



I want to start a new limousine service

Do I need a licence to start a limousine service?

Yes. You need a passenger transportation licence to operate a limousine service in British Columbia.

What type of licence do I need?

The type of licence depends on the type of vehicle and how you use it.

General Authorization Licences

You need a licence with General Authorization if you operate any of the following "general passenger vehicles":

- a vehicle with seats that are mostly forward facing that can carry 12 or more passengers, plus driver (e.g. charter buses)
- a vehicle of any size or seating configuration that is used only to provide carrier-directed tours (e.g. sightseeing tour buses)

The Registrar of Passenger Transportation makes decisions on General Authorization applications. These applications do not come to the Passenger Transportation Board (Board). For information on General Authorization requirements, go to: www.th.gov.bc.ca/rpt/index.htm.

Special Authorization Licences

A licence with Special Authorization is needed if you operate limousines or other passenger-directed vehicles that:

• seat up to 11 passengers plus the driver, or

are primarily perimeter seating vehicles (regardless of vehicle size).

The Board makes decisions on Special Authorization applications. On a licence, the Board commonly specifies the type of limousine that may be operated. Frequently-used limousine types are listed:

- *Sedan limousines* (S) seat a driver and not less than 3 and not more than 5 passengers.
- *Large vehicle* (LV) limousines- seat 6 to 11 passengers plus driver; these include SUVs, stretch limousines and vans.
- *Perimeter seating buses* (PSBs) seat 12 or more passengers plus driver; these include stretch SUVs and limo buses
- *Classic limousine* seats a driver and not less than 3 and not more than 5 passengers and is 30 or more years old.

How do I put together an Application Package?

Start by collecting information to put in your application package. An application package must be complete. Incomplete application packages delay the processing of your application. Both the Passenger Transportation Branch ("Branch") and the Board have application requirements.

Send your application to the:

Passenger Transportation Branch

Ministry of Transportation and Infrastructure 313 – 1500 Woolridge Street, Coquitlam BC V3K 0B8 Phone: 604-527-2198 Fax: 604-527-2205

Toll Free: <u>Call the Enquiry BC number at 1-800-663-7867</u> Email: <u>passengertransportationbr@gov.bc.ca</u>

The Branch reviews your application to confirm it is complete. If your application is complete, the Branch sends it to the Board. If your application is incomplete, the Branch will ask to you to supply missing documents. Once you have supplied these, the Branch will send your application to the Board. If you do not supply the missing documents in the time set by the Branch, it will send your incomplete application to the Board. The Board may, after giving you notice, dismiss your application if you do not provide the required documents.

What do I need to put in an application package?

Use this checklist to make sure your application package is complete.

1. Required
☐ Special Authorization Licence Application Package Branch SA Forms PTR 5010
PDV Vehicle Proposal PDV Forms (Form 1)
PDV Proposed Terms & Conditions of Licence PDV Forms (Form 2)
☐ Disclosure of Unlawful Activity & Bankruptcy PDV Forms (Form 5)
☐ Public Explanation of Application PDV Forms (Form 6)
Declaration PDV Forms (Form 17)
☐ Business Plan, including Reference Sheet 2 and Sheet 3
☐ Financial Information Reference Sheet 4
☐ Public Need Indicators (as outlined in this application guide)
2. Optional
Condensed Operating Plan Optional Forms (Form 9)
Proposed Rates and Rules (required if you are requesting rates other than those in the Board's Minimum-Maximum Rates and Standard Rules for Limousines in BC.) Optional Forms

Note: You must protect personal information of clients and potential clients. This is the law under the *Personal Information and Privacy Act* (PIPA). You must have consent to share personal information. For more information, read the Board's Industry Advisory <u>Protect Personal Information of Your Customers</u>

Is my information kept confidential?

