



Temsa and CH Bus Sales Thinking Small May Save You Money

by Larry Plachno

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CH Bus Sales offers the two shortest integral coaches on our market, the 30-foot TS-30 shown here and the companion 35-foot TS-35. Built by Temsa, these two coaches provide big coach features and styling but with a shorter length and a correspondingly more economical price. Sales have increased four years in a row as operators realize the economy of shorter coaches for smaller groups.

One of the newest and more interesting partnerships in the intercity integral coach market is the association of Temsa in Turkey with CH Bus Sales (formerly CH Trading) in the United States. On the Temsa side you have an experienced full-line bus builder with excellent production, engineering and financial stability. They also have the guy who brought Van Hool coaches to the United States. While CH Bus Sales is a relatively new company, they have put together an impressive management and sales team and have already made substantial headway in developing their sales, parts and service network.

Recently, we have received several requests from readers for more information. Some of this probably results from the announcement in our March issue that the Temsa TS-35 has increased in sales every year since it was introduced to the U.S. market in 2008, and the recent introduction of the TS-30 model. As a result, we have decided to take the time to put together this report on where the two companies are coming from – and where they are going.

Temsa History.

Temsa was originally founded in 1968 as a subsidiary of Sabanci Group for the pur-

pose of building heating and air conditioning equipment. The first three letters of the company name comes from the word “Thermomekanik,” meaning thermo-mechanics. The final two letters in the Temsa name come from the first two letters in Sabanci. The “SA” ending is not uncommon among companies owned by Sabanci Group.

Sabanci is considered the second largest conglomerate in Turkey. They own approximately 70 companies operating in 18 countries and employing approximately 57,374 people. Products are marketed in regions across Europe, the Middle East, Asia, North Africa and North and South America. In 2011, the consolidated revenue of the Sabanci Group totaled 13.4 billion U.S. dollars. Sabanci Holding has controlling interest in 10 companies that are also listed on the ISE. The company is fairly diversified and owns a number of companies involved with manufacturing. Sabanci has partnerships with several companies including International Paper, Carrefour, Fuso, Komatsu and Bridgestone. Their holdings also include a bank and a university.

By the mid-1980s the boom in new air conditioning units had declined but the expanding population of Turkey was creating a need for more public transportation. Since Turkey has a great deal of hilly terrain and fewer major population centers, a comprehensive rail network never developed like it did in Western Europe. As a result, much intercity travel is by motorcoach. While the Temsa name remained, the company made a transition from building air conditioning units to building buses. Initially, Temsa obtained a license from Mitsubishi to build buses in Turkey. By 1987, Temsa had its first buses in production.

The original two models built under license to Mitsubishi were relatively short and generally geared towards scheduled service. This type of bus is very popular in Turkey where traffic tends to make shorter buses more practical – not unlike the Jeeps in the Philippines.

As demand for more buses and more types of buses increased, Temsa made an investment in developing their own bus product line separate from the Mitsubishi license. Due to a family reorganization at Van Hool, Wim Van Hool became available to Temsa. Wim had brought the first Van Hool coach to the United States in 1984.

With the merger of M.A.N. and Neoplan, well-known bus engineer and designer Bob Lee became available to work as a consultant for Temsa. In addition to having managed the Neoplan facility in Lamar, Colorado in his early years, Lee was involved in a great deal of Neoplan design work including the famous carbon fiber bus. Temsa was able to acquire the services of a few other bus experts.



Several completed buses are ready for delivery or shipment and parked in the main yard at the Adana factory. The extensive Temsa product line includes both short and full-size coaches, a suburban and a range of transit products.



Temsa uses multiple bus assembly lines with similar models assigned to the same line. Several supplier companies are also on the premises to provide a range of components and services ranging from painting to seats and tires.

Starting shortly after the turn of the century, Temsa began introducing new models almost annually. It took a few years but the company finally developed a fairly comprehensive coach product line. There are smaller buses like the 28-foot Opalin that is known as the Powerbus in Turkey. The Safari, which uses stainless steel construction, became Temsa's most popular full size coach model. The Diamond, available in lengths up to 45-feet, is the top-of-the-line charter and tour coach.

Temsa's Tourmalin model has two doors but is the equivalent of our suburban buses. It is particularly popular for transporting school children or for shorter and rural routes. Finally, Temsa developed a fairly extensive transit bus product line including alternative fuels.

