



# **Greyhound Lines, Inc.**

**Rural Feeder Service Handbook**

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## I. Introduction

Greyhound has a strong interest in creating and maintaining successful interline relationships with coordinated rural feeder services that are meaningful for customers and make sense for both Greyhound and the rural feeder service partner. This is demonstrated by the company's efforts in:

- Helping clarify and lower Federal Motor Carrier Safety Administration (FMCSA) insurance levels for rural transportation agencies
- Creating a special National Bus Traffic Association (NBTA) "sponsored transit category" with minimal costs & hassles. NBTA is a non-profit revenue clearinghouse for interlined bus operators.
- Effectively working one-on-one with rural transportation agencies to help them establish feeder services

Greyhound initiated a service, called the Greyhound Rural Connection Program, in the late 1980's. The program linked over 80 rural transit agencies in 17 states and added more than 800 communities to the intercity bus network. Many of those agencies continue to provide their customers with informal access to the nearest Greyhound terminal or station even today. But those efforts were limited by:

- Insufficient Federal funding and support
- Lack of a flexible ticketing solution
- Sophisticated fare and schedule information technology

As the 5311(f) program evolved from ISTEA to SAFETEA-LU, Federal funding and guidance has improved dramatically, flexible ticketing solutions now exist, and fare and schedule information technology has seen tremendous advances --- so much so that rural feeder services can now be effectively implemented and operated in meaningful ways for the traveling public. Furthermore, given the shrinkage in the national intercity bus network over the past 20 years, there are many more sizeable communities without any intercity bus service today and thus, many more opportunities for the development of successful new feeder services

SAFETEA-LU rules and regulations can be found at: [extranet.greyhound.com/revsup/rfs/](http://extranet.greyhound.com/revsup/rfs/)

There are several ways to provide feeder services to Greyhound and the interlined intercity bus network: from formal interlines to informal passenger feeds; from complete terminal access to curbside drop off; and from selling tickets and transporting passengers and their baggage to transporting package express. And rural feeder services can be operated as demand-responsive or fixed schedule feeder service. Depending on the nature of the relationship and types of service, there are different requirements with pros and cons for each approach.

Unlike the airline industry, intercity bus service frequently involves a passenger traveling on more than a single company's bus. However, a single ticket is issued that includes all portions of the trip. This "interlining" is a means of providing seamless ticketing and travel for the convenience of customers. Each company honors the ticket of the issuing company. To make this

network seamless, interline companies coordinate schedules, and reconcile revenues collected from ticket and package express sales through NBTA

If your rural feeder service fully interlines with Greyhound or another intercity bus company, it must comply with certain regulations, including FMCSA operating authority, insurance and vehicle safety standards. If you don't interline, FMCSA rules don't apply, and you are not required to have any operating authority, meet any additional insurance levels or vehicle safety standards.

If you interline, there is greater revenue potential for your system; better and more reliable customer service; ticketing to and from your area throughout the US; nationwide telephone and Internet information about your feeder service; and enhanced local perception of your system. If you don't interline, you lose these benefits because local service can't be marketed beyond your area; we can't sell each other's tickets and customers are not as well served.

Rural feeder service should be meaningful. Greyhound prefers scheduled service over demand responsive service. The most effective feeder service requires:

- Proper operating authority and insurance
- Should be operated preferably 7 days a week but no less than 5 days a week
- Should not duplicate existing subsidized or unsubsidized intercity bus service
- Feeder service should allow for proper ticketing and (incidental to passenger service) package express service.
- Information about local feeder services should be available to all customers of the nationwide Intercity Bus network.

## **II. Types & Nature of Feeder Services**

The most effective feeder bus service is scheduled service operated 7 days a week by a full interline partner. A full interline partner is one that has "sponsored transit agency" membership in the NBTA and FMCSA operating authority.

More information on NBTA is contained in the NBTA Section on this site at:

<http://www.bustraffic.org/>

An NBTA sponsored transit agency membership is \$25 along with an annual fee of \$100.

FMCSA instructions can be found at [http://li-public.fmcsa.dot.gov/LIVIEW/pkg\\_html.prc\\_limain](http://li-public.fmcsa.dot.gov/LIVIEW/pkg_html.prc_limain)

Although there are other types of feeder services with which Greyhound can cooperate. They include:

- A feeder service can be operated with a fixed schedule without having full FMCSA authority or NBTA membership.
- A feeder service can be operated as demand response service without authority or NBTA membership.
- A feeder service can operate less than 5 days per week without having full FMCSA authority or NBTA membership

However, the effectiveness of these services is diminished because neither Greyhound nor the feeder service operator can write a ticket to or from the destinations served by non-interlined points. Greyhound cannot include the rural points served by the feeder service operator in its national fare and schedule information network. As such, information about service to/from points within the rural feeder service jurisdiction cannot be made available to passengers outside that jurisdiction. All public awareness would need to come from the rural feeder service through its own marketing or customer service efforts.