Your application is public. The Board is required to publish notice of applications. An exception is if the Board is satisfied that there is an "urgent public need" for the proposed service. Then the application is not published. (See <u>Reference Sheet 5</u>)

The Board publishes application summaries every Wednesday in its "<u>Weekly Bulletin</u>". This Bulletin is posted on the Board's website and is available to the public. People may make submissions on your applications. (See <u>Reference Sheet 8</u>)

The Board keeps the following types of information confidential:

- private financial information (e.g. personal net worth statements)
- private business details (e.g. customer account information)

Other information submitted with an application may be made public. Business plans are not confidential. However, the Board does not routinely release them. Board decisions are public. If your application goes to a public hearing, these are open to the public. Most exhibits entered at a public hearing are public documents.

The *Freedom of Information and Protection of Privacy Act* may apply to information in your application package. See <u>Operational Policy II.7</u> for information on requests made under FIPPA.

What does the Board consider when it reviews my application?

The Board will review your application and consider the following three questions:

- 1. Is there a public need for a new limousine service?
- 2. Are you a fit and proper person and capable of providing a limousine service?
- 3. Would approving the application promote sound economic conditions in the transportation industry?

If the Board answers "yes" to all three questions, your application will be approved.

It is up to you to give the Board the information it needs to answer these questions. You should consider the type, location and scope of the service you wish to provide. This Application Guide outlines the type of information that the Board is looking for. If you submit too little information or information that is too general, your application may be refused.

In this guide, each of the questions above is considered separately. However, you should remember that the Board member will review your whole application. The information in your package should be consistent. You should not say one thing in one section that is contradicted by something in another section. If information in your package seems contradictory, you should explain the reason for this.

Is there a public need for a new limousine service?

The Board expects you to show that there is a public need for a new limousine service in the area where you want to provide service. The Board also expects you to show why you need the number of vehicles that you are asking for. The Board wants to be satisfied that there is a reasonable connection between the number and type of vehicles and public need.

You should give the Board information that is **factual** and **objective**. You should not rely on your opinion or general statements to show public need. Your information must be reliable, relevant and probative, i.e. capable of proving a fact.

You should put information in your application that shows:

- People will **use** the service you want to provide
- People or businesses will **refer** people to your service
- People **cannot obtain** the services you are offering
- The market is **not served** well by the type of service you will be providing

The amount of support should relate to the scope of your application.

If you are applying for a sedan limousine, you must show public need for this type of vehicle. If you want to use another specific type of vehicle, you must show public need for the vehicle type.

What are public need indicators?

The following list describes some types of "public need indicators" that you could include in your application package:

- ➤ **User Support Statements** These are documents such as letters or e-mails written by people who would either use the new limousine service themselves or who would refer the service to others or book the service for passengers. User support statements should have the following:
 - why, when and how often the writer needs the new limousine service in the area or areas you want to serve
 - o whether the writer uses any other limousines now
 - why the writer would use a new company instead of companies that are available
 - o the writer's name, signature and contact information

Note You must tell people that their letter or e-mail may be treated as a public document as part of the Passenger Transportation Board's licence application process.

- ➤ **Signed Contracts** or agreements to enter into a contract to provide limousine service
- Information about other limousine services. The Board will want factual evidence about other limousine services, especially if you claim that they are not meeting the public's need or your type of service is unique.
- Information on Population Trends, Community Plans and the Economy You should explain how this information shows a need for more limousine service. Increases in population do not necessarily equate to increased need for limousine services. You should include the source and date of any references or statistics you put in your application.
- ➤ **Surveys** The focus of the survey should be on public need (as opposed to preference) for your services. The Board is also interested in why, when and how often respondents use the type of service for which you are applying. The Board will want to know the survey is reliable. You should tell the Board
 - how the survey was developed
 - who conducted the survey and
 - when, where and how the survey was conducted.

You should also provide a summary of the survey results.

Social Media This evidence must be meaningful and capable of being tested and verified. Quantity does not necessarily equate to relevancy or reliability.

When social media posts are submitted, you are expected to provide information that enables the Board to authenticate the information. You should provide:

- o a complete copy of the original post (in writing or electronically)
- date material was retrieved
- URL for the material
- Identity and contact information for authors of the text, tweet, post or other social media comment

 A copy of notice you provided to authors that their social media comments will be disclosed to the Board as part of its consideration of a specific application and may be treated as public information.

