

# Addressing **AMTRAK'S** capacity crisis

Personnel and equipment shortages plague the passenger carrier; new president Roger Harris offers his views

by Bob Johnston

Amtrak's westbound *California Zephyr* hurries through Keenesburg, Colo., on BNSF Railway's Brush Subdivision at dawn on June 16, 2021. Derek Brown

**P**assengers on the *Southwest Chief* that departed Los Angeles on Aug. 1, 2022, experienced a rare daylight run through the Arizona desert east of Needles, Calif., as well as a daytime trek across Kansas. The reason: their train left LA more than 4 hours late because it relies on equipment arriving from Chicago earlier in the day. That inbound train had a tardy start in Chicago, then encountered BNSF Railway freight-train interference west of Albuquerque, N.M., putting it into LA Union Station nearly 5 hours late.

With no spare passenger cars on the West Coast, Amtrak's only option was to delay the eastbound's departure while stretched-thin shop forces inspected and cleaned the arriving equipment. With the train to Chicago out of its normal dispatching slot and encountering congestion en route, the *Chief* limped into the Windy City at 5:27 a.m. on Aug. 4 instead of 2:50 p.m. the previous day — more than 14½ hours late. The good news: that day's westbound *Chief* departed Chicago only 4 minutes off the advertised.

Devastating delays like these happen occasionally throughout Amtrak's 51-year history; disruptions are bound to occur on such a far-flung national network. Railroaders on Amtrak's front lines have usually been able to recover quickly. That's not happening now. The same week of the *Chief's* issues, the *Coast Starlight* and *Empire Builder* missed turnarounds after blocked routes severely delayed inbound equipment. Six *California Zephyrs* suffered

tardiness ranging from 6 hours to more than 11; one departed Chicago almost 5 hours late, without a dining car. The following week, a *Sunset Limited* round trip was canceled when all bathrooms failed mid-route. State-supported services were not immune: routes between Chicago and Quincy, Ill., Carbondale, Ill., Pontiac, Mich., and St. Louis all saw some frequencies canceled for a week or more because of equipment shortages.

#### CORPORATE CONTRACTION

How did the company get into such a predicament? Amtrak should have been cashing in on surging travel demand fueled by high gas prices and airline missteps. Instead, management decisions in 2020 and 2021 reduced the staffing and equipment necessary to grow what had become the healthiest segment of the company's business during the COVID-19 pandemic.

These issues were not unique among transportation providers. Most of those ex-

cruciating delays inflicted on the *Chief* and *Zephyr* were the residual effects of trimmed payrolls at Class I railroads. Stalled freights waiting for qualified crews congeal main lines, then wreak havoc on Amtrak engineers and conductors' hours-of-service limits at remote crew bases or turnaround points. Propelled by a Precision Scheduled Railroading operating concept, along with the corresponding reductions of equipment and workforces, railroads became starved for talent as demand increased. Airlines similarly faced thousands of flight cancellations due to shortages of pilots, flight attendants, and mechanics.

But those companies have boards of directors charged with maximizing stockholder return on investment; moves to counteract a precipitous drop in cash flow may have been justified at the time. Not so for Amtrak, which received \$3.7 billion in emergency relief from Congress to minimize furloughs and layoffs and maintain routes and service.

Nevertheless, through the pandemic's disruptive early stages, management continued to speak of profitability, saying the company had almost broken even in 2019. Northeast Corridor trains — whose contributions to the bottom line were not burdened by the overhead costs charged to state-supported and long-distance operations — took the biggest hit as cities began closing down in March 2020. The combined April and May revenue for *Acela* and *Northeast Regional* trains plummeted 98%.

Hemorrhaging cash in a business unit that a key Amtrak executive characterized to *Trains* as the company's "crown jewel," the company formulated plans for cutbacks in fiscal 2021 despite the influx of relief funds. Then-president William Flynn explained in an interview that part of the strategy involved reducing most long-distance frequencies to three times per week in October because, he said, that's when ridership on those trains sharply declines.

#### DOWNSIZING ACCELERATES

Except it doesn't. A review of ridership and revenue data for the last decade clearly shows national-network demand "valleys" typically develop in early November through mid-December (excluding Thanksgiving) and again from early January into mid-February. Historically, the company used these periods to advertise nationwide fare promotions, and stepped up maintenance while trains operated with reduced consists.

