

AMTRAK

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Roger Harris
President



November 7, 2023

The Hon. Maria Cantwell, Chair
U.S. Senate Committee on Commerce,
Science, and Transportation
254 Russell Senate Office Building
Washington, D.C. 20510

The Hon. Sam Graves, Chairman
U.S. House Committee on
Transportation and Infrastructure
2165 Rayburn House Office Building
Washington, D.C. 20515

The Hon. Ted Cruz, Ranking Member
U.S. Senate Committee on Commerce,
Science, and Transportation
512 Dirksen Senate Office Building
Washington, D.C. 20510

The Hon. Rick Larsen, Ranking Member
U.S. House Committee on
Transportation and Infrastructure
2164 Rayburn House Office Building
Washington, D.C. 20515

Dear Chair Cantwell, Chairman Graves, Ranking Member Cruz and Ranking Member Larsen:

Section 22208 of Division B of the Infrastructure Investment and Jobs Act, codified at 49 U.S.C. 24321, directed Amtrak to establish a Food & Beverage Working Group (F&BWG). The F&BWG was to be comprised of representatives of Amtrak, organizations representing onboard service (OBS) employees who provide food and beverage (F&B) service on Amtrak trains, organizations representing Amtrak passengers, and states that provide funding for Amtrak's state-supported services. It was tasked with developing recommendations for improving the F&B service Amtrak provides onboard trains that would:

- Improve Amtrak's financial performance;
- Increase and retain Amtrak ridership;
- Take into account the different needs of passengers traveling on Amtrak's long-distance, state-supported and Northeast Corridor (NEC) services, and Amtrak passenger survey data on F&B service;

- Incorporate local F&B items on state-supported routes; and
- Address any other issues the F&BWG determined to be appropriate.

The F&BWG was comprised of nine representatives of Amtrak stakeholders and Amtrak's Vice Presidents of Customer Service Stations & Onboard and Product Development & Customer Analytics. The stakeholder representatives were:

- Madison Butler, Rail Passengers Association (RPA)
- Kirk Frederickson, Washington State Department of Transportation
- Haley Glynn, Virginia Passenger Rail Authority
- Ken Homko, OBS employee, Amtrak
- Wilson Johnson, OBS employee and chairman, American Service Workers Council (ASWC)-Transport Workers Union (TWU), Amtrak
- Priscilla Lupar, executive chef Southwest Division, Amtrak
- Wayne Moses, (Former) OBS employee and chairman, ASWC-TWU, Amtrak
- William Wang, Young Professionals in Transportation Foundation
- Melody Wooten Strich, American Railway and Airway Supervisors Association (ARASA)-OBS supervisor and ARASA division chair, Amtrak

Amtrak greatly appreciates the contributions that each of the stakeholder representatives made to the work of the F&BWG.

The F&BWG submitted its report (F&BWG Report) to your Committees on May 11, 2023. Section 22208 provides that, within 180 days after the F&BWG submits its report, Amtrak is to provide your Committees with a plan for implementing the report's recommendations (Implementation Plan) and an explanation for any of the recommendations Amtrak does not agree with and does not plan on implementing.

Amtrak's Implementation Plan is set forth below; each of the F&BWG's recommendations is quoted, and Amtrak's response is provided in italics. Before describing how Amtrak plans to advance each of the F&BWG's 21 recommendations, I will briefly discuss the food service Amtrak offers on its trains; the reasons Amtrak and

its state partners who fund state-supported routes provide onboard food service; the challenges inherent in operating moving restaurants and cafes; the vital roles our OBS employees and state partners play in improving F&B service; and what Congress can do to help Amtrak and its partners advance that objective.

F&B Service on Amtrak Trains

Onboard F&B service is offered on nearly all Amtrak NEC, state-supported and long-distance routes. On state-supported routes, states decide whether F&B service will be provided and fund F&B costs that are not covered by revenues from sale of F&B items.

Four different types of food service are offered on Amtrak trains.

- All trains with food service have a cafe with a counter at which passengers can purchase hot and cold food and beverages. Passengers can take the items they purchase back to their seats or consume them at tables located in the Cafe Car.
- On Amtrak's high-speed *Acela* trains in the NEC, First Class passengers receive pre-prepared meals served at their seats.
- Trains on eight of Amtrak's 14 overnight long-distance routes, all but one of which travel for over 24 hours, offer Traditional Dining to First Class passengers (those traveling in Private Rooms in Sleeping Cars) with hot, chef-prepared meals served at tables in a Dining Car. On all but three of these routes, Coach passengers are also able to purchase meals in the Dining Car.
- On the six other overnight long-distance routes, Amtrak offers Flexible Dining to First Class passengers, with hot, ready-to-serve meals that passengers can eat at tables in the Dining Car or have delivered to their room. (On the Chicago-to-New Orleans *City of New Orleans*, which because of a shortage of operable *Superliner* Dining Cars is temporarily operating with a Cafe-Lounge Car not equipped to serve meals, First Class passengers are served food and beverages from the Cafe menu.)

Ticket prices for First Class on *Acela* and overnight trains include meals. On most routes that have Business Class, Business Class passengers can obtain non-alcoholic beverages from the Cafe Car without charge. Amtrak does not provide any complimentary F&B items to Coach passengers other than Continental Breakfast on *Auto Train*.

Most long-distance trains have separate Dining and Cafe-Lounge Cars; some have Diner-Lounge Cars in which dining and cafe service is provided in a single car. With the exception of the 25 *Viewliner* Dining Cars placed in service during the last few years that operate on eastern long-distance trains, Amtrak's food service cars are all over 20 years old, and most are over 40 years of age. Not surprisingly given their age, these food service cars have often unreliable mechanical and electrical systems; food preparation and kitchen equipment for which parts and replacements are sometimes unobtainable; and interior configurations not designed to accommodate contemporary food service preferences or the types of food service that Amtrak provides today. Fortunately, nearly all of Amtrak's food service cars will be replaced in the coming years with modern cars that are part of the new equipment fleets that Amtrak is acquiring: the next generation *Acela* trainsets for NEC high-speed service; the *Amtrak Airo* trainsets that will operate on *Northeast Regional* trains and state-supported routes in the east and Pacific Northwest; the *Venture* cars Amtrak's state partners are acquiring for service on Midwestern and California routes; and the new long-distance fleet that Amtrak is procuring.

Onboard Food Service: Need, Benefits and Challenges

There are two reasons why Amtrak and its state partners offer onboard food service on nearly all Amtrak routes.

The first is that food service is a necessity on many routes, particularly for passengers with health conditions such as diabetes and those traveling with small children. Long-distance passengers spend up to two days – and on one route nearly three days – aboard a train, in most cases with no access to off-train food and beverages. Most *Northeast Regional* and some state-supported trains have trip times longer than any domestic airline flight. Often, there is nowhere for passengers to buy food or drinks even before they board their train. Most Amtrak stations are relatively small facilities, in most cases owned by third parties, that unlike airports do not have restaurants, fast food outlets or convenience stores that sell food and beverages.

Second, the availability and quality of onboard F&B service is an important factor in Amtrak customer satisfaction, which drives ridership and ticket revenues. Even frequent air travelers would be hard pressed to recall a time when they had an enjoyable meal or snack while wedged between their seat and tray table aboard an airplane. But for many train travelers, particularly those making multi-day trips on long-distance trains or traveling on business, the opportunity to eat and drink while

looking at the passing vistas in the company of friends, family or new acquaintances, or working on a laptop in the Cafe Car, is the most memorable or valuable attribute of train travel. For our state partners, F&B service provides an opportunity to distinctively brand their service through inclusion of local products on cafe menus.