You need to consider how best to present the evidence. Reams of raw data, such as strings of posts, may not be meaningful to the Board. The Board expects applicants to analyze information and demonstrate what it shows or proves. For example, putting raw data into a table or chart may show trends or common responses. A sample of the raw data should also be provided for reference.

For more information, read the Board's <u>Operational Policy II.5</u>, "Submitting Social Media Information".

- **Booking Requests** You may have a related business or service. If so, then you may be able to supply evidence of booking requests that you are not able to fulfill. Or, you may be able to show that you have an established customer base. The Board may give more weight to detailed information than general inquiries or website "hits".
- ➤ Other Material You may have other information that indicates public need for more limousines. You may include petitions or form letters. However, the Board may not give as much weight to them as it does to information from individuals who give specific information about their use of limousines.
- ➤ **Information from Municipal Councils or Community Organizations** Petitions and form letters often do not give the Board specific information on a person's limousine usage, and need for limousine services.

The Board may receive information on limousine services from a town council, tourist board or other community organization. The Board may consider it as part of the application materials, especially if it is detailed information. The Board would share any negative information with you and give you a chance to respond. You should include the source and date of any references or statistics you put in your application.

Notes

- 1. The above list is not a comprehensive list.
- 2. If you talk about a website, make sure you include a link to the specific site or webpage. You should also tell the Board what is on the site and why it is useful. If the link is to a document, tell the Board what pages of the document you want the Board to refer to.
- 3. Applicants should not ask people to contact the Board directly. Generally, the Board does not accept letters, e-mails of support or tweets or social media posts sent directly to the Board. Applicants are responsible for collecting this information and putting it in their application package.

Excerpt from Board decisions

(Small Market) The applicant has included in application package over 25 letters from potential users and others. Many indicated the occasional need for a limousine service. A few indicated that they would not use a service, or would only "possibly" use the service. The City has expressed support, along with a number of businesses. As there is no limousine service now in the community, the panel found that there is an unmet public need for this discretionary service.

(Major Market) The applicant proposes a luxury limousine service using 2 high-end specialty vehicles. The rationale put forward is that there is not such a service in the Lower Mainland with such unique limousines. This type of service is provided in major cities across North America, including Toronto and Montreal. These vehicles are equipped with state of the art equipment and cater to a niche market. In support of the application and to demonstrate public need, the applicant included 32 letters from individuals and businesses... All stated they would use the service personally, as well as refer it to their clients. All supporters indicated a demand for such a service. The evidence presented indicates that there are people who will use this service and that a high end luxury limousine service is not currently available. The applicant has shown there is a public need for the proposed service.

(Major Market) 56 companies operate 354 licensed limousines in the Vancouver area and while the applicant proposes to have services focused on high end clients, no evidence was submitted that demonstrates that this segment of the business is underserved. While it is commendable to note that the applicant wishes to provide a "quality service", almost every application received by the Board for limousine service makes a similar claim. The applicant provided a number of letters of support, but these were not backed up by any statistical analysis that showed that there was a need for more limousines in the Vancouver area. For the Board to make a determination as to public need, more information would have needed to be provided.

Are you a fit and proper person? Are you capable of providing a limousine service?

The Board reviews fitness in two parts:

- (i) Are you a "fit and proper person" to provide the proposed service?
- (ii) Are you capable of providing that service

What is a fit and proper person?

The term "fit and proper" reflects the idea that a licensee has a responsibility to exercise the powers conferred by the granting of a licence with regard to proper standards of conduct. Fit and proper persons conduct themselves and their business lawfully. They uphold the integrity of the industry and promote public confidence in the industry.

The Board considers fitness in the context and circumstances of an application. The Board may look at such things as your conduct and its potential of harm to the public or to the integrity of the industry.

The Board will look at how you say you will run your business. Do you seem to understand passenger transportation laws and policies? Is your business set up to follow these laws? Do you have procedures in place to maintain care and control of your vehicles?

Do you have procedures in place for drivers or employees who are not compliant with the *Passenger Transportation Act*, regulations or company policies?