Flynn, the former airline executive tapped by Amtrak's Northeast Corridor-oriented board of directors to succeed ex-Delta Airlines boss Richard Anderson, should have known better. Monthly returns through summer 2020 showed long-



**Acelas meet on a four-track section of the Northeast Corridor at Elizabeth, N.J., in August 2019. Northeast Corridor ridership took the biggest hit at the start of the COVID-19 pandemic.** David Lassen

distance trains, when operating daily, regularly beat the state-supported and Northeast Corridor categories combined. Flynn told an October 2020 Congressional hearing that Amtrak's system ridership and revenue was down 80%, but neglected to mention the long-distance component was off 50% while state-supported and Northeast Corridor units dragged down the average.

Trimming frequencies at the beginning of fiscal 2021 was consistent with contractions Amtrak's board and management had already set in motion. Anderson and his CO-CEO, ex-Norfolk Southern Chairman Wick Moorman, began national-network cutbacks in 2017 after the board forced out president Joe Boardman the previous year.

Pre-pandemic cost cutting included eliminating regional marketing staff; thinning road foreman and trainmaster ranks; banning revenue-producing private car and special-train moves on non-Amtrak routes; and jettisoning *Lake Shore Limited* and *Capitol Limited* dining-car meals for all travelers, along with the onboard personnel who served them. Instead, only sleeping-car passengers were served, receiving so-



**Coach and sleeping-car passengers are welcomed for dinner in the *Capitol Limited's* diner-lounge on April 29, 2018. Within a few months, full meals will be dropped in favor of pre-packaged "flexible" meals available only to sleeping-car passengers.** Bob Johnston

called "flexible" meals in balsawood boxes. That initiative expanded to the *Crescent*, *City of New Orleans*, and *Silver Meteor* in 2019. Complimentary meals for *Auto Train* coach passengers were also eliminated, the first phase of what became that service's downward spiral.

"We are reducing our workforce by up to 20% for Fiscal Year 2021, to bring our

organization in line with decreased market demand," Human Resources Vice President Qiana Spain explained in a pre-Memorial Day 2020 memo to employees. Buyouts to Amtrak veterans with irreplaceable institutional knowledge netted more than 500 takers among supervisors and union workers while costing the company almost \$17 million. These people either did not see



**At 2:28 a.m. on Aug. 3, 2022, the eastbound *Southwest Chief* is 12 hours late as it stops at Las Vegas, N.M. The train was delayed departing from Los Angeles because it had to wait for equipment, then encountered BNSF Railway freight congestion.** David C. Warner

#### AMTRAK 2019-2022 FISCAL YEAR SNAPSHOT

	Revenue (in millions)					Ridership (in thousands)				
	2021	2022 Through June	2019	+% 2021 vs 2019	+% 2022 vs 2019	2021	2022 Through June	2019	+% 2021 vs 2019	2022 vs 2019
<b>Long distance</b>	\$330.7	\$361.7	\$494.6	-33%	-27%	2,238.0	2,527.0	4,554.8	-51%	-45%
<b>State supported</b>	\$209.3	\$245.8	\$538.1	-61%	-54%	5,519.9	7,073.2	15,438.8	-64%	-54%
<b>Northeast Corridor</b>	\$342.9	\$632.8	\$1,321.6	-74%	-52%	4,408.8	6,386.5	12,525.6	-65%	-49%
<b>TOTAL</b>	<b>\$882.8</b>	<b>\$1,240.3</b>	<b>\$2,354.3</b>	<b>-63%</b>	<b>-47%</b>	<b>12,168.8</b>	<b>15,986.7</b>	<b>32,819.0</b>	<b>-63%</b>	<b>-51%</b>



The northbound *Silver Meteor* arrives at Fort Lauderdale, Fla., during a Jan. 14, 2017, rainstorm. With the *Meteor* suspended until October, Amtrak added coaches and sleepers to the *Silver Star*, which does not offer connections to most other long-distance trains. David Lassen



Trainsets for three afternoon long-distance departures — all with shortened consists from previous summers — await moves from Amtrak's 16th Street coachyard to Chicago Union Station on June 30, 2022. Bob Johnston

where they might fit the priorities of top management, or were told they wouldn't.