Providing high-quality F&B service is crucial in retaining existing customers and attracting the new customers Amtrak will need to meet our goal of doubling ridership by 2040. According to Amtrak's customer surveys, how satisfied customers are with F&B service is a significant factor in overall Customer Satisfaction Index ("CSI") scores. While there are variations among service lines and routes, in general F&B service is around the eighth largest contributor to CSI scores. F&B service is a particularly important contributor to CSI scores for Amtrak's highest revenue customers: *Auto Train* First Class passengers (second highest contributor); First Class passengers on two-night trains (fourth highest contributor); and *Acela* First Class passengers (seventh highest contributor).

The F&BWG "found that railroads and airlines treat F&B as a cost of doing business, with no expectation of making a profit." (F&BWG Report, p. 6) That is correct. Because of the high costs associated with providing F&B service on trains, railroad Dining Cars and Cafe Cars have never covered their costs from what passengers paid for food and beverages, even in the days before airline travel when passenger trains were operated by private railroads and their Dining Cars were patronized by business travelers on expense accounts. A 1941 article in *Trains Magazine* on the food service provided by the Baltimore & Ohio Railroad (B&O) noted that "every railroad operates its dining car service at a loss" and that the B&O's Cafe Cars "never come near[] to breaking even." (Lawrence W. Sagle, "Meals En Route," *Trains Magazine*, January 1941) Private railroads offered food service on their trains for the same reasons Amtrak does today: the necessity of providing food to passengers taking long trips and the indirect financial contribution F&B service makes through the increased ticket revenues it generates.

There are a number of reasons why providing onboard food service is much more challenging, labor intensive and costly than serving customers in a stationary restaurant or cafe. The first involves food delivery and storage. Food delivered to restaurants by suppliers can be transferred directly from trucks to the restaurant's kitchen and kept there until use. Food served on trains must be delivered to and stored in a commissary; loaded onboard the train before each trip; and if unsold removed at the end of the trip and returned to the commissary – or discarded if it has exceeded its shelf life, which is usually the case for fresh foods. Trains must carry sufficient food and drink to avoid, or

at least minimize, running out of menu items, since restocking can take place only where commissaries are located. (Like airlines, Amtrak contracts with a third party that provides commissary services.)

Providing food service on trains is also challenging for OBS employees. Unlike in restaurants, it is not feasible to vary the number of OBS employees to reflect fluctuations in demand at different times of day or replace OBS crews enroute to limit the time they are on duty. As a result, on nearly all routes OBS employees work from a train's origin all the way to its destination, and then make a return trip to their home crew base. They work continuously and are paid throughout the time they are on the train, save for designated meal and rest breaks. When their train arrives at its destination, OBS employees on long-distance and many state-supported routes stay overnight in a hotel before boarding the return train to their crew base the following day. On long-distance routes, OBS employees work for three to six days in a row and then have a roughly equivalent number of days off before their next trip.

Needless to say, no restaurant that had to not only pay its employees for the long hours Amtrak F&B employees work but also provide them with hotel rooms and meals between shifts would be able to earn a profit in the low margin restaurant business. It also bears noting that, unlike most restaurant employees, Amtrak employees receive comprehensive health benefits, paid time off/vacation pay and pensions pursuant to the Railroad Retirement Act that are funded predominantly by taxes on employers.

Another challenge is addressing the widely divergent food preferences of Amtrak passengers – whose favorite restaurants run the gamut from Ruth's Chris Steakhouse, Sweetgreen and McDonald's – in a single Dining or Cafe Car whose menu and amenities are constrained by limited food storage and preparation space and the need to serve large numbers of customers with limited staff. Some Amtrak customers would happily pay more if Amtrak offered high end cuisine in its Dining Cars; others would prefer a menu with only healthy or vegan foods; and some just want a hot dog – the number one selling item in Amtrak Cafe Cars as the F&BWG Report notes.

The Roles of Amtrak's State Partners and OBS Employees

Two groups represented on the F&BWG – our state partners and our OBS employees – play vital roles in the provision of Amtrak's F&B service. The findings of the F&BWG underscore how important it is for Amtrak to work in close collaboration with them to improve its F&B service.

Our state partners have intimate knowledge of the needs and preferences of passengers on their state-supported routes, on which many of their staff travel frequently. They are very familiar with local food preferences and brands, and many closely monitor customer satisfaction with F&B service and its financial performance on their routes.

Our OBS employees are the frontline of Amtrak's F&B service. Every day, they engage in tens of thousands of interactions with the Amtrak passengers to whom they provide F&B service. They see firsthand how those passengers view Amtrak's F&B service and the ways in which it sometimes falls short of their expectations. Because of that, they are often the best source of ideas for improving F&B service.

Amtrak recognizes that the key to making our F&B service better is to work more closely with our state partners and OBS employees. We must listen to them, provide them with regular opportunities to communicate with those who manage Amtrak's F&B service, address the problems they identify and solicit their suggestions for improvements. We must give our state partners the information and data they need to assess food service performance and customer satisfaction on their routes, and to work with us to improve them. For our employees to do their jobs well, we must provide them with training that enhances their skills, timely and accurate delivery of F&B items to trains, on-train food storage and preparation equipment that works, and the support and working conditions that will enable them to deliver high quality customer service. The Implementation Plan set forth below describes the steps that Amtrak has already taken, and others we plan to undertake, to improve communication and information sharing about F&B service with our state partners and OBS employees.

One of the most important of these steps is intended to address the distance – both geographically and sometimes metaphorically – between the frontline OBS employees who provide F&B service to our customers, the managers who supervise them, and the senior Amtrak leaders responsible for our F&B service. Unlike restaurant employees, Amtrak's OBS employees do not work in a fixed location under direct supervision. Their managers are located in crew bases that are sometimes over 2,000 miles away from where they are serving customers. While the hallmark of national restaurant chains is uniformity, there are significant variations in the F&B service Amtrak offers on the more than 40 Amtrak routes on which it is provided, and in the configurations of the kitchens, cafes and dining areas on Amtrak's food service cars. This makes managing Amtrak's onboard F&B service – keeping abreast of how frontline OBS employees work, the problems they encounter, and what needs to be done to improve

customer satisfaction – much more challenging than for managers of brick-and-mortar restaurant chains.

In order to bridge this gap, Amtrak has recently initiated “Platform Calls”: regular virtual meetings that bring together OBS employees providing a particular type of service to customers (e.g., chefs and food specialists who work in Dining Cars with Traditional Dining), the regional OBS Superintendents who oversee them, and senior Amtrak managers responsible for Amtrak’s F&B service. Platform Calls give senior and regional managers the opportunity to learn directly from frontline employees how customers perceive our F&B service; discuss issues regarding menu items, equipment and food preparation; and identify actions to address them. These candid discussions have already led to a number of changes in Amtrak’s F&B service.

Implementing the F&BWG’s Recommendations

Amtrak's Implementation Plan identifies many initiatives to advance the recommendations of the F&BWG that we have already initiated or plan to begin during Fiscal Year 2024. Nearly all of the costs associated with these initiatives, and other implementation actions the F&BWG has recommended that we hope to pursue in future years, are operating expenses that must be funded out of Amtrak's annual appropriations for our National Network and the NEC. As of this time, the level of annual appropriations Amtrak and other federally-funded programs will receive for Fiscal Year 2024 is unknown. Our ability to carry out all of the F&B initiatives planned for Fiscal Year 2024 is dependent upon receiving sufficient appropriations to fund the base needs to provide our current services that we have identified to Congress.

The F&BWG Report did not address the net financial impact of any of its recommendations. Some of the F&B initiatives Amtrak is implementing, such as the recent restoration of Traditional Dining service on *Silver Service* trains and the addition of cart service on select *Acela* trips, are projected to cover their additional costs through fare increases they enable and/or additional F&B revenues they generate. Other initiatives recommended by the F&BWG Report, such as expansion of Traditional Dining to long-distance routes with lower demand, and training programs for OBS employees and investments in technology beyond those currently planned, would require expenditures that are likely to exceed any additional revenues they generate, at least in the near term. Implementing these recommendations during Fiscal Year 2024 would require shifting funds away from other important priorities, such as equipment

overhauls, technology and safety enhancements, and other customer service improvements.

