Case history
“High Speed Rail Stations in Italy”

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Italferr (FS Group), Italy
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Ferrovie dello Stato Group

Organizational structure

State Treasury

Ferrovie dello Stato

Trenitalia
- railway operator
  - passenger and freight transport

100%

RFI
- infrastructure manager

100%

Italferr
- railway engineering

100%

Grandi Stazioni
- main stations
  - real estate management

60%

FS Logistica
- logistics operator

100%

Other Companies
Grandi Stazioni - Company Profile

• Grandi Stazioni is the company managing the 13 largest railway stations in Italy

• Also operating abroad (holding 51% of GS Ceska Republika)

• First example in Europe of partially privatized Railway Stations Company (60% controlled by Ferrovie delle Stato, National Railway Company).
Grandi Stazioni - Company Profile – Key Figures

- Turnover (2008): $ 257 M
- Refurbishing Investment: c $ 1300 M (50% already implemented)
- Business Model: similar to Airport Companies

4 Business areas to make money and transform stations from a Cost Center to a Profit Center

1. RETAIL
2. REAL ESTATE
3. ADVERTISING
4. PASSENGER SERVICES
It applies to both “usual” commuters and new high speed segment in order to maximize revenues and return on investment.
Grandi Stazioni - Company Profile – Business Model

Balance Between Economic Key Drivers:

- Amount of Investment
- Yearly Return to Rail Group (% of Revenues Less Direct Costs)
- Length of Concession
- % Equity Owned by Rail Group
- Overall Profitability
## Grandi Stazioni - Company Profile – Business model – the Italian Experience

<table>
<thead>
<tr>
<th>Ownership of Infrastructure</th>
<th>FS with a 40 year Concession to GS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refurbishment Investments</td>
<td>Cooperation between GS, FS and Government</td>
</tr>
<tr>
<td>Revenues</td>
<td>GS</td>
</tr>
<tr>
<td>(Retail and Real Estate rental, Advertising)</td>
<td></td>
</tr>
<tr>
<td>Condominium Costs</td>
<td>Tenants (according to space allocation) on a Cost Plus basis (Facility Management commission to GS)</td>
</tr>
<tr>
<td>(Utilities, cleaning, maintenance, etc.)</td>
<td></td>
</tr>
<tr>
<td>Other Costs</td>
<td>GS</td>
</tr>
<tr>
<td>(HR, Marketing, Overheads, etc.)</td>
<td></td>
</tr>
<tr>
<td>Returns for FS Group</td>
<td>- Dividends</td>
</tr>
<tr>
<td></td>
<td>- Asset recovery fee: based on the percentage of revenues</td>
</tr>
</tbody>
</table>

*Legend: FS= National Railway Company; GS= Grandi Stazioni*
Two basic questions on HSR Stations planning

1. Terminal stations or through stations?
2. Adapting existing stations or building new ones?

The answer depends on:

a. benefits & constraints
b. implementation constraints
# High Speed Rail Stations – Macro Targets – Overall Evaluation Grid

<table>
<thead>
<tr>
<th>Terminal Stations</th>
<th>Existing Building</th>
<th>New Building</th>
</tr>
</thead>
</table>
| **Pros:** | - best location in town  
- usually no need to cross any track to reach platforms | **Pros:** | - maximum fit to needs  
- underground level  
- vertical development  
- minimal Total Travel Time  
- easier to realize underground tracks |
| **Cons:** | - extended Total Travel Time  
- design & construction constraints  
- heritage preservation constraints | **Cons:** | - high Investments  
- extended Total Travel Time |

<table>
<thead>
<tr>
<th>Through Stations</th>
<th>Existing Building</th>
<th>New Building</th>
</tr>
</thead>
</table>
| **Pros:** | - best location in town  
- reduced Total Travel Time | **Pros:** | - maximum fit to needs  
- underground level  
- vertical development  
- minimal Total Travel Time  
- easier to realize underground tracks |
| **Cons:** | - more vertical connections  
- design & construction constraints | **Cons:** | - High Investments |
High Speed Rail Stations – Macro Targets – Key Drivers for Operator Choice

Focus on the right balance between

- TOTAL TRAVEL TIME
  (Door to door)

