 1 1/2 cents.

ISTEA also included \$200 million a year for rural intercity bus services and a provision for adding High Occupancy Vehicle (HOV) lanes in a number of metropolitan areas.

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New Flyer Industries introduced its first low-floor transit bus in 1990, and it now is in operation in many U.S. and Canadian cities. Shown here is one of the D40LF models built for West Vancouver, British Columbia.

Additional funding was important because the cost of providing transit services was increasing. The Americans with Disabilities Act of 1990 required accessibility to transit for mobility-impaired riders. Also, the Clean Air Act required emissions

from transit bus engines to be reduced. Both acts resulted in higher equipment costs.

On June 9, 1998, a new Transportation Equity Act for the 21st Century (TEA-21) was signed into law. There were many provisions in the act, which would provide for dedicated transit funding for the next six years. Funding for transit increased by 40 percent. Again, the Act provided for flexible funding for highways and transportation. Funding for rural transportation programs was also continued. TEA-21 has been hailed as important legislation for "Moving America Into the 21st Century."

Transit scores many innovations

During the decade there were some interesting innovations and developments by transit systems around the country. In 1990, Seattle's King County Metro completed a tunnel beneath the city's downtown streets for the operation of trolley buses. In addition to the fleet of AM General and MAN trolley buses in service at the time, 236 articulated dual-powered trolley buses were ordered from Breda Construzioni Ferroviarie in Italy for the tunnel service.

The Chattanooga (Tenn.) Area Regional Transportation Authority began operating 14 AVS/Speciality electric buses. The buses were placed on a special downtown shuttle route. Santa Barbara (Calif.) Metropolitan Transit District also began operating electric buses.

Earlier this year, several communities were selected to participate in federal Bus Rapid Transit demonstration projects. Bus Rapid Transit planning and technology can allow buses to operate with the speed and efficiency of light rail vehicles at a fraction of the cost.

Cleveland was one of the cities designated for BRT, and elaborate plans were drawn up for a new trolley bus service on a dedicated roadway on Euclid Avenue. Other areas developing Bus Rapid Transit are Boston; Charlotte; Dulles Corridor, Virginia; Eugene-Springfield, Ore.; Honolulu; Miami; San Juan, P.R.; and Santa Clara County, Calif. Other areas considering BRT were Chicago, Los Angeles, Pittsburgh, Albany, N.Y.; Louisville, Ky.; Alameda and Contra Costa counties in Calif., and Montgomery County, Md.

A tumultuous decade for 'The Dog'

The first months of the 1990s were dark days for Greyhound Lines. Fortunately, the latter part of the decade brought a turnaround for Greyhound with increased ridership and success.

The company appeared to be doing well after new management took over in 1987, but labor difficulties became evident. On March 2, 1990, Greyhound

drivers voted to strike. Just prior to the strike Greyhound had proposed sub-contracting routes, but this was unsuccessful.

Immediately, the Greyhound management decided to continue operating and hired replacement drivers. Violence occurred, and it was reported shots were fired on 21 buses and two terminals. Greyhound offered a \$100,000 reward for information leading to the arrest of anyone involved in the violence.

Although half of Greyhound's routes were in operation within three weeks of the strike, the company was weakened. On June 7, 1990, Greyhound filed for bankruptcy protection, after which the company was downsized.

The next year the company emerged from bankruptcy. Fred Currey resigned as the head of Greyhound, and Frank Schmeider became the new president. The company was restructured, with short-haul service becoming a priority. This approach failed, and nearly plunged Greyhound into a second bankruptcy with total collapse of the company looming.

In late 1994 Schmeider resigned, and Craig Lentzsch became Greyhound's new president. An improved national economy and new direction by Greyhound brought increased ridership. Relationships with customers, employees, and connecting carriers also improved.

Consolidation makes a comeback

A new concept--new for the second half of the century, at least--began to materialize in mid 1996. A new company, known as Coach USA, was formed in May 1996 with Richard Kristinik as the chief executive officer. Coach USA began buying various bus companies around the country, and even in Canada. Through this consolidation, Coach USA owned more than 4,500 buses by early 1999. Each Coach USA company continued to operate independently, and in most cases retained the management that was in place at the time of the acquisition.