Accordingly, Amtrak intends to seek additional funding in its Fiscal Year 2025 Legislative Proposal and Grant Request for a F&B Enhancement Initiative. This initiative would allow us to pursue worthwhile enhancements in F&B service identified in the F&BWG Report that would require additional funding. Some of the potential F&B enhancements this additional funding could make possible are identified in Amtrak's Implementation Plan.

Conclusion

As the F&BWG's Report notes, throughout much of its history Amtrak has received inadequate funding and inconsistent policy directives regarding its F&B service. This has made it difficult for Amtrak to provide a high-quality F&B service that meets the expectations of our passengers, that our OBS employees are proud to deliver, and that optimizes Amtrak's financial performance.

The F&BWG's Report is very timely. Amtrak has largely emerged from the COVID-19 pandemic that severely impacted our ridership, finances and equipment fleet. The enactment of the Infrastructure Investment and Jobs Act (IIJA) has provided Amtrak with long needed, multi-year capital funding for vital investments including replacement of our aged equipment fleet. There has never been a better time for Amtrak to develop innovative approaches to the unique F&B service we offer on our trains, and to greatly improve the F&B experience we provide for our customers. The work of the F&BWG, the recommendations it has made for improving Amtrak's F&B service, and the goals and implementation steps it has suggested to advance those recommendations of which we will be mindful, provide a welcome road map for Amtrak, working in collaboration with our employees and other stakeholders, to provide an F&B service that truly meets our customers' expectations.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger Harris", written in a cursive style.

Roger Harris

President

IMPLEMENTATION PLAN FOR THE RECOMMENDATIONS OF THE F&BWG

- 1. Enhance Customer F&B Experience:** Elevate Café Car service capability with a menu featuring healthy and fresh food offerings, updated equipment, and a crew-centric approach to F&B performance.

Amtrak agrees with the recommendation and has already begun implementing it.

- We have upgraded our Cafe Car menus with new hot entrees, fresh foods and more healthy items, including a vegan offering.*
- We have added three new vendors of fresh foods to our suppliers.*
- We have hired a business analyst to provide additional analytic support for our F&B Group. Among other things, this will enable us to better use the data from point-of-sale and warehouse and inventory management systems to match our F&B offerings with our customers' preferences.*
- We have initiated the Platform Calls described above to improve communication among OBS crews, regional OBS Superintendents and senior F&B management.*

We also plan to:

- Install new cooking devices that can cook food via impingement, convection or rapid cook methods, referred to in the F&BWG's Report by the brand name "Turbo Chefs," in our new Acela trainsets and Viewliner Dining Cars, and in the Amtrak Airo trainsets we are acquiring for operation on our Northeast Regional and many state-supported routes;*
- Hire regional chefs who will focus on working with frontline OBS employees to improve our F&B menus and how food and beverages are prepared and served;*
- Use train manager briefings with OBS crews that take place before trips to communicate information about F&B goals and performance and solicit their feedback; and*
- Increase communications with passengers regarding our F&B service and promote F&B enhancements, as discussed in the response to Recommendation 13.*

The funding we plan to seek in our Fiscal Year 2025 Legislative Proposal and Grant Request for the F&B Enhancement Program described above could enable us to undertake additional initiatives to implement this recommendation.

- 2. Establish a Comprehensive Food and Beverage Experience:** UX [User Experience] and IT [Information Technology] development to support accurate and timely communications to passengers via web interface and mobile application usage.

We agree that enhancing the User Experience for our F&B customers and making greater use of Information Technology to communicate with them are crucial in providing the F&B service they expect. We have several UX/IT initiatives underway that will advance this recommendation.

- We are developing a pilot program for at-seat ordering that we will test on Acela beginning this fall.*
- The new Acela trainsets we are acquiring will have digital menu boards in cafes.*
- We are working on a pilot for self-service check out on the new Acela trainsets that would enable passengers to pay for items they pick up off Cafe Car shelves without having to wait in line to pay. If the pilot is successful it will be expanded to other cafe cars.*

The funding we plan to seek in our Fiscal Year 2025 Legislative Proposal and Grant Request for the F&B Enhancement Program described above would enable us to undertake additional initiatives to implement this recommendation.

- 3. Food Safety Compliance via Clear and Complete Ingredient Listing:** In accordance with ADA (Americans with Disabilities Act) and industry best practices, the total ingredient lists for all food and beverage served on-board must be made available to all passengers in advance and throughout their trip.

Providing total ingredient lists is not an ADA requirement. Other North American passenger railroads and airlines, and most national restaurant chains, do not provide complete ingredient lists on their websites.

Making available accurate ingredient information, both online and in every food service car, about every F&B item we offer would be a much greater challenge for Amtrak than for restaurants and other transportation providers who serve food. Our Dining Car and Cafe menus

vary among routes due to regional food preferences and the inclusion of local products requested by state partners. As a result, Amtrak offers many more F&B items than most restaurants and other transportation providers, and menus change frequently as products are added to or removed. The ingredients in foods served on our trains also vary based upon the availability of products at the locations throughout the country where commissaries are located.

There are other ways in which passengers can obtain ingredient information for foods and beverages served on Amtrak trains. As the F&BWG Report notes, most F&B items Amtrak sells are prepackaged and contain complete ingredient lists that passengers can review. Amtrak onboard staff can provide information about the ingredients in other items. We are also working to include more specific information about ingredients in Dining Car meals in the Dining Service Guides used by OBS crew members. Customers with food allergies can also contact Amtrak in advance of their trip to obtain information about the food and beverages available on their train and to request reasonable accommodations.

- 4. Install and Operate Satellite Wi-Fi on All Amtrak Trains:** Adopt satellite Wi-Fi service on Amtrak trains to improve the connectivity of passengers' personal communication devices on the train, provide more consistent and faster credit and debit card transactions in café cars, and support better communications between the trains and Amtrak's food and beverage commissaries for more reliable and accurate inventory management.

Onboard Wi-Fi is an important service offering which provides internet access for passengers and increasingly is also viewed as a foundational network for other uses including F&B, Point-of-Sale and Employee Mobile Device applications. Amtrak has a number of initiatives underway to improve onboard Wi-Fi service:

- The legacy 4G LTE connections between the onboard Wi-Fi network and commercial cellular providers are being upgraded.*
- We have recently completed upgrades to new 5G technology on Acela and the Auto Train. Wi-Fi on the Pacific Surfliner route will be upgraded to 5G in the coming months; planning has commenced for upgrades on Amfleet I cars that operate in Northeast Regional service and on Eastern and Pacific Northwest state-supported routes; and we are planning upgrades to 5G for additional fleets.*
- Amtrak has installed Wi-Fi hardware, including modern routers, switches, access points, and antennas, on the new, state-owned, Venture cars that serve Midwestern routes.*

- *We have launched a procurement for design, installation and maintenance of a complete cellular based Wi-Fi solution that will serve as a data communication platform for Amtrak trains and provide open internet Wi-Fi for passengers with a broad scope. This procurement provides the Wi-Fi marketplace with the flexibility to respond with solutions that best address performance requirements. Vendors can propose systems that support integration with non-cellular train-to-ground connectivity options such as satellite services or private terrestrial wireless data networks (e.g., dedicated wayside Wi-Fi and/or private 5G systems). Initially, the vendor will supply a Proof of Concept (POC) system to be installed for testing aboard a minimum of five Amfleet I Business Class train cars; if successful, Amtrak will have the option to install the solution on other rolling stock.*

We are constantly assessing new Wi-Fi technologies, including satellite, in collaboration with international rail operators and our Wi-Fi vendors. Amtrak sees promise in emerging satellite service offerings from the marketplace. However, we have not identified any existing rail-centric or rail-certified satellite solutions that can deliver high-performance and cost-effective access to Wi-Fi across Amtrak's 21,400 mile network.

