Managing stations on a commercial basis in a liberalized railway market – a case study from Sweden

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Swedish railway history

1856 Statens Järnvägar (SJ) is formed

1988

Statens Järnvägar (SJ)

2001

The Swedish Rail Administration

2010

The Swedish Transport Administration

The Swedish Road Administration

Jernhusen AB

Private companies: Euromaint Trafficare Train Tech Engineering Unigrid AB

Green Cargo AB

SJ AB
Sweden, a liberalized railway market
Who owns station buildings?

- Municipality: 33%
- Jernhusen: 29%
- Swedish National Transport Administration: 1%
- Private Ownership: 38%
Svenska Reseterminaler, a specialized and neutral agent that manages basic station functions.

133 stations
38 transport operators

Station owner has 1 contract with SRAB covering all operators

Operator has 1 contract with SRAB covering all stations
Station services are financed on a commercial basis

- Shared core services (e.g. waiting rooms) available to all operators on fair cost basis, allowing for a reasonable profit
- All modes of transport, using the station, share the cost for common services, thus reducing cost for TOCs
- Station Service Agreements are valid for 1 year at a time
- Most station owners contract with Svenska Reseterminaler to manage waiting rooms
- Other services, retail and office premises are offered at market rates; profit and risk remain with property owner

<table>
<thead>
<tr>
<th>Cost of service</th>
<th>Fair price/mark-up</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Price covers costs</td>
</tr>
<tr>
<td></td>
<td>No service charge</td>
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Pricing possibilities for station managers
Basic and supplementary functions

A number of functions are always offered in order to fulfill the travellers’ basic needs for their trip and to secure a safe and comfortable environment.

Supplementary services are defined per station, based upon local needs and circumstances (e.g. cleaning, security)

<table>
<thead>
<tr>
<th>FURNITURE, INFORMATION</th>
<th>STATION CLASS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seats</td>
<td>0-5</td>
</tr>
<tr>
<td>Entrance sign &amp; opening times</td>
<td>0-5</td>
</tr>
<tr>
<td>Waste baskets</td>
<td>0-5</td>
</tr>
<tr>
<td>Lighting</td>
<td>0-5</td>
</tr>
<tr>
<td>Frames 70 x100 for train and bus timetables, traffic info and a local map</td>
<td>0-4</td>
</tr>
<tr>
<td>Toilet</td>
<td>0-4</td>
</tr>
<tr>
<td>Info about the property</td>
<td>0-5</td>
</tr>
<tr>
<td>Contrast markings / guidance paths</td>
<td>In accordance with legislation</td>
</tr>
<tr>
<td>Signage for traffic purposes</td>
<td>0-4</td>
</tr>
<tr>
<td>Meeting point</td>
<td>In accordance with legislation</td>
</tr>
<tr>
<td>Clock</td>
<td>0-5</td>
</tr>
<tr>
<td>Audible information</td>
<td>0-4</td>
</tr>
<tr>
<td>Dynamic traffic information (Screen with real-time information)</td>
<td>0-3</td>
</tr>
</tbody>
</table>
Nattavaara (pop. 115)
Kumla
Listed building owned by the municipal real estate company

Images courtesy of Kumla Fastigheter AB
Åmotfors
Privately owned station / guest house / art gallery

Image courtesy of Vita Älgen Drift AB
Växjö
Station and city hall (under construction)
Cooperation is the key to success
Lessons learned & Challenges

1. Genuine customer-supplier relationships drive the necessary dialogue about value for money and "need vs. nice to have".

2. Small stations thrive under local ownership.

3. Legislation lags business practice, causing uncertainties (and extra work) for all parties involved.

4. Conflicts of interest do arise – how remain agile and decisive while making sure the large number of stakeholders have a saying?
Thank you for your kind attention

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