

# MCI – Going Further in the Northeast States

## Is this the start of a new trend?

by Larry Plachno



The location in Blackwood, New Jersey has been MCI's anchor and leading service facility in the Northeast for many years. It serves an area with extensive bus operations and several major MCI customers. Increasing customer need for service and parts has prompted MCI to open a new parts facility and another service facility in this area.

As always, the intercity bus industry in the United States and Canada has been changing. We have seen a movement towards more technology, more sophisticated systems, and increasingly complex procedures in areas such as multiplexing and air conditioning. As a result, bus operators are looking to bus manufacturers for more after-sales support.

While this may be a relatively new trend in the United States and Canada, it is established in Europe. The European motorcoach industry works with a much larger population in a smaller area. Many European bus operators can take their buses back to the bus factory or a satellite facility for regular service, maintenance, or situations their own garage staff cannot handle. Moreover, with Europe being so small in size, these manu-

facturer facilities may be relatively close in terms of driving time.

As the motorcoach industry in the United States and Canada changes, we here at NATIONAL BUS TRADER have suggested that we might be seeing more manufacturer-operator interaction on service and maintenance on this side of the Atlantic. An obvious example is MCI's recent expansion in the Northeast States.



Although the Blackwood facility can boast 15 service bays, it was already running at or near capacity. Service work at this facility has doubled in the past two years.



In addition to obtaining service work on your coach at Blackwood, you can also send your maintenance and service staff here for scheduled Technical Training sessions.

Expectedly, this trend has become obvious in a situation that combines a popular coach manufacturer and an area with high coach usage. The manufacturer is Motor Coach Industries (MCI), responsible for nearly 60 percent of the intercity coaches on the road in the United States. The area is a triangle connecting New York City, Philadelphia, and Atlantic City. Not only are all three cities major tourist destinations, but this area traditionally has been known for extensive bus operations. Moreover, some of MCI's major customers operate in this area including New Jersey Transit, New York MTA, Academy Bus and Peter Pan Bus Lines.

What has transpired is that customer support business has increased substantially in this area in recent months. MCI's location in Blackwood, New Jersey, their long-standing customer support facility in this area, recorded a 25 percent increase in Fleet Support Service in 2005. In keeping with its motto of Going Further, MCI made the decision to invest in additional facilities in the area to keep pace with escalating customer needs. As a result, MCI opened a new parts facility near New York City and Newark as well as a new service facility in Atlantic City. Here are some of the details on the three MCI facilities in this triangle.

### Blackwood

Located in West Jersey and south of Philadelphia and Camden, Blackwood is effectively located on the southeast side of the Philadelphia-Camden metropolitan area. The facility itself dates back to the early 1990s and historically goes back to the days when it served the Northeast for Hausman Bus Sales.

Today, the Blackwood facility offers an extremely wide range of services. Obvious is warranty work, service, repairs and maintenance. For some operations, such as Delaware Express with a fleet of 11 coaches, Blackwood handles all of their maintenance services. They also provide maintenance on the coaches operated by Allen AME Church. In addition, Blackwood does engine change-outs and retrofits. Both coach washing and lav dumping services are available. You can also have model updates done here . . . such as moving your "D" model coach to the new styling. If you do your own maintenance, you will find that you can

purchase parts at Blackwood, and send your garage staff there for training. Most of the courses offered by MCI's new Technical Training Institute are scheduled at Blackwood in 2006.

One of the reasons for the growing business at Blackwood is an increasing customer commitment. Jerry Cignarella, the vice president of MCI service centers, mentioned that fill rates for parts at Blackwood have improved in recent months. MCI implemented a demand planning resources program to better forecast parts needs. In addition to improving customer "up time" by

**An increasing number of coach operators are looking to MCI to do much of their service work. MCI's Blackwood facility currently handles maintenance work for Delaware Express and the Allen AME Church. You can also purchase parts at MCI service facilities.**



providing faster and better parts availability, the Blackwood facility also needed to keep inventory available to service coaches currently in the shop.

Cignarella said that, as with all MCI service facilities, Blackwood has been very focused on getting service customers in and out the same day. The "Same-Day Service Guarantee" means that customers can be sure that repairs requiring less than four hours will be diagnosed and completed the same day, even if they have no appointment before they show up. This is then followed up with a 90-day warranty on all parts and service.

According to Cignarella, one of MCI's goals is to be the maintenance solution for operators who need this type of service. He said that this would be very appropriate for small and mid-size coach operators who have a limited in-house maintenance staff. However, Cignarella mentioned that MCI could also be a solution for larger operators who no longer want to manage their own service facility.

