

Amtrak Cascades Travel Industry Pilot Program

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Proviso:

In ESSB 6001, Section 222 (3) for the Department of Transportation – Rail – Program Y – Operating requires the department to participate in a pilot partnering program with the travel industry for increasing ridership in the Amtrak Cascades service. The Proviso states:

The department shall continue a pilot program by partnering with the travel industry on the Amtrak Cascades service between Vancouver, British Columbia, and Seattle to test opportunities for increasing ridership, maximizing farebox recovery, and stimulating private investment. The pilot program must run from December 31, 2013, to December 31, 2014. The department shall report on the results of the pilot program to the Office of Financial Management and the Legislature by January 31, 2015.

Status:

WSDOT partnered with Clipper Vacations to create a flat-fare pilot program between Seattle and Vancouver, British Columbia, to determine whether a lower, flat rate available every day for the period of one full year could increase revenue, maximize farebox recovery, and stimulate private investment, in the north corridor. This is the first pilot program to feature special pricing for one year. Details of the program include two options for Amtrak Cascades ticket sales through Clipper Vacations. The first is through a flat rate which applies only to trips between Seattle and Vancouver, British Columbia. The second special rate is a 20 percent discount available for all stops on the corridor except Seattle and Vancouver, British Columbia:

1. \$35 flat fare Seattle-Vancouver, British Columbia
 - a. One day advance reservation required
 - b. No blackout dates
2. 20% off all Amtrak Cascades travel
 - a. Excludes Seattle-Vancouver, British Columbia

Clipper Vacations offers packages bundling Amtrak Cascades train travel with hotels and tickets to local attractions which are available at www.ClipperVacations.com and at www.AmtrakCascades.com.

Financial Status

The table below shows the revenue performance of Clipper Vacations ticket sales of Amtrak Cascades seats of the 2014 pilot program. The ridership and revenue data was provided by Amtrak. Please see table next page:

2014 Partnership Results

	Ridership	Ticket Revenue
January	55	\$1,861
February	102	\$3,653
March	154	\$5,829
April	221	\$8,647
May	276	\$10,518
June	380	\$14,938
July	554	\$20,599
August	671	\$25,863
September	292	\$11,777
October	213	\$8,482
November	140	\$5,604
December	166	\$6,675
Total *	3,224	\$124,446

*Reported numbers are preliminary and subject to change

Results

The results of the pilot program are as follows:

Revenue in the pilot program increased: Preliminary analysis shows the 2014 total represents a ticket revenue increase of twelve percent over the 2013 pilot program.

Farebox recovery was maximized: Revenue generated with no increase in costs maximizes farebox recovery. This partnership helped boost ticket sales and ridership.

Private investment was stimulated: WSDOT partnered with Clipper Vacations to advertise vacation packages utilizing Amtrak Cascades trains. Clipper Vacations contributed \$56,000, and WSDOT contributed \$12,000 toward this partnership advertising effort. Through this partnership, extensive promotion of Amtrak Cascades and Clipper Vacations included newspaper, television, radio, online, and social media (see below). This increased exposure of the service supports public awareness and ticket sales, which reduces operating subsidies.

2014 Advertising Partnership Program with Clipper Vacations

Media Venue	Number of times advertised
Newspaper – Seattle Times	40
Radio – 9 Seattle Market Stations	1,123
Television – 4 Seattle Stations	111

Next steps

WSDOT will continue to monitor program effectiveness to examine additional opportunities. WSDOT has extended the partnership with the same terms as 2014 for the 2015 calendar year so Clipper Vacations can continue to sell tickets on Amtrak Cascades which may otherwise remain unsold.