On the mechanical side, the company lost people with skills capable of maintaining 40-year-old passenger cars and 20-year-old locomotives as it projected furloughs of 1,950 union employees and elimination of 100 management positions. The cuts were eventually scaled back to 1,200 workers, but the damage was done.

### IGNORING MARKET SIGNALS

The March 2020 COVID relief bill, the CARES Act, included at least \$239 million to subsidize state-supported route payments. When Amtrak's job cuts occurred, additional legislation to prevent layoffs and reauthorize the passenger operator was making its way through Congress; it wouldn't be signed by President Joe Biden until March 2021.

But as vaccines became available and long-distance ridership strengthened, the company failed to deploy more capacity for summer 2021, as outlined in *Trains'* November 2021 feature, "Coming Back."

As pointed out then, surging consumer demand clearly warranted a revenue-generating change to operating plans. But substantial expense would have been involved in returning rolling stock to service that had been stored early in the pandemic, as well as recalling furloughed personnel. That, in turn, could have kept the company from meeting cost-reduction incentives that figure into managerial bonuses.

In an August 2022 *New York Times* report, Amtrak's Spain said top executives received \$2.3 million in bonuses for fiscal 2021 because the company met its "financial targets" — even though revenue was down substantially from the previous year. The *Times* did not address how bonuses were calculated.

A former Amtrak supervisor tells *Trains* that goals are established by management, then bonuses are doled out — throughout management, not just at the top level addressed by the *Times* — if the company exceeds the targets. This might be one reason the company's hiring freeze did not end for 16 months, until the beginning of fiscal 2022. An Amtrak spokeswoman says short-term incentives are based on "financial performance measured by Adjusted Operating Income," as well as customer satisfaction and on-time performance. Long-term incentives, available only to senior management, include increasing revenue on the Northeast Corridor — but not other portions of the system — along with ridership growth and delivery on capital investments.

Meanwhile, ridership and revenue data obtained by *Trains* — totals for 2021, and data for 2022 through June — show the long-distance category's revenue strength



The *Cardinal* ferries equipment between Amtrak's Beech Grove, Ind., shops and Chicago, creating some eclectic consists. Here, a locomotive, baggage car, and two Superliners are tacked on ahead of the abbreviated five-car *Cardinal* bound for Chicago on July 18, 2022. James L. Bird

continues to compare favorably to much more numerous Northeast Corridor and state-supported trains (see table, page 21).

### SHORTAGES AND CANCELLATIONS

The cost-focused business plan has left revenue-generating assets in short supply — just when they are needed most. Though the company was able to limp through 2021 with daily service, it blamed another wave of COVID when most long-distance trains were reduced from daily operation to five days per week in January 2022.

A significant casualty for many travelers was suspension of the *Silver Meteor*, the only train between the Northeast and Florida train that offers same-day connections to the rest of the system. Sources tell *Trains* that concerns over staffing — for onboard service, operation, and end-point maintenance — drove the decision to cut the *Meteor*, second only to *Auto Train* in East Coast long-distance revenue. In November and December 2021, the *Meteor's* ticket revenue averaged \$3.4 million, compared with the *Silver Star's* \$2.9 million. After the *Meteor* was dropped, the *Star* — running with five sleeping cars and additional coaches on a more circuitous route through the Carolinas and Florida — generated \$4.8 million in March 2022, compared with \$6 million total for the two trains during the same month in 2019.

Except for the still-canceled *Meteor*, the *City of New Orleans*, and New York-New Orleans *Crescent*, daily frequencies were restored for long-distance trains by Memorial Day. But the lack of passenger cars severely constricted capacity, with Superliner-equipped trains operating into Chica-

go impacted the most. Sleeping-car space was only sporadically available on certain route segments, and virtually impossible to book over a train's entire route all summer. This reflected consists reduced by at least one sleeper on every train, compared to summer 2020 and 2021.