If you are a company, the Board may consider the conduct and character of directors and key management staff.

You must complete a <u>Disclosure of Unlawful Activity and Bankruptcy</u> form as part of the application process. This information will be used by the Board as part of its assessment of your fitness. In reviewing your answers on the form, the Board may consider such things as:

- The circumstances around any criminal charges, convictions or findings of guilt
- Bankruptcy and insolvency history

Past behaviour and whether it indicates a pattern of poor conduct and character, lack of financial integrity or a threat to the public.

The Board inputs the names people who sign the <u>Disclosure of Unlawful Activity and</u> <u>Bankruptcy</u> into <u>Court Services Online</u>, a provincial court registry that provides the public with 24/7 access to information from Provincial traffic and criminal court files in British Columbia.

Excerpts from Board decisions:

- ✓ It would appear that the applicant is a "fit and proper person" to provide the proposed service. The applicant's background in the hospitality industry and the fact that principle of the company has owned many profitable businesses as well as having experience in raising companies from the ground up is useful. Although there is no evidence of the applicant having any person in the company who has had experience in the passenger transportation business in British Columbia, it is believed that principle of the company has transferable skills that would indicate that he is capable of running the proposed business.
- In assessing fitness, the Board is taking into account a number of concerns including the following:
 - criminal convictions raise serious public safety concerns;
 - the apparent failure or refusal of the principal to take responsibility for his conduct;
 - the failure to disclose the fact of criminal charges and convictions to the Board in the application for the licence.

If you have another passenger transportation licence, the Registrar will include information on administrative penalties that have been imposed against you.

The Board may also consider other information that it learns about you when reviewing an application file. This could be information in your National Safety Code profile, allegations of illegal operations or information from submitters. The Board will review these in the context of the application, your explanation of the penalties and whether you are demonstrating care and control over your operations.

You will have an opportunity to comment on any information that may have a harmful effect on your application.

What is meant by "capable" of providing a service?

You should include information that shows you have the knowledge, skills, and abilities to operate a limousine service. Résumés outline:

- your work experience and skills, and
- the work experience and skills of people who will be managing the business.

You should also include information that shows that you have the financing to operate the service. A personal net worth statement or proof of financing

may be required for the Board to assess whether you are capable of providing the service.

You do not need to have run a limousine service before. The Board wants to know that you have skills that you can apply to running a limousine service. You may have gained these skills through your education, experience or work history.

The Board looks at such things:

- <u>Your background</u> Do you have the background, experience and skills to manage the proposed service?
- Your proposal Does your business plan and financial information show that you understand what is needed to manage the limousine service? For example, how will your operations be set up? Are your operating costs realistic? Have you separated start-up costs from ongoing costs? Have you indicated how you will receive income? Have you considered factors that may hold up your success? Does your financial plan include appropriate costs?
- <u>Your ability to provide the service</u> Do you have plans to overcome obstacles? Do you have resources to see you through lean times?

The Board gets much of this information from business plans and financial information that you include in your application.

If your application is approved and you start a limousine business, you must continue to be a fit and proper person and capable of providing the service. The Board may, at any time after a licence is issued, conduct a fitness review of a licensee. (For information on fitness reviews, see <u>Reference Sheet 15</u>)

Would approving the application promote sound economic conditions in the transportation industry?

The Board looks at the state of limousine services in the area where you are applying to operate. The Board considers how your service could benefit the market and whether the market has the capacity to absorb additional services. The Board may consider such things as:

- Will your service fill a gap in the market?
- Has a limousine company recently left the market?
- Are you providing a specialized or niche service?
- Will your service give the public additional transportation options?
- Have you shown that current service levels are unsatisfactory?
- Does the market place have the capacity to absorb another service?

- Are there limousine providers in your target market area?
- Will your services supplement another non-transportation business?
- Are your rates competitive? Do they maintain a distinction between the limousine market and the taxi market?