Another consolidator, Global Passenger Services, began consolidating bus and related companies about the same time. As of earlier this year GPS, mainly through its Travelways subsidiary, operated 902 coaches.

Greyhound Lines, the original consolidator beginning in the late 1920s, got back into consolidating in the 1990s. Some years earlier, Greyhound had acquired Vermont Transit Lines and Texas, New Mexico & Oklahoma Coaches. In 1997, Greyhound bought Carolina Trailways of Raleigh, N.C., and Valley Transit Company of Harlingen, Texas. Golden State Transportation of Los Angeles, Southeastern Trailways of Indianapolis, and Peoria-Rockford Bus Company were also acquired by Greyhound. Each of the companies operates independently.

The Trailways organization changed its name to Trailways National Bus System. In the early part of the decade J. D. Johnston became the president of the Trailways organization, with current president Gale Ellsworth assuming the top post upon Johnston's departure in 1997.

Trailways companies originally were intercity bus operators. With the changing pattern of bus transportation in the latter part of the century, Trailways began a charter/tour division and encouraged new members operating only charters and tours.

In Canada, Greyhound Lines continued under the majority ownership of Dial Corporation (formerly the Greyhound Corporation); however, in 1996, the number of Greyhound of Canada shares owned by Dial was reduced from 68.5 percent to 24 percent. This was done because Greyhound of Canada introduced a plan to operate a low-cost airline in conjunction with its bus service. Canadian law prohibits majority foreign ownership of domestic airlines.

In exchange for relinquishing majority ownership of Greyhound Lines of Canada, Dial Corporation gained 100 percent ownership of Brewster Transport, which Greyhound of Canada had owned. Then Greyhound Lines of Canada became Greyhound Canada Transportation Corporation. During this transfer time Brewster Transport celebrated its 100th anniversary. The company restructured, and after some initial difficulties, air service known as Greyhound Air became a reality. But the service was not successful and was discontinued in September 1997.

About the same time Greyhound Air ceased operations, Laidlaw, Inc. announced it was arranging to purchase Greyhound Canada. On Oct. 1, 1997, Laidlaw became the full owner of Greyhound Canada. Laidlaw had a history of bus operating experiences, especially in school bus services, public transit and paratransit. Also, Laidlaw had been operating Winnipeg, Manitoba-based Grey Goose Bus Lines for several years, as well as sightseeing and tour services in Alberta and British Columbia. Soon after acquiring Greyhound Canada, Laidlaw purchased Maverick Coach Lines in British Columbia and Penetang-Midland Coach Line in Ontario.

Other Canadian intercity bus activity occurred in Ontario in 1993. Trentway-Wagar acquired Canada Coach Lines that year, and in 1996 Trentway purchased the Voyageur Colonial route between Montreal and Toronto. Also in 1996, DRL Coachlines acquired the route of CN Roadcruiser service across Newfoundland. In Nova Scotia, Acadian Lines was sold to SMT (Eastern) Limited.

Laidlaw, Inc. also announced on Oct. 19, 1998, it would purchase Greyhound Lines, Inc. in the United States. This officially took place in 1999. Laidlaw officials reported that Greyhound Lines president and CEO Craig Lentzsch would remain

in his executive position at Greyhound and would also head up Laidlaw's other tour and intercity coach operations, including Greyhound Canada.

Supply side also endures consolidation

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After investing \$40 million in research and development, Motor Coach Industries' Renaissance luxury coach became a reality. It was introduced in 1996 at the American Bus Association's 70th anniversary meeting in Hawaii, and the first production model was built for Trans-Bridge Lines of Bethlehem, Pa.

There were numerous other mergers and acquisition in the 1990s. The first came in 1993, when Motor Coach Industries International (MCII) ceased its production of transit buses and sold that portion of its business to Nova BUS Corporation of St.-Eustache, Que. Factories in St.-Eustache and in Roswell, N.M., were acquired in the deal.

A year later, Consorcio G Grupo Dina of Mexico merged with MCII. Still another change occurred with MCII in June of this year when the investment firm of Joseph Littlejohn & Levy purchased 61 percent of the stock. The remaining 39 percent remains with Grupo Dina.

Prevost Car, Inc. of Québec was bought by Sweden's Volvo AB in 1995. Henlys Group plc of England, acquired 49 percent of the Prevost shares, while Volvo retained 51 percent. Henlys came into the arrangement with bus and coach interests, as it owns Plaxton Coach & Bus, an important British manufacturer.