Coach travel was similarly constricted. Beginning in June, everyday sellouts became the rule rather than the exception. For instance, each of the five *Empire Builder* sets needed for daily service contained only one Chicago-Seattle coach and two on the Portland, Ore., section. Periodic *Trains* spot checks revealed the *Builder* was usually fully booked between Chicago and the Twin Cities. This key corridor, served only by the *Builder*, is one where Amtrak boosted capacity in the past by adding a coach between Chicago and St. Paul. Similarly, the *California Zephyr's* two coaches were almost always sold out between Chicago and Galesburg, Ill., and again between Denver and Glenwood Springs, Colo.

Comparable patronage patterns on the *Texas Eagle* and *Capitol Limited* contributed to a dysfunctional network that effectively eliminated rural-to-urban travel options at a time when demand for that uniquely Amtrak offering is growing. Out of New York, fewer Amfleet II coaches on the *Cardinal* and *Lake Shore Limited* led to near-continuous sellouts.

While the lack of onboard service staff

contributed to the reduced capacity, the primary issue was at its heavy maintenance facilities: Beech Grove, Ind., for Superliners and Hialeah, Fla., for single-level Amfleet IIs and Viewliners. They lack the manpower and expertise to return cars to service. A late-July drone video revealed 19 Superliners and 11 Viewliner and Horizon cars on Beech Grove storage tracks; during a three-week period shortly thereafter, not a single refurbished Superliner moved to Chicago. The first such shipment occurred Aug. 8 when four Superliners — two coaches, a dining car, and a sleeping car — were conveyed from Indianapolis by the *Cardinal*.

Throughout its hand-to-mouth existence, Amtrak has lacked funding, and the corporate will, to address a near-perpetual backlog of inoperable equipment.

That briefly changed in 2009 when Amtrak received more than \$1 billion of economic stimulus money specifically

to boost employment for overhauls and wreck repair. This resulted in rebuilding of long-idle Superliners, conversion of Amfleet I cafes into coaches, re-imagining the 1987 prototype Viewliner diner that became the model for 25 Viewliner II dining cars, and upgrading P40 locomotives still running today.

### EXPLAINING THE CHALLENGES

The 2009 largesse enabled apprentice-program hiring, allowing new workers



Roger Harris was promoted to Amtrak president in July 2022. Bob Johnston

## PUTTING IDLE EQUIPMENT TO WORK

### Reshuffling available equipment can help Amtrak address its ongoing capacity constraints

**HOW CAN AMTRAK BOOST CAPACITY?** Suggesting a complete fleet plan is difficult, since it is unclear how many serviceable Superliners are available or the investment needed to balance repair cost against revenue potential of equipment as much as 43 years old.

It's easier to plot the possibilities with single-level Viewliner sleeping and dining cars, along with their companion Amfleet II coaches and cafes. The table below attempts to account for how these cars might be deployed.

Suggested changes from the way these trains operated pre-pandemic are shown in red. They include:

- Converting the *Capitol Limited* from Superliners to single-level cars. This frees up 18 Superliners — nine coaches or coach-baggage cars, six sleepers, and three diner-lounges — and eliminates the need to station extra cars of each type in Washington as protection.
- Adding another Viewliner sleeping car to the *Silver Star* (it operated pre-pandemic with two) and the *Cardinal* (which used to run with two sleepers from May through October).
- Adding Viewliner dining cars to the *Cardinal* and restoring them to the *Crescent*. The absence of lounge space has made these trains less appealing.
- Restoring a sleeping car to nocturnal trains Nos. 65-66-67 between Boston and Washington. These continue on to Roanoke, Va., or originate in Newport News, Va., south of D.C., but adding or dropping a Viewliner sleeping car with the electric-to-diesel engine swap in Washington would be no big deal. And with a single-level *Capitol* and Boston section of the *Lake Shore Limited* at the endpoints, protect equipment could readily act as a backup. — Bob Johnston

#### REASSIGNING THE VIEWLINERS

PROPOSED Train	Viewliner			Amfleet II		
	Sets	Per train	Total	Café Total	Coach Per train	Total
Silver Meteor	4	3	12	4	5	20
Silver Star	4	3	12	4	4	16
Crescent #	4	2	8	4	4	16
Lake Shore Ltd.*	3	4	12		6	18
Cardinal*	2	2	6		4	8
NEC Boston-Wash.	2	1	2		0	2
Day trains**	12				1	12
Capitol Limited	3	3	9	3	4	12
Total Assigned			61	15		104
Estimated protect/maintenance			11	7		20
Total Active			72	22		124
Total Available			74	24		140