MCI's customers have reacted very positively to all of this. Blackwood has seen its business numbers double over the past two years. In spite of having 15 service bays, the Blackwood facility was stretched to the limit.

#### East Brunswick

MCI's second facility in the area is a parts warehouse in East Brunswick, New Jersey. It is conveniently located southwest of New York City and Newark right off of Exit 9 on the New Jersey Turnpike. The actual address is 35 Cotters Lane in East Brunswick.

This parts warehouse originally opened in January of 2005 and was ready for full operation by April of that year. While serving all East Coast operators, it is particularly convenient to operators in the New York-Newark metropolitan area.

The facility has 50,000 square feet of space, allowing MCI to keep all of the more popular parts on hand. More than 3,000 different parts are stocked for the D, E and J models. Customers can phone in their order at (800) 323-1290 in the United States. Orders are usually available at the will-call window within two hours of being placed.

MCI's East Brunswick parts facility supports more than 150 customers in the region and has seen extensive use of its Will Call window. Shipments from there should reach

MCI's new parts warehouse in East Brunswick opened in January of 2005 and went into full operation in the following April. More than 3,000 different parts for the D, E and J models are in stock and the parts inventory is being increased in 2006. Here, members of the East Brunswick staff take a few seconds to pose for the camera.



customers within one day, and orders entered by noon Eastern time are shipped the same day.

MCI Service Parts expects its business to grow by more than 20 percent during 2006

on its popular E, J, and D coach parts. "We continue to support the highest service levels in the industry and our customers are recognizing that value," said Todd Pankey, MCI vice president of service parts.

Todd Kreitlow is the manager at East Brunswick. Located right off Exit 9 on the New Jersey Turnpike, the facility boasts more than 50,000 square feet of space. Parts orders placed by phone are usually available at the will-call window within two hours. East Brunswick supports more than 150 MCI customers in the area.





MCI's third and newest facility in the area is located at the Atlantic City Transportation Center. This photo shows numerous visiting coaches parked at the facility. MCI will be offering both service and parts in Atlantic City.

Once again, MCI customers reacted positively to this expansion. Sales increased 24 percent in December. Todd Pankey, MCI vice president of service parts was quoted as saying: "Based on the positive response, we are expanding our parts inventory there by 25 percent for 2006."

#### **Atlantic City**

The third and most recent MCI expansion in the area is in Atlantic City.

Opened in 1985, the service center at Atlantic City's Transportation Center is owned by Ole Hansen and Sons, Inc. Until recently it was operated by Greyhound Lines for its coaches. When it became available, MCI stepped in and reopened the facility on April 17, 2006 as its ninth service facility in North America.

Part of this decision was based on the fact that MCI's Blackwood facility was already operating at capacity. Hence, the Atlantic City Service Center, which has three bays in an 8,000-square foot facility, will effectively be an extension of Blackwood.

Much of the services available will be similar to Blackwood. This includes washing, lavatory dump, repairs and maintenance. It will also offer the same-day guarantee and 90-day warranty on parts and labor that are offered at other MCI Fleet Support Service Centers. In addition, the new

Atlantic City facility will stock a full complement of parts.

However, two things make Atlantic City somewhat different. The first is that it will offer service, maintenance work and parts sales for all coach models, not just MCI. Hence, other makes and models of coaches visiting Atlantic City will be very welcome. The second difference is that the Atlantic City facility will be open seven days a week from 9 a.m. to 7:30 p.m.

#### **Johnson and Towers**

In addition to its own facilities, MCI is expanding its network of Authorized MCI Service providers to include Johnson and Towers in Baltimore. A dealer for Detroit Diesel and Allison, Johnson and Towers will provide warranty and all other mechanical work performed to the same standards as at MCI's own nine service centers. Technicians will be trained by MCI.

Now in business for 80 years, Johnson and Towers is located at 500 Wilson Point Road in Baltimore near Martin State Airport. Their phone number is (410) 687-0500 or visit [www.johnsontowers.com](http://www.johnsontowers.com) for more information and a map.

We should note that MCI's primary parts distribution center is located in Louisville, Kentucky, near a UPS hub. It has the largest inventory of parts in the industry with more

than 160,000 different items including OEM parts for nearly all makes and models of coaches and transit buses. MCI also offers more than 1,000 items in its own Coach-Guard line of parts.

The interesting question is whether this expanded availability of customer parts and service will be limited to this one area, or are we looking at the start of a new trend that might see increased customer parts and service available in other areas? According to MCI, this expansion in the Northeast states has been so successful that they are now planning to open two additional service centers every year. Will one of them be located near you? □

From the  
September, 2006 issue of  
National Bus Trader

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