- *Existing satellite solutions have hardware that was not designed for rail use cases, a form that is susceptible to damage, and/or have unaffordable prices, among other limitations.*
- *Fleet-wide retrofits of Amtrak rolling stock would present significant cost and equipment placement challenges. Clearance envelopes between the top of the train and existing infrastructure are very small, often requiring sub-optimal placement of antennas.*
- *Connectivity to satellites remains a challenge in environments common to Amtrak routes. These include areas where forests line the rights-of-way, mountainous regions, obstructions in dense urban areas and tunnels. Integration of cellular networks as a fallback option for satellite Wi-Fi could ultimately be a solution, but that remains to be seen.*
- *The 5G network carriers are providing cost-effective access plans to Amtrak, and performance levels that are at or exceed those of more expensive satellite services.*
- *Shifting to satellite Wi-Fi would not eliminate the intermittent, usually brief, outages in wireless communications that passengers and OBS employees sometimes experience today.*

- 5. Ongoing Oversight:** A Food and Beverage Advisory Committee (FBAC) similar to the one formed for this report shall be established and funded to monitor Amtrak's efforts toward implementing the IJA Food and Beverage Working Group's recommendations. The FBAC shall also serve as a forum for information-sharing between states, regional rail authorities, Amtrak management, Amtrak onboard staff and labor, Rail Passengers Association staff members, and others with the goal of continuously improving food and beverage service across Amtrak's entire network.

Amtrak agrees with the recommendation to form a F&B Advisory Committee (FBAC) to provide input on F&B issues. Amtrak will coordinate the FBAC, as it did the F&BWG, to ensure that the issues, ideas and concerns identified by the FBAC are taken into account as Amtrak carries out its internal processes, including our planning and budgeting processes. It will include representatives of Amtrak, OBS employees, state partners who fund state-supported services and organizations representing Amtrak passengers.

While the FBAC will serve as a valuable clearinghouse for broad and interrelated F&B issues to be considered in one forum, we believe that the best way to collaborate with stakeholders to improve F&B service is through frequent, one-on-one engagement with a broad range of F&B stakeholders through existing, enhanced and new channels. Specifically:

- We plan to more actively engage with our state partners regarding F&B issues to enable them to play a greater role in the provision of F&B service on their routes, as described in the response to Recommendation 17.*
- We intend to utilize the existing regular meetings between Amtrak OBS Superintendents and union officials representing OBS employees and between Amtrak Labor Relations officials and the chairpersons of the American Service Workers Council that represents our OBS employees, to identify and address F&B issues.*
- We will use the new Platform Calls described above and regular OBS employee crew briefings to obtain input about F&B issues directly from frontline employees.*
- We will address F&B issues in our monthly meetings with RPA and will work with RPA and other stakeholder organizations to develop additional opportunities for engagement regarding F&B service.*

- 6. Retrofit Existing Cars and Maintain Fleet:** Develop a program for improving repair and maintenance of frequently broken equipment – elevators, refrigeration, and grills.

Amtrak should consider subcontracting a third-party auditor to evaluate the service worthiness of all on board equipment used in the service of food and beverage that is currently slated to be in service for more than the next two years. (i.e., Refrigerators, HVAC, Elevators, Microwave ovens and grills) If, according to the audit, the equipment is deemed not reliable or predictably unable to withstand the tumult of two more years of over the road service, then Amtrak will schedule immediate replacement of said equipment. During this audit process Amtrak should equip each of the café cars and kitchens with at least one Turbo Chef or similar oven to improve the quality of food products that do not present well when prepared in a microwave. If Amtrak mechanical services is unable to change out this equipment at a reasonable pace this change out will be subcontracted to a qualified vendor. The entire project from audit to replacement should not take more than 12 months.

Additionally, Amtrak must consider alternatives or augmentation to the existing maintenance processes. Providing maintenance and upgrades to a fleet that is approaching the end of its scheduled service life is challenging under the best of circumstances. When the tremendous impact of the pandemic is factored in, the challenge is exponentially more difficult. Amtrak mechanical services saw a large drop in the number of employees during the pandemic. These positions were at the main overhaul bases, as well as at the larger maintenance depots around the country. Replacement parts have also become more difficult to procure as a result of global supply chain issues created by the pandemic. As Amtrak sees ridership continue to build to pre-pandemic levels, mechanical services continue to struggle with hiring and training employees to keep up with repairs and maintenance schedules. Amtrak must fill positions to replace craft employees (supervisors, electricians, carmen and sheet metal workers) to keep up with the demands required of the fleet.

Amtrak appreciates the F&BWG's acknowledgement of the challenges we face in maintaining the kitchen, food storage and food delivery equipment in the food service cars in our aged passenger car fleet in a state of good repair. We are taking a number of steps to address those challenges:

- *A refresh of the interiors of all Superliner food service cars is currently underway.*
- *As described in the Implementation Plan for Recommendation 1, we plan to install Turbo Chefs in the Viewliner Dining Cars and the new Acela and Amtrak Airo trainsets.*

- *We have initiated joint inspections of Acela trainsets by our Product Development and Mechanical Departments to identify interior items in need of repair or replacement, as described in response to Recommendation 18*

The biggest impediment to a proactive and more comprehensive effort to ensure that all of the equipment in our food service cars is in good working order is not inadequate staff at our backshops where this work is performed (their headcounts exceed pre-COVID levels) or insufficient data for prioritizing repair and replacement of food service equipment components. Rather, it is our current shortage of operable food service cars. This shortage impacts all of our service lines. Because of the COVID-19 pandemic; wrecks and other incidents over the past three years that have taken many of our Superliner food service cars out of service; and delays in delivery and acceptance of the new Acela trainsets and the Venture food service cars our state partners are acquiring, we do not have enough food service cars to meet current daily requirements. Taking additional food service cars out of service at this time would require Amtrak to suspend F&B service on some state-supported routes and dining service on some long-distance trains, and in the case of Acela trainsets would require further reductions in already reduced Acela service frequency.

We expect that this shortage will be alleviated somewhat by the steps we have taken to increase the number of equipment overhauls and major repairs at our backshops and as new equipment is accepted and placed into service. The funding we plan to seek in our Fiscal Year 2025 Legislative Proposal and Grant Request for the F&B Enhancement Program described above could enable us to undertake additional initiatives to implement this recommendation.

- 7. Align Amtrak and Aramark Staff Roles:** Align Amtrak and Aramark staff roles to improve onboard F&B performance. Implement a team approach to managing, measuring, and improving the provisioning of trains.

We are adding additional positions to the Amtrak F&B group that manages our relationship with Aramark, the third party responsible for operating Amtrak's commissaries and provisioning of Amtrak trains, to improve the alignment of our F&B organization with theirs and enhance Amtrak's visibility to and communication with Aramark's managers. In order to ensure that the right F&B items are placed where they belong prior to train departures so that opening of food service cars is not delayed while employees check and put away F&B items, we are making on-board provisioning in accord with standardized layout plans part of the commissary work, initially on two routes with plans for expansion to others.

The Platform Calls discussed above, and the regular meetings between Amtrak OBS Superintendents and Amtrak Labor Relations officials with representatives of our OBS employees, which are described in the Implementation Plan for Recommendation 5, will be used to identify ways the Amtrak/Aramark interface can be improved.

The funding we plan to seek in our Fiscal Year 2025 Legislative Proposal and Grant Request for the F&B Enhancement Program described above could enable us to undertake additional initiatives to implement this recommendation, which could include technology improvements, additional training, and additional Amtrak staff to improve Amtrak's interface with Aramark.