In order to compete in the market, Temsa's coaches offer all of the new electronic technology including a tire monitoring system, fire monitoring and fire suppression, multiplexed electrical system and an electronic stability system. Some models are built with stainless steel for increased longevity and resale value.

While some readers may raise an eyebrow at the location in Turkey, the reality is that Temsa turned out to be a leader in bringing bus building to Turkey. Both M.A.N. and Mercedes-Benz now have bus plants in Turkey and both companies build some of their more popular models there. Otokar, another Turkish builder, has expanded their production and product line in recent years.

For several years now, Turkey has been growing as a builder of European buses and builds more buses than any other country in Europe. Nearly 50 percent of the buses sold in Europe are being built in Turkey. Taking note of the increasing importance of

Turkey in bus production, the first Busworld Turkey show was held in 2007.

Due to needed expansion, Temsa opened a new production facility in Cairo, Egypt for buses. There is also a facility in Adapazari, Turkey that has taken over production of light trucks and trailers. The original facility in Adana on the Asian side of Turkey continues as the major bus production facility and builds more than 3,000 buses annually.

Adana is the fifth-largest city in Turkey and is located about 600 miles southeast of Istanbul and a few miles north of the Mediterranean Sea. It is primarily an agricultural area. Historians may remember Adana as the location of a 1,000-foot long

bridge built by the Romans that is still in use today.

The factory is located west of town on the road to Mersin. On the south side of the highway is the new showroom and delivery center built in 2006. Here, you can look at completed buses or pick up a bus that you have purchased. Behind the delivery center you pass through a guarded gate going to the factory complex that covers 110 acres with several buildings.

Temsa uses multiple assembly lines and runs several similar models down one line. There are about 1,500 Temsa employees in the plant and perhaps another 500 that work for suppliers. Unlike most other bus plants,

Temsa's main production facility is located in Adana, Turkey, about 600 miles southeast of Istanbul and close to the Mediterranean Sea. Shown here is the new showroom and delivery center that was opened in 2006. Located to its rear (right) is the huge Temsa factory complex that covers 110 acres. TEMSA.



Temsa has several suppliers on the premises that stock and supply parts right to the assembly line. This includes painting, seats, tires and some other parts.

Temsa bus production and sales have continued to grow from year to year. Approximately 75 percent of production is exported to more than 40 countries. Most of the exported buses go to the European Union member states with additional sales to the United States, North Africa, the Middle East, Gulf countries and the Commonwealth of Independent States.

The new CEO of Temsa is Tamer Ünlü. He formerly worked for Temsa in earlier years and was there when Temsa built their first buses. Temsa uses the Japanese production and quality control process philosophy in their plants.

Temsa's sales and influence on the European market has been steadily increasing in recent years. At the past two Busworld shows in Kortrijk, Belgium, Temsa took all of Hall 7 to display its extensive product line that includes small coaches, large coaches and what is now a fairly extensive transit bus line.

CH Bus Sales

CH Bus Sales is the exclusive distributor of Temsa coaches in the United States. Originally known as CH Trading Company, Inc., the organization has been active in the U.S. market since early 2010. What makes the company particularly noteworthy is its impressive, experienced and knowledgeable management team.

Founder and chairman of the board is Mike Haggerty. He has 28 years experience



Temsa's major bus factory is located on the west side of Adana, Turkey, about 600 miles southeast of Istanbul and a few miles north of the Mediterranean Sea. It is located on 110 acres and has approximately 1,500 Temsa employees with another 500 who work for suppliers. TEMSA.

in owning and operating both a motorcoach and a limousine transportation service company. He is best known as the former owner of Ryan's Express in Las Vegas. His wife, Olga, is also active with the company as secretary and a member of the board of directors.

Robert (Bob) Foley is the president and CEO. He spent 23 years working for ABC Companies where he served as the chief financial officer, president of financial services and chief operating officer. While at ABC, Foley led a management team that grew the company's revenues from \$10 million to \$300 million. A major portion of that success involved importing new coaches and selling them in the United States.

Duane Geiger serves as the executive vice president, sales and service. Geiger operated his own real estate services firm before coming to CH Bus Sales. Prior to that he was with ABC Companies for 16 years. He held different positions and was focused on providing bus customers with sales and service support as well as helping grow the company.