### **III. Insurance Requirements**

Fixed-route, fixed-scheduled rural feeder services that cross state lines to interline with Greyhound or another interlined intercity bus company must comply with applicable FMCSA insurance requirements. For these types of rural feeder service operations, those insurance requirements are \$1.5 million for vehicles with a seating capacity of 15 or fewer passengers and \$5.0 for vehicles with a seating capacity of 16 or more passengers.

Fixed-route, fixed-scheduled rural feeder services that interline with Greyhound or another intercity bus company but do not cross state lines to do so only have to meet the state insurance requirements for the state in which they operate.

Fixed-route, fixed-scheduled and demand response rural feeder services that do not cross state lines and do not formally interline with Greyhound or another intercity bus company also do not have to comply with any FMCSA insurance requirements.

For nationwide consistency, Greyhound has established the following insurance requirements for all rural feeder services that interline with Greyhound but do not cross state lines to do so. In all cases, Greyhound must be added as an additional named insured on those policies. Other intercity bus companies may have different minimum insurance requirements. The Greyhound limits are as follow:

Vehicles with capacity of 15 passengers or fewer	\$1.5 million single limits
Vehicles with capacity of 16-30 passengers	\$2.0 million single limits
Vehicles with capacity of more than 30 passengers	\$5.0 million single limits

For rural feeder services that access a Greyhound-owned terminal for the convenience of passengers that board and/or disembark to transfer to Greyhound, the company asks that the rural feeder service operator maintain a general liability policy with a combined single limit of not less than \$1 million. Greyhound must be added as an additional named insured on these policies.

### **IV. Fares & Ticketing**

Establishing passenger fares for rural feeder services that interline with Greyhound is the responsibility of the local feeder service operator. Once those fares are set and uploaded to the company's nationwide ticketing system (called TRIPS), Greyhound will be able to quote your established fares and you will be able to quote Greyhound's. Once your local feeder service fares are in the TRIPS system, the fare can be seen, quoted and ticketed in a number of different ways. Greyhound fares can include standard "walk-up" fares, special group discounts (e.g., elderly,

students, military, etc.), advance purchase fares and other special or promotional fares. The fares of most interlined companies tend to be less complicated and more standardized. However your fares are established, the Greyhound system is normally capable of presenting them to the general public.

Information on establishing a fare structure can be found at:  
[extranet.greyhound.com/revsup/rfs/](http://extranet.greyhound.com/revsup/rfs/)

There are a number of options for issuing a ticket to a passenger whose travel includes a portion of the trip aboard Greyhound, an interlined rural feeder service and even on another interlined intercity bus company. A ticket can be issued by Greyhound by phone or at a company-owned or operated terminal; by another interlined intercity bus company at a company-owned or operated terminal or station; by a rural feeder service operator at a local office or station; and/or by a 3<sup>rd</sup> party commission ticket agent. Additionally, a passenger can use the internet, go to [www.greyhound.com](http://www.greyhound.com) and purchase a ticket online, and that ticket will include all portions of the trip on each different carrier.

The ticket stock on which the ticket is issued is typically that of the selling entity. For instance, if Greyhound issues a ticket for service involving 3 different carriers, the ticket is issued on Greyhound ticket stock with a separate ticket (or “tear”) for each portion of the trip aboard a different carrier. If another intercity bus company issues the ticket, it too will include a separate ticket for each portion of travel. The same is true if a rural feeder service operator issued the ticket. However, many intercity bus companies and rural feeder services choose to issue a ticket on Greyhound ticket stock supplied by the company. It is easier and more consistent than managing the logistics of designing and stocking their own ticket stock.

In many instances, passengers connecting to and from a rural feeder service will already have a Greyhound ticket issued by the company or one of its commissioned agents. Other times, the rural feeder service operator may need or want to issue tickets if there is no other nearby agent that can do so. As such, the rural feeder service would become a commission agent for Greyhound. The organization could then issue tickets for passengers and package express and receive a commission for each sale. The commission rate is established as a set percentage rate and applied to total sales, and the agent retains the commission revenue. In most instances, this revenue can be used by the rural agency as a source of local match for other federal grants.

In larger terminals, whether operated by Greyhound or a 3<sup>rd</sup> party commission agent, TRIPS is the preferred ticketing system because it provides automatic daily uploads of sales and management information. TRIPS software requires more expensive computer hardware and higher speed printers capable of printing high volumes of tickets onto Greyhound ticket stock. Greyhound has developed a new system, called MAX, which is more appropriate to smaller locations and lower ticket volumes that previously may have been limited to writing tickets manually. MAX can be used on lower-end desktop computer hardware and less expensive printers and like TRIPS would also require internet connectivity. MAX provides faster sales and management information than was previously the case with manual ticket locations. MAX is an appropriate, cost-effective ticketing system for rural feeder services that interline with Greyhound.