- 8. Waste Control and Recycling:** Encourage Amtrak to add three new sustainability initiatives to its annual sustainability report that focus on food and beverage services; increase the recycling and composting of materials generated from food and beverage-related activities; increase usage of biodegradable packaging and serving materials; establish more partnerships with local food banks near Amtrak commissaries to distribute safe food and beverage products approaching their expiration dates.

While Amtrak does not list all of its sustainability initiatives in its annual Sustainability Report, we are currently engaged in or plan to pursue a number of initiatives, listed below, to improve the sustainability of Amtrak's F&B service.

- We are commencing a new recycling initiative on the NEC. Onboard cleaners will make announcements encouraging passengers to use recycling receptacles on trains and at stations. In addition to trash bags, onboard cleaners will carry blue recycling bags to collect recyclable items from passengers, including containers and bottles from F&B items purchased in cafe cars.*
- We are planning to test using compostable/recyclable cutlery in the Acela Cafe.*
- We have recently replaced plastic glasses with real glasses in Acela First Class.*
- We have recently expanded traditional dining, which produces less packaging waste, to two additional long-distance routes, the New York-to-Miami Silver Star and Silver Meteor.*

Amtrak already donates surplus food to food banks or non-profit groups at most Amtrak commissary locations where making such donations is consistent with public health requirements. We plan to identify opportunities for additional food donations.

- 9. Define Vision/Strategy for All 3 Service Lines:** Amtrak leadership should clearly define the Vision and Strategy for each of the 3 service lines, Long Distance, State sponsored routes and the Northeast Corridor.

Defining and advancing Amtrak's vision for F&B service is a key part of the Amtrak Blueprint for Fiscal Year 2024-2028 we are rolling out, which lays out a clear vision for the company and the strategic actions and initiatives we will undertake to achieve our objectives. Our next Five-Year Plan, which will be issued in early 2024, will define the F&B vision and strategy for each of our three operating service lines.

- 10. Align Amtrak's Onboard Service Culture:** Align Amtrak's onboard service culture and establish management practices to focus on delivering high quality customer experience with food and beverage service excellence, supported by train and/or crew-based teams.

Amtrak intends to use the planning processes described in response to Recommendation 9 to develop and articulate our vision for F&B service and the onboard service culture we desire. The Platform Calls described above and the train manager briefings described in the response to Recommendation 1 are the key ways we intend to communicate our vision and the desired culture to our F&B employees and solicit their feedback.

The funding we plan to seek in our Fiscal Year 2025 Legislative Proposal and Grant Request for the F&B Enhancement Program described above could enable us to provide additional training and technology tools for our OBS employees, such as those suggested in the F&BWG Report's implementation steps for this recommendation.

- 11. Establish a Rapid Cycle Process:** Establish a rapid cycle process for evaluating new menu items, new products, and changes affecting on board food and beverage services.

Amtrak agrees that a more dynamic process for making changes in menus and other aspects of onboard F&B service is desirable to the extent that it is feasible and consistent with food safety requirements. We are taking a number of steps to advance this recommendation.

- We are moving away from changing menus on a six-month cycle in favor of a more flexible, ongoing process.*
- The recently instituted Platform Calls described above allow us to quickly learn from our frontline OBS employees what new menu items passengers find unappealing or are*

problematic to prepare and serve on trains. They also provide us with input on what new foods and beverages customers would like to see on menus.

- The regional chefs we are hiring, discussed in the Implementation Plan for Recommendation 1, will provide an additional channel for communication between OBS employees and F&B management, enabling us to quickly identify the need for and implement menu changes.*
- Customer surveys for Acela First Class have been redesigned to provide weekly data on passengers' ratings of each meal we serve, which enables us to identify problems with food preparation and quickly replace menu items that receive low ratings.*
- The steps we are taking to empower our state partners to play a larger role in F&B service described in the Implementation Plan for Recommendation 17 and the new Guidelines for Providers and Product Placements described in the Implementation Plan for Recommendation 16 will provide a clearly defined process for state partners to suggest local products for addition to café menus on their routes.*

Amtrak believes that regular menu updates play an important role in increasing customer satisfaction. However, adding new items to the menus of railroad Dining and Cafe Cars is a more complex process than a local restaurant's decision to add a new selection to its "Daily Specials" chalkboard. It requires analysis of data and OBS employees' feedback to decide what menu changes should be made; testing proposed new menu items for taste, suitability as onboard food and ease of preparation; ascertaining whether new items and ingredients will be readily available at all of the locations where trains that will serve them are provisioned; and ensuring that suppliers are in compliance with the rigorous food safety requirements of the Food and Drug Administration and Amtrak's food safety policies. Amtrak seeks to maintain a reasonable balance between speeding up the menu change process, as recommended here, and doing more taste and food preparation testing before new F&B products are added to the menu, as suggested in the F&BWG Report's implementation steps for Recommendation 1.

12. Upgrade OBS Employee Training: Upgrade OBS employee training to include Customer Experience and Food Service training. Develop a curriculum of food preparation and service training for promoting elevated customer experiences. It is recommended that Amtrak upgrade the structure of the existing training program to include a craft and location specific training program, and to extend the training of new hires at their home base so they are adequately prepared to begin work on board. This recommendation includes the following components:

- The business and food service models and Vision and Strategy for Amtrak's F&B services and routes.
- Development and implementation of a specific meal preparation and service curriculum specific to the job roles of chef, food specialist, and [lead service attendant (LSA)].
- Food service sales and upselling.
- Customer service and food preparation simulation exercises on stationary equipment.
- Regular, recurring training for all food service employees

Amtrak agrees that improving the training we provide to F&B and other frontline employees is essential. In addition to the recently initiated "Focus On" training program for Acela First Class employees described in the response to Recommendation 18, we plan to implement a new "hospitality" training program for all customer-facing employees during Fiscal Year 2024. The funding we plan to seek in our Fiscal Year 2025 Legislative Proposal and Grant Request for the F&B Enhancement Program described above would enable us to provide additional training opportunities such as those identified in the suggested implementation steps for this recommendation.

13. Celebrate the Wins: Celebrate the wins and announce big changes to staff and the public pre-emptively. Food & Beverage should partner with Communications and Social Media Teams to celebrate advances for their department. Amtrak should commit to prioritizing press releases and public updates surrounding food and beverage changes, in advance, with robust social media campaigns and timely website updates. Preferably contact will be made with key congressional offices, [the Federal Railroad Administration (FRA), the Department of Transportation (DOT), the] Rail Passengers Association, and other supporting [Non-Governmental Organizations (NGOs)] before the general public so these groups can signal boost the victory lap. Better worker and public opinion require combatting the dissatisfied echo chamber with articulation of clear wins and tangible deliverables.

We agree that Amtrak should increase communications to employees, customers and other external stakeholders regarding improvements in F&B services and the accomplishments of F&B employees. Recent media outreach for the STARR Restaurant Group partnership to enhance the Acela First Class menu discussed in the Implementation Plan for Recommendation 18 and

expansion of Traditional Dining to Silver Service trains discussed in the Implementation Plan for Recommendation 14 generated 74 stories, 146 media shares and nearly 500 million potential impressions. We will look for additional communication opportunities for our F&B service through outreach to media outlets, social media, and internal communications to employees (by, for example, featuring F&B improvements and employee accomplishments in internal communication vehicles, including our weekly "Amtrak This Week" newsletter, our digital signage at locations across our network, and quarterly "Town Hall" events).

We regularly update members of Congress, key committees and Congressional staff members about F&B service enhancements, and will seek additional opportunities to do that as we implement the recommendation of the F&BWG.

- 14. Long-Distance - Open Dining Car to All Passengers:** Open the dining car on the national network with a traditional menu and access to the dining car for all passengers regardless of ticketed class. This group recommends the immediate restoration of traditional dining service for all passengers aboard all routes longer than 750 miles from end to end.