Serving as vice president of sales, service and product development is Tim Vaught who has more than 25 years experience in the bus industry. He ran his own charter bus company for more than 15 years and then became a regional vice president for ABC Companies concentrating on providing customers with outstanding service and support. Having experience as both a coach operator and a supplier gives him an unusual overall perspective of the industry.

Anthony Mongiovi is the vice president of sales and service at CH Bus Sales. He has an extensive and well-rounded transportation career that started with DeCamp Bus and progressed to Atlantic Detroit Diesel Allison. He then spent 10 years with ABC Companies where he served as vice president and general manager for the Northeast region.

Other key people at CH Bus Sales include Mary Klar, controller and CPA, who has 26 years of accounting experience. Marv Borntrager serves as parts and after sales service and warranty manager and has 35 years of experience. It is perhaps noteworthy that many of the key people at CH Bus Sales have experience in selling imported coaches in the United States.

CH Bus Sales is already well underway with putting together a national network for sales, service, parts and support of Temsa coaches. Headquarters is located in Faribault, Minnesota under the direction of Foley.

The new facility of CH Bus Sales is located at 410 W. Taft-Vineland Road, just west of the Orlando airport. In addition to five bus bays, the facility has a 5,000-square foot parts warehouse. New coaches are prepared here for customer delivery. CH BUS SALES.





The Orlando facility of CH Bus Sales provides service and support for Tamsa coaches. Jack Farrell is the service manager at this location. CH BUS SALES.



This photo shows a portion of the parts warehouse at Orlando. Marv Borntrager is the parts/after sales, service and warranty manager. CH BUS SALES.

The new Orlando location of CH Bus Sales held a grand opening on January 25, 2012. It is located at 410 W. Taft-Vineland Road, just west of the airport and east of I-Drive. Located on five acres, this facility offers coach sales, parts, plus technical and warranty support. In addition to five bus bays there is a 5,000-square foot parts warehouse plus office space. Jack Farrell is the service manager at this location while Marv Borntrager is the parts/ after sales and service and warranty manager. Borntrager has many years of experience in the coach business including maintenance director, parts/ field technician and manager of technical support.

CH Bus Sales has a location in Las Vegas that offers coach sales, parts plus technical and warranty support. This location has a parts warehouse with 10,000 square feet of space plus some office space.

Authorized service centers are already located in many major metropolitan areas and more will be added as time goes on. The largest number of these is locations of Creative Bus Sales, the nation's largest commercial bus dealership. Creative Bus Sales currently offers products from 12 bus manufacturers and recently acquired Arizona Bus Sales and New Mexico Bus Sales. These service facility locations include: Chino, Sacramento and Hayward, California; Phoenix, Arizona; Albuquerque, New Mexico; Denver, Colorado and Elkhart, Indiana.

Additional Tamsa service locations in the western states include S&J in Bedford, Texas, just west of the Dallas-Fort Worth airport, and the Bus Depot in Las Vegas. Tamsa service in the Twin Cities area is available from C&J Bus Repair in Bloomington, Minnesota. Two other Tamsa service locations are in New Jersey. These include Motor Coach Solutions

(Greg Broom) in Sicklerville, New Jersey, just south of Camden, and Perfect Body (Joe Patelle) in North Bergen, New Jersey.

Randy Angell is the account executive for the Midwest Region and has seven years experience in motorcoach sales. Randy Kolesar is the account executive for the Western Region and has 26 years experience in motorcoach sales. Tim Guldin was recently appointed as regional vice president of sales/customer care for the Southeast Region. Tim has more than 25 years experience in the bus industry including experience as vice president of sales and marketing and vice president of business development.

One of the goals of CH Bus Sales is to provide more of a personalized sales, service and support experience for their customers. A recent move in this direction has been the establishment of an R&D Committee that includes operators and Tamsa personnel. Vaught heads it and this group is reviewing the 30-, 35- and 45-foot coaches looking for changes and improvements.

Several of the larger and better-known coach operators are Tamsa customers. These include Academy, Cardinal bus, Vandalia Lines, Minnesota Coaches, Skyliner Tours, AFC Coaches, SFO, Gotta Go, Wynne Transportation, Jefferson Lines, Lone Star and Bloomington Shuttle.