MAX Site Survey and requirements can be found at: [extranet.greyhound.com/revsup/rfs/](http://extranet.greyhound.com/revsup/rfs/)

## **V. Baggage Service**

Intercity bus carriers participate in a passenger baggage service, which allows passengers to check baggage into a bus storage compartment for transportation to the passenger's destination or transfer point whichever comes first. There are numerous rules as to size, weight, contents and acceptable containers. There are also limits of liability to prevent escalated claims of loss or damage. More information of baggage service can be found on the web at:

<http://extranet.greyhound.com/revsup/pfsm/baggage.htm>

## **VI. Package Express Service**

Greyhound and most intercity carriers participate in Package Express Service, which involves shipping packages to and from designated locations within their routes. Participation in this shipping program is not mandatory, but is another means to increase route revenue. Just like with tickets, the transporting carriers receive prorated revenue for their portion of the overall trip. At the same time the carrier/carriers are also responsible for damage or loss of packages accepted for transportation. More information on this service can be found on the web at:

<http://extranet.greyhound.com/revsup/open/pageset.htm>

## **VII. Fare & Schedule Information**

Greyhound fare and schedule information is provided to the general public in different ways. A customer can call the local terminal or station or the Greyhound nationwide telephone information center (800) 231-2222, or they can go to [www.greyhound.com](http://www.greyhound.com) and get nationwide fare and schedule information. Either approach affords customers information about Greyhound service and that of the company's interline partners.

## **VIII. Marketing & Advertising**

Greyhound marketing and advertising is conducted in a variety of ways, but it is primarily offered through national radio, online Internet and yellow page advertising. Sometimes the company will use other media including direct mail, newspaper advertising and/or promotional advertising. For newly starting rural feeder services, Greyhound strongly recommends that the feeder service contractor develop and implement a local/regional marketing and advertising plan. Over time and as the feeder service becomes more well known, the plan can be simplified with regular local yellow page, radio, newspaper, cable and other marketing and advertising. In many instances, the Greyhound name and logo can be used, with permission, in conjunction with local feeder services.

## **IX. Terminal & Station Access**

Greyhound serves approximately 800 destinations in its nationwide network. Combined, Greyhound and the existing nationwide network of interlined intercity bus company partners serve approximately 1,450 destinations in the US. The facilities from which those services are operated range from stand-alone, sole purpose bus terminals to stations housed in other businesses and operated by independent commissioned agents. Approved access to these

facilities differs by company, station type and other factors and relates primarily to liability issues and the cost of facility operations.

Greyhound owns/leases and operates about 100 terminals. The approximately 700 remaining terminals and stations are owned/leased and managed by independent commissioned agents, public transit agencies and/or city/county governments. Many of the facilities operated by independent commissioned agents serve another primary business purpose such as a hotel, C-store, restaurant or some other independent business.

To access Greyhound owned/leased and operated terminals and stations, a rural feeder service operator must execute a Bus Terminal License (BTL) agreement and provide a general liability insurance policy which names Greyhound as an additional insured. A special BTL for rural feeder service operators has been developed by Greyhound and can be found at [extranet.greyhound.com/revsup/rfs/](http://extranet.greyhound.com/revsup/rfs/)

Access to non-Greyhound owned/leased stations that are operated by independent commissioned agents may involve other requirements that must be negotiated with those agents. However, Greyhound will assist feeder service operators with securing access to these locations.

## **X. Commission Agency**

If the rural feeder organization becomes a commissioned agent, allowing it to sell tickets, then it must execute a Standard Independent Commission Agreement (SICA), specifying the obligations of both parties for:

- Sale of tickets
- Accounting requirements
- Reporting an payment requirements
- Certain related liability issues

A copy of the SICA can be found at [extranet.greyhound.com/revsup/rfs/](http://extranet.greyhound.com/revsup/rfs/)

## **XI. Training & Assistance**

In addition to helping new feeder services meet the financial, legal and regulatory requirements mentioned in the previous section, the new service provider will also need to understand how to sell tickets and/or accept tickets to/from connecting passengers. Feeder service schedules will need to be developed that maximize travel opportunities for passengers and connections with Greyhound.

The rural feeder organization would also be provided on-site training for issuing tickets via MAX as well as reporting requirements.

Greyhound staff will assist interested rural transportation agencies in establishing rural feeder services that effectively address each of these needs.



## **X. 5311(f) Grant Assistance for Rural Feeder Services**

Greyhound fully supports access to 5311(f) assistance by rural feeder service operators whose projects provide meaningful connections. Greyhound is primarily interested in those feeder services that make sense for both the company and the rural feeder service and that are meaningful to customers. For those services, Greyhound will actively support rural feeder service applicants and grantees. In many cases, a special 2-year demonstration program approved by FTA, allows Greyhound to provide a 3<sup>rd</sup> party in-kind contribution as the required local match for a rural feeder service grant. The benefit of this program is that the total net operating costs of the service can be reimbursed by 5311(f) funding --- the service can be fully supported by 5311(f) funds and Greyhound local match.

After working through the issues presented in this Handbook with an interested rural transit agency, Greyhound will issue a letter of support for your grant application. For those projects able to use a Greyhound in-kind contribution, the company will issue a letter committing the company to the project and documenting the amount of matching funds available for the project.