As discussed above, eight of our 14 overnight long-distance routes now have Traditional Dining, including the Silver Meteor and Silver Star routes to which it was recently extended. Coach passengers have access to the Dining Car on five of those routes. The remaining six overnight routes – all of which are one-night routes – offer Flexible Dining to First Class passengers. Coach passengers on all long-distance trains can obtain hot and cold food in the Cafe Car.

Providing Traditional Dining on the six routes on which Flexible Dining is currently offered would require additional staff. The projected additional labor and associated costs of providing Traditional Dining on all six routes are in the range of \$9-10 million annually. This does not include the costs of adding another food service car where that would be necessary to offer Traditional Dining, or the labor and associated costs of the additional OBS staffing, beyond that required for Traditional Dining, that would be needed on some routes to also accommodate Coach passengers in the Dining Car.

We expect that First Class passengers on the six one-night routes without Traditional Dining would be willing to pay somewhat higher fares if Traditional Dining was offered on those routes. However, it is not clear that the additional revenues would be sufficient to cover the added costs of Traditional Dining. Amtrak's CSI surveys indicate that F&B service makes a smaller contribution to customer satisfaction for First Class passengers on one-night trains (other than the Auto Train) than it does on two-night trains, which suggests they would be less willing to

pay higher fares for Traditional Dining. Accommodating Coach passengers in dining cars on all routes would also generate additional revenues from their meal purchases but would require additional staff on some routes.

Amtrak is closely monitoring the net financial impact of the recent implementation of Traditional Dining on Silver Service trains to determine whether there is a financial business case for expanding it to other one-night routes. The funding we plan to seek in our Fiscal Year 2025 Legislative Proposal and Grant Request for the F&B Enhancement Program described above would facilitate F&B enhancements that could include expanding Traditional Dining service and providing Coach passengers with access to the Dining Car on more routes.

- 15. Increase Revenue While Meeting Needs:** Reintroduce “Just For You” program to increase revenue while meeting needs of economy travelers. It is recommended that Amtrak reintroduce and sustain a product development process similar to the Just for You meal program. Just for You provided an alternative to coach passengers for meals from dining cars offering traditional dining. The Just for You program was launched in 2015 as an at-your-seat meal for coach passengers traveling on long distance trains in the [Southwest] Division. Amtrak generated a total of \$441,000 in the span of 1 year across 3 long distance routes. It is a proven success and would benefit the system in its entirety.

Amtrak agrees that offering additional meal options to Coach passengers could enhance customer satisfaction. While the Just for You program described in the recommendation generated additional revenues, preparing more meals and delivering them to Coach passengers required additional staffing whose labor costs exceeded the gross revenue figure referenced above. The funding we plan to seek in our Fiscal Year 2025 Legislative Proposal and Grant Request for the F&B Enhancement Program described above could enable us to test, and if successful implement on a wider basis, innovative concepts for providing additional meal options to Coach passengers.

- 16. Localize Product Onboarding and Removal for Regional and State Supported Routes:** With state and regional public agency partners, adopt a formal process to add, evaluate, and change local and regional food and beverage products sold on state-supported Amtrak trains. Empower state and regional public agency partners to identify potential improvements within the service model to better reflect and exemplify their region.

Amtrak currently partners with ten of our state partners to offer local foods and beverages in Café Cars on their state-supported routes. We are developing and will soon issue Guidelines for Suppliers and Product Placements. These Guidelines will inform our state-supported service

partners and vendors about the process for adding new F&B items to those sold on Amtrak trains; spell out the requirements that must be addressed, most of which pertain to food safety; and provide points of contact to whom questions can be directed.

Using the roadmap the Guidelines will provide, Amtrak's State-Supported Service Line (SSSL) team will work with our state partners to develop a clear and responsive process for including local products in cafe offerings on state-supported trains. This process will facilitate review and evaluation of new product introduction, as well as assessments of current product performance. It will be integrated with existing SSSL processes, including contract management leadership, quarterly business review meetings, and the annual planning process.

17. Expand Quality Control Efforts: Amtrak will establish a robust [Quality Assurance/Quality Control] and accountability program for customer experience in partnership with [its] state supported [partners].

- Develop a proposed checklist of standards based on Amtrak service standards to develop a program that states and long distance routes can customize based on priorities.
- Develop an Amtrak-funded secret shopper program, deployed on all service lines to gain unbiased insights and opportunities for improvement.
- Initiate a state partner inspection program for state DOT officials to ride and assess the services they fund.
- Managers/Supervisors ride trains with lowest metrics obtained through [Customer Satisfaction Index (CSI)] scores, secret shoppers, and state inspection reports to experience the problems firsthand and develop actionable solutions.
- Include options for penalties and incentives in state operating agreements for situations where Amtrak does not meet or exceeds service standards.

We agree that Amtrak must ensure that our customers receive high quality F&B service delivered in a consistent manner. We also agree that states should be empowered to play a greater role in working with Amtrak to assess F&B performance and improve F&B CSI scores on state-supported routes.

The actions we plan to take to implement this recommendation, which reflect our belief that a collaborative approach to engaging our employees and working with our state partners is the best way to achieve this objective, include the following:

- We are placing more ARASA Supervisors (OBS supervisors represented by ARASA) on trains to enhance the quality of the service our OBS employees provide to our customers. The ARASA Supervisors, and OBS managers who also regularly ride trains to evaluate F&B service, will observe how our employees are delivering service to customers and will provide coaching to employees and identify ways Amtrak's F&B organization can improve service delivery.*
- Amtrak's SSSL team will work with our state partners to enhance the processes through which we engage with them so that they can play a more active role in overseeing and improving F&B service on state-supported routes. These enhanced processes will integrate with existing SSSL processes, including contract management leadership, quarterly business review meetings, and annual planning process. We plan to:*
 - Include F&B in our annual route-level planning process;*
 - Include F&B in our business intelligence (BI) portal, which will facilitate monitoring of product performance and allow for cross-route comparisons;*
 - Add an F&B Key Performance Indicator (KPI) to our route level scorecards that are distributed monthly to states and discussed at quarterly meetings;*
 - Incorporate F&B performance into our bilateral quarterly business reviews (QBRs);*
 - Include F&B in our primary educational forum with states, Brunch and Learn, to better acquaint states with Amtrak's F&B processes;*
 - Incorporate F&B as a rotating topic in our monthly State-Amtrak Intercity Passenger Rail Committee (SAIPRC) Performance Working Group (CPWG) meetings with state partners; and*
 - Work with states that wish to develop state inspection programs. (As the F&BWG's Report indicates, some state partners already have programs under which their staff members, utilizing passes provided by Amtrak, ride and inspect their state-supported services.)*

The SSSL team will act as a liaison to Amtrak's F&B managers to ensure that they are aware of state partner issues and priorities.

18. NEC/Acela - Revitalize Acela: Revitalize the standard of excellence for Acela and for Acela First Class Service as the best example of first-class travel in the US.

FOOD RECOMMENDATION

- Upgrade the menu to be more in line with the experience that travelers expect and deserve. This includes increasing the variety of fresh items so that regular passengers have options. Increase the quality of items served to match the expectation of First Class travelers.
- Upgrade the level of service delivery skills on the part of front-line employees. Provide training and coaching that supports the employees' desire to deliver world class service to passengers.
- Put in place sales metrics and regular business performance conversations so employees understand the business and their role in sustaining and improving its' success.
- In the interim period before the new fleet is delivered the First Class Car should be updated / maintained to have the appearance of a First [Class] Car.

MAINTENANCE RECOMMENDATION

- Regular maintenance schedules should be increased and made more rigorous. Business and First Class travelers expect their surroundings to be well maintained and clean. To that end regular cleaning of the First Class [] car should be increased to include appearance items such as the windows cleaned inside and out, carpets and floors cleaned or shampooed on a more regular basis.
- Replacement or refurbishment of worn items to include draperies, seat fabrics and divisive drapes.
- Equipment should be well cleaned and maintained to be in working order at all times.