In December 1997 Prevost purchased the transit bus builder Nova BUS. Volvo, having a majority interest in Prevost, effectively became the new owner of Nova BUS with its main factories in St.-Eustache and Roswell.

A number of important mergers and acquisitions occurred this year. On June 15, Stagecoach Holdings plc of Perth, Scotland, with bus properties around the world, announced that it would purchase Houston-based Coach USA.

Barely a month later, on July 23, FirstGroup plc, a British company with many bus operations announced it was purchasing Ryder Public Transportation Services. RPTS includes ATE Management and Service Company, which Ryder had acquired earlier.

National Express, based in London, was also active in purchasing American firms. In a short time National Express purchased Crabtree-Harmon, Robinson Bus Service and Durham Transportation, all primarily school bus operations.

In September, Henlys plc, which already had an interest in Prevost Car, agreed to buy Georgia-based Blue Bird Corporation, the large builder of school buses,

transit buses, motor homes and intercity coaches. Volvo AB in Sweden had a 10 percent holding in Henlys, but with Volvo subscribing to loan notes, it would ultimately increase the Henlys holding to 30 percent.

The British Mayflower Corporation had also become involved in American bus manufacturing when, in August 1998, it became an investor in Metrotrans, a builder of small buses. Mayflower also had acquired Dennis Specialist Vehicles, a truck and chassis builder in England. In early 1999, Mayflower signed a letter of intent with Freightliner Corporation USA to introduce a new low-floor transit bus. The new buses would have a design by Walter Alexander, Ltd., a Scottish bus body builder and a Mayflower subsidiary. Thomas Built Buses of High Point, N.C., which was acquired earlier by Freightliner, would build the buses in a new Thomas factory.

Evolution of the transit bus

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Nova BUS introduced its low-floor bus, known as the LFS (Low Floor Series), in 1994. The bus, shown here in service in Montréal, is now in service at many transit properties.

Many changes and innovations took place in bus manufacturing in the 1990s. Low-floor design for city transit buses first appeared in the United States and Canada in 1990 when New Flyer Industries began offering low-floor buses. The Americans with Disabilities Act prompted the development of the low-floor bus. Wheelchair lifts had been the previous answer for accommodating the elderly and handicapped. The lift-equipped buses continued to be used through the decade, and were being ordered by transit authorities instead of low-floor buses.

By the end of the decade, low-floor buses were being built by most transit bus manufacturers. In addition to being able to easily accommodate the handicapped, it was found all passengers were able to enter and exit buses much faster, resulting in less dwell time at stops. A major disadvantage of low-floor buses has been the decrease in the number of seats. The front wheel housings were too high to accommodate seating.

After a number of years in development, what was referred to as the "Transit Bus of the 21st Century" was unveiled at International Public Transit Expo '96 in Anaheim, Calif. The Advanced Technology Transit Bus (ATTB) featured a hybrid propulsion system and a composite body to reduce weight. By the end of the decade, the bus had not gone into full production, and the program ended due to a lack of funding.

Several manufacturers introduced new transit buses in the '90s. They included the New Flyer model D40LF in 1990. New Flyer later introduced an articulated

D60LF low-floor model, and a small low-floor bus. A suburban bus, the D45S, was added in 1998.

Nova BUS debuted its LFS low-floor bus in 1995. A low-floor Gillig bus was introduced in 1998. Neoplan also had its low-floor bus available earlier in the decade. Orion presented its Model VI low-floor bus in 1995.

North American Bus Industries (NABI) became the new name for American Ikarus in 1996. New low-floor standard and articulated models were introduced. At the UITP Congress in Toronto in 1999, NABI had its new CompoBus on display. It is a full-sized heavy-duty, low-floor bus with a composite one-piece body.

Blue Bird Body Company introduced its Q-Bus in 1991 and the CS bus in 1995. Thomas Built Buses continued building its Citiliner, and in 1996 debuted its new TL 960 bus. Eldorado National, a builder mostly of small buses, was also offering a full-sized transit bus in the decade.

The Flixible Corporation, which originated in 1924 as a builder of intercity buses and later built transit buses, filed for bankruptcy protection and closed its doors in 1996.