Product Line

The current product line of CH Bus Sales is unique on the American market. It includes the 35-foot TS-35 and recently-introduced 30-foot TS-30. They are the shortest integral coaches on the American market and fill a specific niche.

In recent decades, the length of American coaches has been expanding with 45-feet as the current standard. With increasing numbers of smaller groups in recent years, bus operators have been searching for ways to effectively transport them.

The current product line of CH Bus Sales includes the Tamsa TS-35 and Tamsa TS-30 models. On the left we see the rear of a 35-foot TS-35. On the right is the 30-foot TS-30 model.





Shown here is the engine compartment of a TS-30. Both models offer a reliable power train consisting of a Cummins engine and an Allison transmission.



Like the big coaches, these smaller units offer luggage space for charters and tours. This photo shows the underfloor luggage compartments on the TS-35.

Operating a half-empty 45-foot coach for smaller groups has its drawbacks. In addition to the investment and operating costs of a larger coach, the group feels awkward with the extra space and the operator may be less competitive because of charter rates on a larger coach. Some operators have tried to fill this gap with inexpensive cutaways and other body-on-chassis buses. They may be acceptable for short shuttle runs but they generally do not have the ride quality and big coach features and amenities needed for longer trips.

What the European operators do to solve this problem is to purchase and operate shorter integral coaches. These shorter Temsa coaches provide the ideal solution in this market. Being of integral construction, they have the quality ride and features of the big coaches that passengers want and

hence are suitable for long distance travel. What with integral construction and stainless steel, they have high durability and longevity including good resale value. They also offer cost savings over the big coaches.

In addition to addressing smaller tour/charter groups, these vehicles will help line haul contractors with their feeder system routes. Many of their routes only attract 20-30 passengers, but with the introduction of the Temsa coaches, the operators have found a shorter vehicle that will withstand the annual mileage.

When you buy a shorter Temsa coach for smaller groups in place of a 45-foot coach you will save on operating costs and insurance. You will be able to offer more competitive charter rates for smaller groups. The shorter coach has some advantages in being

able to turn and park in a smaller area. Perhaps most importantly, the short coach may save you \$150,000 to \$200,000 in initial purchase price. This is money not spent and is like finding \$150,000 in new money that can be added to your profit line. Where else can you make that kind of profit so easily? Hence, it is not surprising that since its introduction in 2008, the TS-35 has been increasing in sales every year.

Many people call the Temsa TS-35 the modern day equivalent of the respected PD4104, PD4106 and MC-5 models. With its length of 35 feet it can carry 38 or 40 passengers. Standard equipment includes three-point seat belts for both driver and passengers. Integral construction gives it strength, durability and resale value. Its power train is more modern with a Cummins ISL engine and an Allison B500 transmission with optional retarder. In common with those older models and today's big coaches, the TS-35 offers underfloor luggage space and numerous big coach features like reclining seats, overhead parcel racks, an optional restroom, air ride suspension and a high performance HVAC system. Hence, the TS-35 is pretty much like the big coaches only shorter.

Officially introduced in early 2012 is the new TS-30 model. Essentially an Americanized version of a popular Temsa model in Europe, the TS-30 is slightly over 30 feet long and seats 30 passengers standard with a restroom. It also boasts of integral construction with stainless steel and a Cummins engine with an Allison transmission. Again, it shares many features with the big coaches including reclining seats, overhead parcel racks, an optional restroom, air ride suspension and an impressive HVAC system. Like the TS-35, three-point seat belts for both driver and passengers are standard equipment

CH Bus Sales plans on introducing a third model in early 2013. This will be a 45-foot

Here is the driver's cockpit on the TS-30. Controls and options are very similar to the big coaches. The ride and durability is considerably better than typical body-on-chassis buses.



coach specifically designed for the American market. This model will borrow some features from the popular Temsa coaches sold on the European market but it will be modified for American needs. Presently, it is being engineered with a Cummins/Alli-

son power train and will be introduced at some point in the future. This will provide a big coach alternative for operators that have been pleased with the shorter Temsa coaches. □

This shows the interior on a TS-35. Like the big coaches, passengers have plush reclining seats, overhead parcel racks and overhead reading lights. Both the TS-30 and the TS-35 are available with rear restrooms.



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Address: 9698 W. Judson Rd, Polo Illinois 61064
Office: (815) 946-2341 • Website: www.busmag.com