Excerpt from Board decision regarding "sound economic conditions"

The applicant is entering the market area of the lower mainland/Whistler where there are plenty of limousine operators. It seems to be a growing sector of the transportation business. This application has demonstrated that his unique service will attract business, and will provide a very specialized service to another service sector of the economy. Most of his business contacts are in the wedding planner world. The panel believes that the addition of two SUV type limousines in the market will not harm the others in the business and will give potential customers unique options. The proposed rates as outlined in the business plan appear to be on the high end of the rate structure for limousines in the lower mainland. Therefore, the head to head competition should be minimized.

Your application should show that you understand the existing local limousine service. You need to show the Board that the local limousine service is not meeting the needs of the community. This must be done with factual information. Some of the information you collected for public need may be relevant. Information on competing services is available on the Board's website at: http://www.ptboard.bc.ca/operators.htm. The Board may refer to this information when reviewing your application.

Local limousine operators may make a submission on your application. They may try to show that there is not enough business for a new limousine service. They may also say that if a new service starts they would lose business. The Board expects submitters to use factual information to support their claims.

What rates can I charge?

The Board has a <u>limousine rule</u> that will apply to your service if your application is approved. This rule sets out:

- minimum/maximum hourly rates
- minimum flat rates for the Sea to Sky highway
- standard rules

Rates are what you may charge passengers for a trip. **Rules** govern how you apply rates.

If you want to charge point to point rates, individual rates or hourly rates that differ from the rates in the limousine rate rule, you would need to apply for these. The Board has sample forms that you can use. These forms are in the Board's "Optional Forms Package".

The Board considers the following questions when deciding whether to approve rates rules:

- Are the rates and rules clear and complete?
- Are the rates easy to understand?
- Are the rates simple to measure?
- Are rates within industry norms for limousines in your area or in a comparable area?
- Are the rates distinct from taxi rates?

If you propose rates are outside the limousine rate rule, you should tell the Board why you want these rates.

Contract Rates

I. Crew Transportation Services

The Board does not require you to submit contract rates if:

- (a) You have a contract or agreement in principle to provide crew transportation services a company or its agent; and
- (b) You are applying to have a crew transportation service limitation on your licence.

Note This type of clause is usually on taxi licences. For information about terms and conditions of licence (including service limitations), see <u>Reference Sheet 10</u>.

II. Other Contracts

You must submit other contract rates that you have negotiated with companies. You must also provide proof that the company you are contracting with agrees to these rates.

Note The Board considers contracts, including contract rates, as "confidential information". The Board will not publish or disclose them unless the Board is required to do by legislation.

How does the Board make decisions on applications?

Board members make decisions on applications. Staff do not make decisions. Members make their decisions on the information that the Board received during the application process. This may include:

- information you submit with your application
- written submissions from other people
- your replies to the submissions
- follow-up information that the Board gets from you, submitters or another person. (You will be able to see information from submitters or another person, unless it is confidential business information. If it is confidential business information, you will receive a summary of the information)
- information already available to the public (e.g. information on your website, information on the Board website, etc.)
- information the Board receives from a town council, tourist board or other community organization
- compliance information received from the Registrar of Passenger Transportation
- investigation reports from the Registrar and any comments received from you
- information from a public hearing

Other Information Available to the Board

The Board also has *Operational Policies*" and "*Rules of Practice & Procedure*". These are posted on the Board's website. A policy or rule may apply to your application.

Board decisions are posted on its website. The Board decides each case on its own merits. It is not required to follow its previous decisions. However, the Board seeks to have consistency in its decisions.

How are the Board's decisions issued?

The Board issues written decisions. The decisions include the reasons why the Board reached its decision. If an application is approved, the decision will set terms and conditions of licence. Decisions are sent to the applicant and the Registrar of Passenger Transportation. Decisions are published in the <u>Weekly Bulletin</u> and posted on the Board website. The Board process usually ends when the decision is made and published.

Can my decision be appealed?

There is no right of appeal of Board decisions. The Board may reconsider, vary or rescind a decision in two cases:

- (a) information has become available that was not available at the time the decision was made, or
- (b) there has been an error in procedure.

There must be a legal basis for reconsideration. Your decision cannot be reconsidered just because you disagree with it. For more information, see <u>Reference Sheet 14</u>.