Amtrak agrees with the F&BWG about the importance of providing high quality F&B service and well-maintained equipment for Acela passengers, particularly Acela First Class passengers whose average fare per mile is much higher than for any other Amtrak passengers. Since the issuance of the F&BWG's Report, we have taken a number of actions to address this Recommendation.

- We have introduced an upgraded menu for Acela First Class passengers that features a rotating selection of signature dishes from the menus of the acclaimed restaurants of the STARR Restaurant Group.*
- We completed a successful test of cart service that allows Acela Business Class passengers to purchase food and beverages at their seats, and plan to make this a permanent feature on select Acela frequencies.*
- We have initiated joint inspections of Acela trainsets by Amtrak's Product Development and Mechanical departments that focus on identifying items that require repairs or replacements such as customer seat armrest upholstery, galley curtains in food cars, oven shelves and kitchen equipment such as coffee pots.*
- We are providing "Focus On" training – detailed instruction in how to serve passengers – to OBS employees who work in Acela First Class cars.*
- Having more ARASA Supervisors riding trains, as discussed in the Implementation Plan for Recommendation 17, will enable us to provide more one-on-one coaching to OBS employees to ensure that Acela First Class passengers receive consistent, high-quality F&B service.*
- We have conducted two Platform Calls (described above) with OBS employees who serve Acela First Class passengers.*

As discussed in the Implementation Plan for Recommendation 2, the new Acela trainsets will offer digital cafe menus with elevated F&B selections and will also feature a pilot of a self-checkout process.

19. Creation of a Modernized Amtrak Customer Advisory Committee: This working group recommends the immediate restoration of the Amtrak Customer Advisory Committee (ACAC) with a dedicated funding stream of \$70,000 USD annually to be coordinated and operated by Rail Passengers Association in accordance with the

responsibilities of the pre-pandemic ACAC and additional responsibilities as identified within this report.

Amtrak believes that a committee comprised of F&B stakeholder representatives and focused on F&B service, which we intend to establish as described in the Implementation Plan for Recommendation 5, would best serve the objective of improving Amtrak's F&B service.

20. Amtrak Food and Beverage Advisory Committee: The working group recommends that following transmittal of its report to Congress, a similar group of stakeholders be organized to meet at a regular cadence with Amtrak Food and Beverage leadership to review food and beverage operating results and performance and provide input to the company on future issues regarding Amtrak food and beverage services. This new food and beverage advisory group should reflect the views of current and future customers, as well as other relevant stakeholders such as states and food and beverage employee labor organizations. This new advisory committee should not only consider the topics memorialized in the Food & Beverage Working Group's 2023 report and Amtrak's subsequent responses, but also provide further insight and feedback addressing future Amtrak decisions related to food and beverage services that were not contemplated by the initial working group.

This proposed Committee will build upon the insights derived from Amtrak's extensive consumer surveys while also allowing relevant stakeholders to engage senior Food and Beverage leadership directly. Relevant stakeholders include states, the Rail Passengers' Association, union members working in positions providing food and beverage service for Amtrak, and Amtrak food and beverage senior leadership.

This recommendation is the same as Recommendation 5, for which Amtrak's Implementation Plan is described above.

21. LONGER TERM RECOMMENDATION FOR F&B PLANNING

The FBWG's Future Focus Team has a strong belief that Amtrak's future growth will occur in alignment to the growth of the nation's population. While this may seem out of scope for a report on Food and Beverage, the team believes that understanding future growth patterns can help Amtrak make better long-term decisions and preparations to continue to deliver excellence in Food and Beverage.

This section offers a recommendation from a longer-term perspective and considers the FRA's planned expansions for passenger rail. As Amtrak plans to partner with states

and regional coalitions to support these new routes, their collaboration should include planning to support F&B services on new service lines.

Future of Passenger Rail in America: Megaregions - Emerging Opportunities and Trends

Addressing America's aging infrastructure and transportation network is crucial to accommodate our growing population, demonstrate leadership in sustainability, and support an economy focused on major metropolitan areas and their surrounding regions. One key strategy to achieve this is capitalizing on the United States' unparalleled railway infrastructure, the world's largest by mileage. By expanding a network of low-carbon, high-capacity intercity passenger rail routes, we can significantly enhance our economy, improve communities, and create opportunities for travelers and workers alike.

Amtrak has collaborated with multiple states to operate short-distance corridor services, connecting major metropolitan areas with nearby cities and towns over routes of fewer than 500 miles. Today, Amtrak has seventeen state partners supporting these services. To accelerate the growth of this network, Amtrak proposed increasing federal funding and improving key statutory provisions to expand services to promising corridors nationwide.

At the same time over the past fifty years, the U.S. population has grown by nearly 130 million people, with much of that growth concentrated in megaregions in the Sunbelt and West, where Amtrak currently offers limited service. Texas and Florida, the nation's second and third most populous states, have a combined population of just over 50 million but are served by only six Amtrak trains, some of which do not operate daily. In contrast, the Northeast Corridor (NEC) has over 100 weekday Amtrak trains. Major cities such as Houston, Phoenix, Atlanta, Denver, Cleveland, and Cincinnati have limited or inconvenient Amtrak service, presenting opportunities for improved regional mobility with proper investment.

The passage of the Bipartisan Infrastructure Law, provided the critical funding necessary to drive this expansion plan, focusing on serving cities across America that have experienced population growth but lack railway infrastructure to service them. Moreover, a comprehensive strategy to coordinate this railway infrastructure that recognizes demographic and population trends is critical to ensure the efficient allocation of resources.

A critical aspect of this expansion plan involves identifying opportunities within America's "megaregions," which are large, interconnected urban areas with their surrounding rural communities. Amtrak, in partnership with the federal government, states, local leaders, and host railroads, has identified city pairs within these megaregions that exhibit potential for successful intercity passenger rail corridors. This focus on megaregions is essential to maximizing the impact of our rail network in meeting the needs of the population and the economy.

The concept of megaregions, or large interconnected regions that span multiple states and metropolitan areas, has become increasingly relevant in the United States in recent years. These megaregions are characterized by high levels of economic activity and population growth and are considered to be key drivers of the country's economic competitiveness and prosperity.

As these megaregions have grown and evolved, there has been a growing need for more efficient and sustainable transportation options to connect the various cities and communities within them. Passenger rail is seen as a particularly important mode of transportation for addressing this need, as it can provide a cost-effective and efficient way to move large numbers of people over long distances.

Passenger rail can also help to reduce congestion on highways, at airports and can serve as an important transportation option for communities that are not well-served by other modes of transportation. Additionally, passenger rail can play a key role in supporting economic development and job creation, by connecting businesses and communities, and serving as a catalyst for investment in areas along the rail lines.

As a result, many experts and policymakers argue that investing in passenger rail is crucial to meeting the transportation needs of growing megaregions in the United States and ensuring the continued economic competitiveness and prosperity of the country.

In some markets, such as the NEC and its connecting corridors, California, the Pacific Northwest, and the Midwest, intercity passenger rail is already a vital component of the national multimodal transportation network. However, in other parts of the U.S., significant population growth, travel demand, demographic shifts, congestion, and changing travel preferences reveal that Amtrak's legacy route network of once-a-day services is insufficient to meet the evolving needs of the traveling public. By concentrating on megaregions, Amtrak can ensure a more effective, sustainable, and

economically viable rail network for the future, while addressing the gaps in service for rapidly growing areas such as the Sunbelt and West.

America's growth continues into the third decade of the 21st century with continued sustained growth of its metropolitan regions and robust economic growth. Its urbanization continues to rise as Americans continue to steadily move towards major metropolitan regions and their surrounding cities and towns that fuel a steadily increasing demand for robust modern 21st century transportation infrastructure.