# Cardinal and Crescent baggage dorm offers some rooms for sale

\* Cardinal and Lake Shore Ltd. are assigned Amfleet I café/Business class cars

\*\* Amfleet II coaches provide Business Class on the Palmetto, Carolinian, Pennsylvanian, Maple Leaf, Adirondack, Vermonter

Source: Amtrak and Amtrak by the numbers, David C. Warner and Elbert Simon

#### THE SUPERLINER I AND II FLEET TODAY

Type	Original Order	Estimated stored/retired	Available
Coach-baggage	48	8	40
Coach-Business class	140#	25	115
Sleeping car	125*	21	103
Transition sleeper	47	8	39
Sightseer Lounge	50	10	40
Dining car	69**	11	59
TOTAL	479	83	396

NOTES: # Includes snack and business conversions and leases to California

\* Includes 6 all-bedroom cars for Auto Train; 2 repaired following wreck

\*\* Includes conversions to diner-lounges and Auto Train lounges

Source: "Amtrak by the numbers," David C. Warner and Elbert Simon, and online update

to learn from veteran craftsmen poised to retire. Now, with the ranks of experienced employees decimated and a competitive labor market, the company faces a far more difficult test. Amtrak has embarked on an employment blitz, aided in part by \$8 million in federal funds specifically designated to develop apprenticeship programs.

Roger Harris became Amtrak's president in July 2022, after stints as executive vice president, chief commercial officer, and Long Distance Service Line vice president. He didn't minimize the challenges in a late-July *Trains* interview.

"The overhaul program slowed down by necessity during COVID initially, because we didn't know what our funding level would be for six to nine months into the pandemic," Harris says. "Then we had slower overhaul rates because we had people out with COVID or restricted working conditions, so there's a backlog that has to be worked through."

Before the pandemic, Harris says, "Capacity was set for a continuous volume of overhauls. We never had the ability to create excess capacity to do catch-up, so that's what we're working on very hard." He admits capacity constraints on some long-distance routes will persist in the coming fiscal year. Fleet availability will remain below pre-pandemic levels because of equipment lost in derailments as well as a backlog of cars awaiting overhaul.

"Right now our biggest challenge is recruiting," he says. "We've hired over 2,000 people in the last year, but there are extensive training and qualification requirements depending upon the craft. The skills our electricians need to work on rolling stock are quite different than construction electrician skills, and on the [operating] side there are always route qualification requirements."

He also points to the "schoolhouse effect," where employees hired for one job get



Passengers fill the *Crescent's* Viewliner dining car on July 20, 2019, before full meals were discontinued. The train needs the diner restored to its consist. Two photos, Bob Johnston



The first *Ethan Allen Express* extended to Burlington, Vt., is greeted by a large crowd at the Ferrisburgh-Vergennes station in Vergennes, Vt., on July 29, 2022. Months later, the train was still shown as a New York-Rutland, Vt., operation on Amtrak's digital timetable. Tim Phelps

trained for that task — say onboard service — then move to train operations, which requires different training. "I'm not complaining; it's good for the employees, but it can be disruptive," he says, and notes Amtrak's hiring patterns are similar to those reported in other industries. "In the current labor market we're getting a 50% cancellation rate on interviews and a huge percentage of hired employees who don't show up. To get to 2,000 new employees, you have gone through an incredible volume. It's not through lack of effort that we don't have full staffing."

Harris tells *Trains* that the company is using its various financial sources — fare-box, appropriations, and Jobs Act funds — to pay for training, but relief money has been used to survive through the pandemic.

"If we didn't run it," Harris says of services that were canceled, "it was because there was no one on the train or we couldn't cover it with employees. ... If someone got exposed [to the coronavirus], the whole crew base was taken out, so logistic problems like that were the cause of retrenching a bit during the height of COVID."

He also notes, "We did have to pay our bills, so when people say, 'you got all this money' — absolutely, but it was incredibly difficult to get through the period."

#### IMPROVING FOOD AND ACCESS

Having sufficient crews in the right places is what drove the decision to cancel the *Silver Meteor*, which Harris says together with the *Silver Star* will be the first recipients of food service upgrades among

single-level eastern trains. Through September, enhancements had been limited to cafe-car menus.