Coaches also change with the times

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Van Hool, a leading bus and coach builder in Belgium, sold more than 3,000 luxury coaches in the U.S. by the end of the decade through its North American distributor, ABC Bus.

There was also considerable activity in the manufacture of intercity and charter coaches. Prevost Car, Inc. began the parade in 1990 with the introduction of its H3-40 model, which had new styling and many innovations. Then in 1994, soon after 45-foot buses were legalized, the H3-45 was introduced and the H3-40 became the H3-41. Prevost celebrated its 75th anniversary in 1999, confirming its standing as one of North America's oldest bus manufacturers.

Motor Coach Industries presented a number of new models in the decade, beginning in 1991 with the smooth-sided "B" models. The "C" model came soon afterward, also with smooth sides and a higher body. The D models came in 1992, with both 40- and 45-foot models available. Also in 1992, the MC-12, modified from the successful MC-9 model, came into production, mainly for Greyhound Lines. In fact, Greyhound ordered 650 MC-12s in 1992, and continued to add more to its fleet. Motor Coach Industries celebrated 60 years of bus building in 1992.

Then in 1996, Motor Coach Industries announced its E-model, also known as the Renaissance, with the first model shown at the American Bus Association Annual Meeting in Hawaii. The Renaissance boasted new modern styling and numerous new features, including a curved entrance stairway. The 1000th Renaissance was presented earlier this year to Orion Pacific Bus Company of Brea, Calif.

Blue Bird Body Corporation, a major builder of school buses and transit buses, had also been building luxury motor home buses. Then in 1997, using the same basic body, a 40-foot intercity model known as the LTC-40 was introduced.

Van Hool presented its 45-foot bus, the T800-45, to the U.S. market in 1993. Then in 1996, the T-2140 and T-2145 models were introduced. Van Hool joined its exclusive U.S. sales partner, ABC Bus in a gala presentation in Orlando.

Setra also added a 45-foot bus for its U.S. market in 1995, and continued featuring its European-styled model introduced the previous decade.

Technology permeates the industry

Bus technology improvements were also abundant in the 1990s. Engine manufacturers continued to control emissions with electronic systems as well as alternative fuels. Diesel--or so-called "clean diesel"--engines were improved, and continued to be the engine with the most demand. In 1993, the Series 50 four-cycle, four-cylinder engine was introduced. Cummins Engine Company offered its new M-11E engine, a four-cycle diesel engine, succeeding its successful L-10 engine in 1995 for large buses. Cummins diesel engines were very popular for small buses. Both manufacturers had offered alternative-fueled engines, particularly natural gas, to customers specifying them. Fuel cell engines were in an experimental stage, showing promise for buses in the 21st Century.

Allison Transmission, a division of General Motors, introduced its World Transmission in 1992. Multiplex and similar improved wiring systems for buses came available beginning in 1995. Improved tires, air conditioning, paint, brakes and other bus components were introduced in the 90s.

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Prevost Car Inc. introduced two coach models in the 1990s, the H3-45 (pictured) and the H3-40/H3-41. Both models featured new styling and amenities.

Bus air conditioning became quite challenging because the federal government ruled that CFC-based refrigerants, which had been common for years, would have to be phased out and new, ozone-friendly refrigerants had to be used.

A renewed emphasis on safety came in the latter part of the decade, largely the result of a number of serious bus accidents. It seemed that because of the good economy, many bus companies found it difficult to find good employees. Health

issues also entered into the safety equation. Earlier in the decade the Commercial Drivers License Law was passed to allow for nationwide background checks on drivers and driver candidates. Earlier this year, U.S. Transportation Secretary Rodney Slater presented the Motor Carrier Safety Act to Congress. The Act emphasized stricter rules for commercial drivers and new motor carriers.

The 20th century closed with a flurry of newsworthy events in the bus industry. New technologies, improved management, closer working relationships, increased patronage of bus services, and new global cooperation in the industry have been highlighted. Positive momentum is evident as the new millennium nears.

William A. Luke, a member of the Bus Business Journal editorial advisory board and executive director and founder of the Buses International Association, has more than 50 years' experience in the bus industry, including publishing and editing an industry trade publication for more than 30 years. Luke was inducted into the American Public Transit Association Hall of Fame last year.

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