- INVESTMENT COST
High Speed Rail Stations – Design Key Drivers

A. Intermodality

B. Flow Analysis

C. Customer Oriented Services
High Speed Rail Stations – Design Key Drivers -
A. Intermodality

Best interconnection with all other transportation systems:

- Metro / Commuters / Local trains
- Bus
- Taxi
- Airport express train
- Parking
High Speed Rail Stations – Design Key Drivers -
B. Flow Analysis – Flows in Rome Termini Station

Optimize Access

HS dedicated platforms

HS dedicated lounge
High Speed Rail Stations – Design Key Drivers -
C. Customer Oriented Services
High Speed Rail Stations – Design Key Drivers - C. Customer Oriented Services

Extend services range to the passengers wanting to save time

Shops, quick and slow restaurants, medical services, agencies, valet service, lounge areas, temporary offices, convention center, hotel connection, fidelity card network
Top 10 dedicated services requested
Based on market research and joint analysis
(1000 personal interviews, October 2009)

Dedicated Parking: 18.1%
WI FI internet cover: 14.6%
Corner office: 13.1%
Premium Fast restaurant: 13.0%
Technological Services: 9.1%
Car Valet Service: 8.6%
Rental car with driver: 8.6%
Rapid laundry: 6.9%
Dedicated meeting and working rooms: 4.9%
Tailoring service: 3.3%
High Speed Rail Stations – Design Key Drivers -
C. Customer Oriented Services

- Easy to reach
- Dedicated platforms and tracks
- Dedicated lounges
- HSR dedicated desks
- High customer service
Easy to reach:
one of the strengths of High Speed Trains is
the convenience of the place of
departure/destination.

Dedicated platforms and tracks:
tracks and platforms have to be dedicated
to High Speed Rail service, easy to find and
recognizable

Be ready for Operator Competition (2011)
Dedicated lounges:

Dedicated lounges with renovated interior and exclusive services for High Speed Rail customers.
Dedicated personnel at the HSR platforms ready to give customers assistance for:

- Booking changes
- Commercial information (promotions, rates, conditions of access, shopping channels)
- Information about hosting services and train timetables
- Real-time information about HSR Trains traffic (punctuality, train’s composition, arrival and departure)
- Support for purchase and ticket/reservations change at self service
Mix of large and traditional shops and services:

- SPA
- Fitness Center
- Medical Center
- Museum
- Gourmet restaurant
- Banking services

Already existing in Rome Termini and ready to be implemented in other Italian Stations
New services that could be introduced:

- Hairdresser
- Express Laundry
- WiFi Access Areas
- Business Center
- Car Valet Service
High Speed Rail Stations – Design Key Drivers -
C. Customer Oriented Services

Extract High Value from High Speed Rail Passengers
BRANDS SPECIFIC FOR THE HSR MARKET
ADVERTISING TARGETED TO HIGH SPEED RAIL PASSENGERS
High Speed Rail Stations – Design Key Drivers -
C. Customer Oriented Services

CUSTOMER IS KING
High Speed Rail Stations – The Italian Experience

**Up to 2009**

Adapting existing buildings in main city stations

Allow HSR to start penetration (Rome Termini, Milan Central Station, Naples Central Station, Bologna)

**2010 - 2013**

Adding new existing stations to the network (Through Stations)

Speed-up total travel time (Rome Tiburtina, Bologna, Turin Porta Susa)

**2013 - 2014**

Building brand new stations

Taylor made HSR Stations (Florence, Naples, Reggio Emilia)
High Speed Rail Stations – The Italian Experience

Focused on:

- Easy access
- Increased dedicated services
- Improved intermodality
Rome Tiburtina  The Italian Experience

ROME
Arch. Paolo Desideri
Rome Tiburtina  The Italian Experience

ROME
Arch. Paolo Desideri

Section
Turin Porta Susa The Italian Experience

TURIN
Arch. AREP – Silvio d’ASCIA and Agostino Magnaghi
Turin Porta Susa  The Italian Experience

TURIN
Arch. AREP – Silvio d’ASCIA
and  Agostino Magnaghi
Turin Porta Susa  The Italian Experience

TURIN
Arch. AREP – Silvio d’ASCIA
and  Agostino Magnaghi

Section
Naples The Italian Experience

NAPLES
Arch. Zaha Hadid
Florence The Italian Experience

FLORENCE  Arch. Norman Foster
Florence The Italian Experience

Arch. Norman Foster