Amtrak's emerging "Megaregions" are vital areas of growth in the coming decades that will be vital for Amtrak to invest its resources and build partnerships with. Already, Amtrak has designated select "Megaregions" into its operations, such as the Northeast Corridor (NEC). In the coming years and decades, Amtrak may create additional regional designations that closely mirror megaregions in the United States.

Amtrak's Corridor Vision

In this report, we have laid out recommendations related to enhancing Amtrak's Food and Beverage infrastructure, policy, and investments. These recommendations complement Amtrak's megaregion-focused strategies. Food and Beverage plays a crucial role in realizing this vision by reinvigorating the passenger experience, for younger generations and for a new customer base. An effective Food and Beverage infrastructure will also foster collaboration between Amtrak and its business partners, offering new transportation options for passengers, and fostering a new dynamic transportation economy.

Implications of Megaregions and Future Technologies

Amtrak's long-term planning for future Food & Beverage service should consider innovations in partnerships, food provisioning processes, and food service. Several areas of opportunity include:

State Sponsored Expansion

Amtrak should commit renewed resources to the development of state sponsored partnerships. It seems clear that growth of the rail infrastructure will occur along the path of these megaregions. Private companies are already investing billions of dollars in private railroads based on these demographic models. In order for Amtrak to effectively

expand they will need to improve upon their model of collaborating with the States to support growth.

FRA's expansion plans are an opportunity for Amtrak to work with potential state partners to develop models for F&B support on future routes.

Commissary Rethink

Part of the Amtrak Food and Beverage infrastructure that does not get much examination is the commissary model. Amtrak owns or leases 12 commissaries where much of their on board inventory is stored. Amtrak pays for these facilities, but those costs are difficult to find in the financials or in the Food and Beverage cost models. Just in time logistics have gotten very good in the world. It is worth the effort to charter a team to consider a complete rethink of how Amtrak handles the logistics of getting food, beverages and supplies to the trains.

Future Technologies

The Future Focus team identified many trends that could have a positive impact on the rail traveling public. In order to stay relevant with the changing demands of younger passengers, Amtrak must begin to prepare the infrastructure and thinking to adopt these innovative new alternatives.

Fully Autonomous "Mini Mart" Style Markets (No Attendants Required)

- Fully autonomous "mini mart" style markets are revolutionizing the retail landscape by providing a seamless, convenient, and contactless shopping experience. These innovative stores utilize cutting-edge technology, such as AI-powered inventory management, facial recognition, and computer vision, to offer a cashier-less and attendant-free shopping environment. This not only eliminates the need for queues and traditional checkouts but also allows customers to shop at their own pace, 24/7.
- These mini marts are designed to cater to a wide range of consumer needs, stocking everything from fresh produce and grocery items to household essentials and pre-packaged meals. By combining the best aspects of brick-and-mortar stores with the efficiency and convenience of e-commerce, autonomous mini marts provide a unique and personalized shopping experience. Their smart inventory systems ensure that products are always in stock and fresh, while the data-driven insights help optimize the product selection based on local preferences and trends.

- Integration of fully autonomous “mini marts” into Amtrak Stations is an easy step, as these autonomous “mini marts” already operate in the retail environment as well as airports. Integration in the future of fully autonomous “mini marts” into a train cart could drastically streamline the customer food and beverage experience and make Amtrak’s train infrastructure be on the forefront of innovation in customer experience.

Order from Seat Technology

- Order-from-seat technology is a game-changing innovation that elevates customer experience in various settings, such as movie theaters, stadiums, and public transportation. This technology allows patrons to use their smartphones or tablets to browse menus, place orders, and make payments directly from their seats, eliminating the need to wait in long queues or leave their seats to make a purchase. With user-friendly apps and touch-screen interfaces, this technology offers a seamless, hassle-free ordering process for both customers and service providers.
- By incorporating order-from-seat technology, Amtrak can improve operational efficiency, reduce staff workload, and enhance customer satisfaction. The technology is already established, and utilized in Asian rail companies, as mentioned in the digital recommendation.
- Ultimately, order-from-seat technology is a valuable addition to train passengers, enabling a more enjoyable and convenient experience for customers while optimizing business operations.

Delivery to Seat Service

- Delivery-to-seat service is an innovative approach that enhances the customer experience in various venues, such as cinemas, sports arenas, and concert halls. This service allows patrons to order food, beverages, or merchandise directly from their seats and have it delivered to them, ensuring convenience, comfort, and minimal disruption to their event enjoyment.
- By utilizing easy-to-use mobile apps or touchscreen ordering systems, customers can place their orders without the hassle of standing in long lines.
- Implementing delivery-to-seat service not only elevates customer satisfaction but also increases revenue potential for Amtrak. With the added convenience of

ordering from their seats, patrons would be more likely to make purchases and spend more during their ride. Moreover, this service model enables better inventory management, reduces congestion at concession stands, and supports a more efficient workflow for staff. Ultimately, delivery-to-seat service is a win-win solution for businesses and customers alike, creating a more enjoyable and streamlined experience for all.

Preordering Food as Part of Initial Reservation Process

- Preordering food as part of the initial reservation process is an innovative approach to streamlining customer experience in various hospitality settings, such as restaurants, hotels, and events. By allowing guests to select their meals in advance, Amtrak can better anticipate demand, manage inventory, and ensure that specific dietary needs or preferences are met. This proactive approach not only enhances the overall dining experience but also helps reduce food waste and optimize kitchen operations.
- Incorporating food preordering into the reservation process is a valuable addition to any hospitality service, as it offers numerous benefits for both customers and businesses. Guests can enjoy a more personalized and stress-free dining experience, knowing that their preferences have been taken into account and their meals will be prepared accordingly. Meanwhile, businesses can better allocate resources, improve staff efficiency, and ensure customer satisfaction. Ultimately, preordering food as part of the initial reservation process is a strategic move that elevates the quality of service and creates a memorable experience for guests.

Cashless Operations

- Cashless operations are an increasingly popular approach in today's fast-paced, technology-driven world, offering numerous benefits for both customers and businesses alike. By transitioning to a cashless payment model, businesses can streamline transactions, reduce wait times, and improve overall efficiency. This modern payment method supports contactless transactions through credit/debit cards, mobile wallets, or digital payment apps, providing a safe and convenient alternative to handling physical cash.
- Adopting cashless operations not only enhances the customer experience by offering faster and more secure payment options, but it also simplifies financial management for businesses. With the elimination of cash handling, businesses can reduce the risk

of theft, save on operational costs, and access real-time data for better financial tracking and decision-making. Furthermore, cashless transactions generate valuable insights into customer behavior and preferences, enabling businesses to tailor their offerings and marketing strategies accordingly. In summary, transitioning to cashless operations is a strategic move that fosters a more efficient, secure, and customer-centric environment at Amtrak.

Robotic Food and Beverage Delivery

- Robotic delivery of food and beverage is an innovative solution that is transforming the way businesses handle order fulfillment and customer service. By utilizing advanced robotics and autonomous navigation technology, these delivery systems can efficiently transport orders to customers in various settings, such as restaurants, hotels, and offices. With their ability to navigate complex environments and avoid obstacles, robotic delivery systems ensure a smooth and efficient process while minimizing human intervention.
- Implementing robotic delivery for food and beverage on Amtrak trains offers several advantages, including increased operational efficiency, reduced labor costs, and enhanced customer experience. These autonomous systems can work around the clock without fatigue, ensuring consistent service quality and faster delivery times. Moreover, they minimize the need for human contact, promoting hygiene and safety in food handling. By embracing this cutting-edge technology, Amtrak can streamline their operations, and create a unique and memorable experience for their customers.

Amtrak agrees that providing a high-quality, customer-focused F&B service, in partnership with our employees and state partners, is critical to advancing Amtrak's vision for expansion of service and achieving our goal of doubling ridership by 2040. Our F&B service of the future must address the preferences of an increasingly diverse customer base, incorporate food service industry best practices, and utilize innovative approaches and emerging and future technological advances such as those described above.