

Welcome
to the
Informational
Exchange Summit

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Welcome

- **Matthew W. Daus**
TLC Commissioner/
Chairman

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City Commitment

- **Gino Menchini**
- Commissioner, Department
of Information and
Technology

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Industry Overview

- **Bruce Schaller**

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The NYC Taxicab Industry

Vendor Summit

October 14, 2004

Bruce Schaller
Schaller Consulting



Topics

- Overview
- Regulation
- Trips and fares
- Customers
- Drivers
- Vehicles
- Ownership and Operation
- Finances

Overview



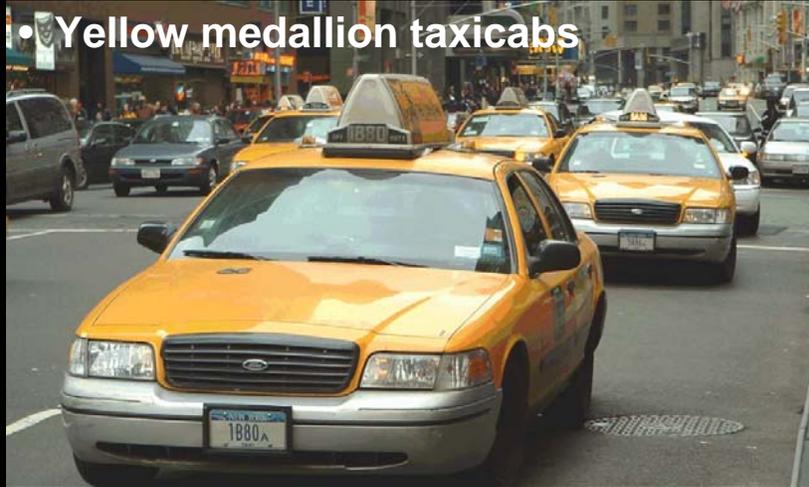
Unique Aspects

- Large size
- No dispatch/two-way communication systems between base and taxicabs
- Fragmented ownership and operation of taxicabs
- Mostly short trips, mostly local residents



Medallion Taxis & FHV

- Yellow medallion taxicabs



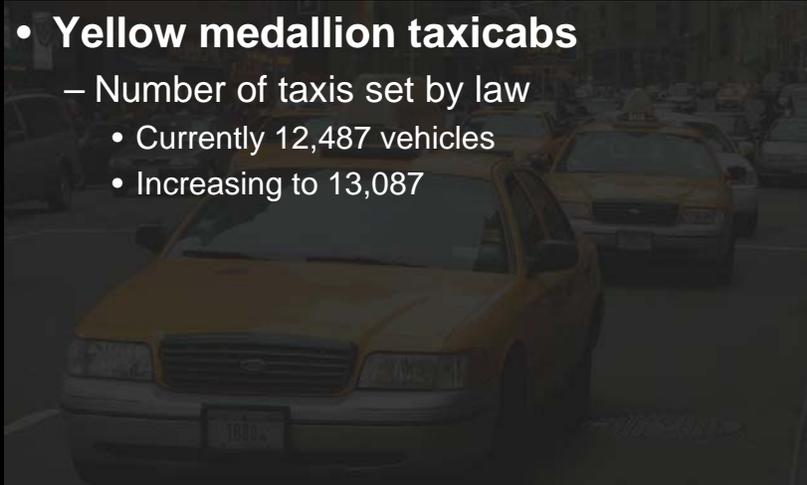
Medallion Taxis & FHV

- Yellow medallion taxicabs
 - Exclusive right to pick up street hails and at airport taxi stands
 - Radio dispatch prohibited



Medallion Taxis & FHV

- **Yellow medallion taxicabs**
 - Number of taxis set by law
 - Currently 12,487 vehicles
 - Increasing to 13,087



Medallion Taxis & FHV

- **Yellow medallion taxicabs**
 - Medallion is license to own and operate a taxicab
 - License is asset that may be sold and used as collateral for a loan
 - Medallion values over \$300,000