"At the moment, we're trying to see how we can improve onboard dining without going to all that cost by [incorporating] certain elements of what's worked in the West — staying with [New York-Florida] Silver Service, at least initially," he says. "These are high-volume trains with long hours, as long as the *Coast Starlight*."

Referencing the experiment in which *Starlight* business-class passengers had the opportunity to purchase dining-car meals, he says, "We initially had a decent take rate, but ran into this employee [availability] restraint. So we are waiting until we re-



Steak is served on the *Silver Meteor* in January 2017. The train is slated for improvements to food service when it returns, according to Amtrak President Roger Harris.

store the *Meteor*, re-split the trains, and think through how to improve the service overall. After that, we will be looking at the other eastern trains and those that don't offer traditional dining in the West" [the *City of New Orleans* and *Texas Eagle*].

"Individual portion preparation with the current [flexible] dining isn't the most cost-effective way to do it," he says. "So we are looking to rebalance this equation with food cost and labor, with an eye to how to make the product better. And if there is capacity to serve it to coach passengers, then that's what we want to do."

#### PROMOTING THE PRODUCT

Amtrak has migrated to largely internet-only marketing initiatives, including a downloadable digital timetable which Harris demonstrated during the July interview. But *Trains* found it cumbersome to access from the website, confusing to retrieve for people unfamiliar with Amtrak routes, and often inaccurate. It promises to display schedules in a printable format, at all stations for all trains, when a route is requested. But nearly two months after the *Ethan Allen Express* was extended to Burlington, Vt., the Amtrak website's "accurate to the day" timetable still listed only New York-Rutland, Vt., times. And for some reason, *Empire Service* schedules omitted the Yonkers, N.Y., stop for southbound trains, but not northbounds. In September, the timetable function was still a work in progress, requiring users to dig for information.

Harris says Amtrak's Washington, D.C.-based strategists haven't pinpointed



The southbound *Texas Eagle* makes its way through Lemont, Ill., on July 16, 2022. Long-running revenue-management efforts by the Texas Eagle Marketing and Performance Organization were ended by Amtrak management in 2018. David Lassen

how promotion can be improved, but the company is making an effort to identify new riders after they buy their first ticket. “We are increasing our national network advertising support [for fiscal 2023], but the problem is you have to target it ... and figure out the effectiveness. Long-distance and state-supported services live in the same universe. We need to [determine] the synergy between the two in terms of outreach, communication, and particularly marketing. How can we do something that works for both lines?”

Harris says a ticket-buyer analysis that removes Guest Rewards members and others who have previously used Amtrak shows the company is “running over a half-million new customers per month — so we’re getting the people, but it’s a churn. A combination of new and return passengers are giving us our ridership today.”

Amtrak still has no plan, however, to boost patronage on corridors within its long-distance network — such as that Chicago-Twin Cities portion of the *Empire Builder* route — unless a state steps forward. Virginia did this with a recent price-lower-

ing experiment to help fill otherwise-empty seats on state-sponsored trains originating or terminating on the Northeast Corridor.

Harris mentioned possibly doing the same thing between Fort Worth and San Antonio on the *Texas Eagle*, which is always sold out between Chicago and St. Louis, and often between Little Rock, Ark., and Dallas. But one of his predecessors, Richard Anderson, pulled the plug in 2018 on a 20-year run of coach and sleeping-car revenue management by the Texas Eagle Marketing and Performance Organization that did exactly that. Texas does help fund a portion of the Fort Worth-Oklahoma City *Heartland Flyer*, but has no interest in sending any money to Amtrak for the *Eagle*. State financial support is evidently a requirement for the company to strengthen and promote busy segments of its own long-distance routes, many of which are featured on Amtrak’s “ConnectsUS” map of corridor services it hopes to offer by 2035.