Medallion Taxis & FHV



Medallion Taxis & FHV



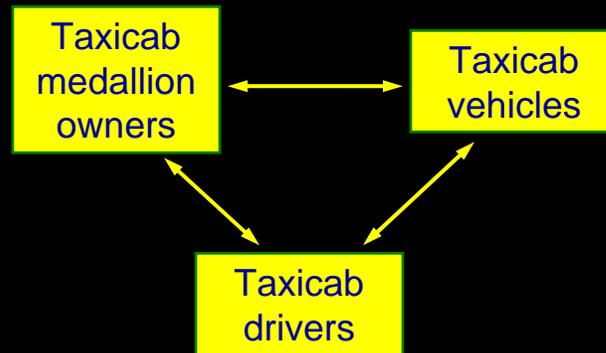
Regulation



Taxi and Limousine Commission

- 9-member rule-making board
- Appointed by Mayor and City Council
- Full-time Chairman/Commissioner
- Adopts regulations governing taxicabs, FHVs, commuter vans and paratransit vehicles

Regulatory Authority



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Regulatory Authority

- TLC also licenses
 - 40+ licensed “management companies”
 - 27 licensed taximeter installation/repair shops
 - 26 licensed medallion brokers

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Regulation

- TLC staff
 - 400 employees
 - Licensing
 - Vehicle inspections
 - Street enforcement
 - Summons adjudications
 - Administrative and policy support

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Taxicab Trips and Fares



Taxicab Trips

- Annually
 - 170 million fare trips annually
 - 238 million passengers annually
 - 1.4 passenger per trip
 - \$1.4 billion in revenue

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Taxicab Trips

- Daily trips
 - 465,000 fare trips
 - 650,000 passengers
- Geography
 - 94% originate in Manhattan
 - 6% to/from airports

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Taxicab Trips

- Per cab
 - About 30 trips per shift per cab
- Per trip
 - 2.8 miles per paid trip
 - 7-15 minutes per trip

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| TAXI FARE | |
|------------------|---------------------------------------|
| \$ 2.50 | INITIAL CHARGE |
| 40¢ | Per 1/5 Mile |
| 40¢ | Per 2 Minutes Stopped/Slow traffic |
| \$ 1.00 | Weekday Surcharge 4 pm - 8 pm |
| 50¢ | Night Surcharge 8 pm - 6 am |

Fares

- \$45 flat fare from JFK to Manhattan
- \$15 surcharge for Newark Airport
- Tolls extra
 - Must use E-ZPass

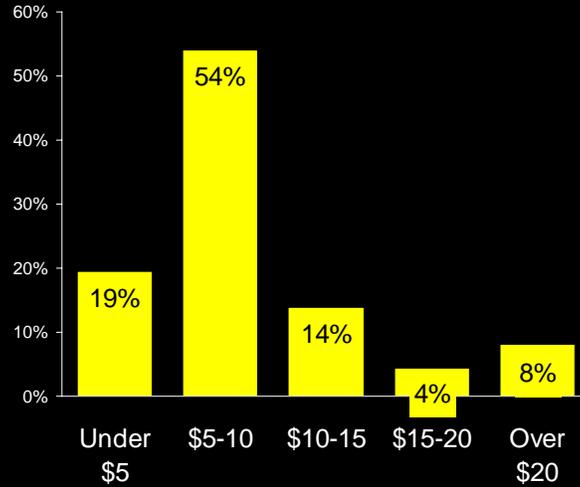
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Fares

- Average fare
 - \$8.65 from drop, distance and wait time
 - \$10.34 with surcharges and tip
- Airport trips from Manhattan
 - \$23-\$50 depending on airport, congestion and route