### DOMINO EFFECT

Amtrak’s hourly frequencies on the Northeast Corridor have allowed the company to attract new riders by offering a variety of time and pricing options. Compared with the same month in 2019, Northeast Corridor revenue was off 20% in June 2022. Fueled by a strong *Auto Train* performance, long-distance trains — with their restricted capacity, and resulting higher ticket prices because of demand-driven variable pricing — showed the same decline in passenger counts but



A 21-year-old Viewliner I sleeping car gets a full overhaul at Beech Grove, Ind., on Aug. 29, 2016. Amtrak needs a significant increase in shop forces at Beech Grove and elsewhere to get cars back in service and producing revenue. Bob Johnston



The southbound *Silver Star* enters the wye on CSX’s Tampa Terminal Subdivision on July 15, 2022, with one of the extended consists Amtrak has operated since sidelining the *Silver Meteor*. The train must be wyed before arriving at Union Station in Tampa, Fla. Michael S. Murray

beat 2019 revenue in June by 12%. Revenue per rider, reflecting ticket prices, rose 34% for the overnights, but dropped 3.5% for Northeast Corridor passengers. The table on page 21 compares revenue and ridership trends for each segment.

Equalizing this imbalance — arguably unfair to potential customers who might only have one train per day (or less) — requires wholesale equipment redeployment. This can’t begin to happen until Amtrak clears its maintenance backlog. But a key element is also placing into service more than 100 idle Siemens-built cars purchased for California and Midwest trains. The sad saga of production setbacks and deployment issues for that state-purchased equipment is still playing out.

Amtrak hadn’t counted on the continued unavailability of the Siemens fleet when it acquiesced to the Washington Department of Transportation Rail Division’s decision to scrap its partnership with Talgo, prompting the *Cascades* switch to 35-year-old Horizon equipment instead of three never-run Talgo Series 8 trainsets. As a result, Superliners and Amfleet II coaches that could have supplied needed long-distance capacity have been diverted to state-supported routes.

### A PATH FORWARD

Management’s biggest challenge now is to return equipment and personnel to the level needed to successfully operate a national network. To do so requires reversing the cost-cutting paradigm set in motion in 2017 by leaders lacking appreciation for the

onboard environment and other advantages of passenger rail.

This won’t be easy. Beefing up mechanical forces at the Beech Grove, Hialeah, and Bear, Del., heavy maintenance facilities, and at running-repair outposts nationwide, will require a major revamp of the company’s cost structure. Keeping revenue-producing equipment sitting in the weeds when demand justifies its use isn’t just indefensible, it’s mismanagement.

To bring onboard service personnel to the necessary levels, the company needs hiring and training programs run by hospitality professionals. Florida’s Brightline has proven it is possible with the proper investments to make passengers feel welcome, facilitating repeat business. There is a need to explore out-of-the-box thinking regarding job classifications and duties. Previously Amtrak management has been reluctant to press changes with labor unions representing different crafts. Combined with tangible service upgrades, now is the time.

And marketing? Some of the agencies running regional corridors use local resources to tell prospective customers where trains go and when they leave. Comprehensive outreach campaigns that include digital components, downloadable schedules, and special-event promotions designed to generate word of mouth are a staple of Maine’s *Downeaster* and California’s three corridors, but have completely atrophied for Amtrak’s national routes.

Embarrassingly, in August and September, the featured route on the Northeast

“Destinations” tab of Amtrak’s website was the New York-Montreal *Adirondack*, the system’s lone service that had not yet resumed since its March 2020 suspension. Wouldn’t the newly expanded *Ethan Allen* have been an obvious choice? Many state operators and the Rail Passengers Association have created the most basic product and promotion information — timetables — since those produced by Amtrak were another cost-cutting casualty. But the company stubbornly sticks with its flawed electronic version that requires users seeking information to know what to ask for.

Reversing these pervasive shortcomings with stepped-up investments means blowing apart recent expenditure-reduction trends, and certainly disrupts cost-focused management bonuses. But that business-as-usual deck of cards led to near-collapse of parts of the system in 2022.

Amtrak has many worthwhile projects underway that deserve capital funds available from the Bipartisan Infrastructure Law. These include replacing Baltimore’s 1873-vintage B&P Tunnel; New Jersey’s North Portal Bridge; engineering for new Hudson River tunnels; and matching funds toward a potential federal “Mega Project” grant that can transform routes to Chicago Union Station and station platforms.

But make no mistake: Congress has ordered Amtrak to run a system that serves all Americans, as well as providing direct funding totalling \$3.7 billion to help fulfill that mission. Now it’s up to management to step up — or step aside. **I**