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Fares



Includes tip but not any surcharges

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Taximeters

- Electronic meters
- Meters must print receipts

```
' I ' ♥ NEW YORK '
MED #      1A84
DATE: 09/22/2004
START TIME 12:52
END TIME   13:23
TRIP #     3041
RATE No.   1
MILES      12.19
FARE $     28.10
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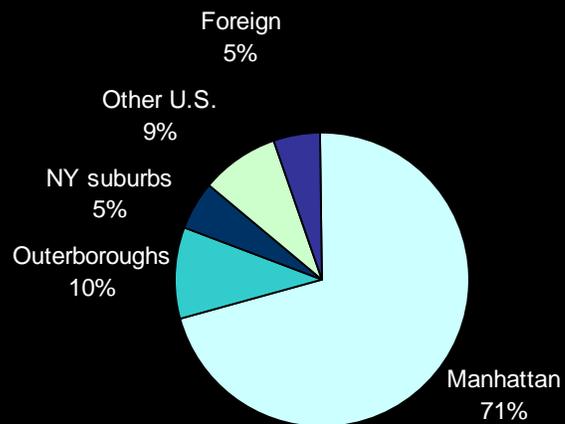
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Contact TLC Dial
3-1-1
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Customers



Customers' Place of Residence



Customers

- Average Manhattan adult takes 100 trips annually
- Trip purposes:
 - Home
 - Work
 - Recreational

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Customers

- Place of residence of taxi commuters



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Drivers



Drivers

- 41,000 licensed taxi drivers
- 3,800 new drivers licensed in FY04
- About 4 years average experience
- Average age 42

Drivers

- 90% immigrants
 - Pakistan
 - Bangladesh
 - India
 - Haiti
 - Africa, ex-USSR
- Required to speak English
- Native speakers of 60 languages

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Drivers' Place of Residence



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Vehicles



Vehicles

- 94% are Ford Crown Victoria
 - Extended Crown Vic is mandated
- Others
 - Honda minivans
 - Ford Explorer SUVs
- 40,000 - 75,000 miles/year

Vehicles

- Must be new when put into service
- Age limit
 - 5 years with some extensions
 - 3 years for fleets
- Must have partition (shield) or camera
- Inspected three times/year

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Vehicles

- “Hack-up” process
 - Medallion owner buys vehicle
 - Taximeter shop
 - Install and seal meter
 - Install rooflight
 - Install partition
 - Adhere stickers
 - TLC
 - Checks/bolts medallion on hood

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Ownership and Operation



Types of Operation

- Fleet
- Management company
- Other lessors
- Owner-drivers

Types of Operation

- Fleet
 - Operation
 - Operate from garages
 - Lease to drivers
 - Primarily operate two shifts/day
 - Many steady drivers
 - Fleets generally own medallions and vehicles
 - 2,100 taxicabs operated by 15 fleets
 - Must have 25 cabs
 - Largest operates 400 cabs

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Types of Operation

- Management company
 - Operation
 - Operate from offices, generally no garages
 - Lease to 2 steady drivers lease by week
 - May or may not own medallion
 - Vehicle may be owned by management company or by driver
 - 5,500 taxicabs
 - 42+ TLC-registered management companies
 - Largest operates over 700 cabs

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Types of Operation

- Management companies and fleets combined
 - Operating 100+ taxicabs:
 - 27 fleets and management companies
 - 6,200 taxicabs
 - Fewer than 100 taxicabs
 - 30 agents and fleets
 - 1,400 taxicabs

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Types of Operation

- Other lessors
 - Owners who are not officially agents
 - May operate 1 cab or many
 - Primarily operate with 2 steady drivers
 - Lease by week - drivers control vehicles
 - 1,400 taxicabs

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Types of Operation

- Owner-drivers
 - 3,600 taxicabs
 - 40% also lease to driver for second shift
 - Some personal use

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Finances

- New vehicle: \$25,000-26,000
- Annual costs - Double shift leased
 - \$6,000 vehicle depreciation/interest
 - \$4,000-\$6,000 vehicle maintenance
 - \$7,000 gasoline
 - \$8,000-\$10,000 liability insurance
 - \$40,000 driver income per driver
 - \$125-175 per shift

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Taxicab Service Technology Enhancement Project

Andrew Salkin
First Deputy Commissioner

Project Goals

- **To Improve the Riding & Driving Experience Through:**
 - **Payment Options (Credit/Debit Cards)**
 - **Communicating Useful Information to Passengers (Passenger Information Monitor)**
 - **Communicating Useful Information to Drivers (Text Messaging)**
 - **Better Policy (Automated Trip-Sheet Data Collection)**
- **Implementation: November 2005**

History

- **March 2004**
 - TLC Board of Commissioners Unanimously Approve Passenger Service Enhancements for Taxicabs Industry
- **April 2004**
 - Service Improvement Steering Committee Forms Consisting of Senior Management From Several City Agencies
- **June 2004**
 - TLC Releases a Request for Information (RFI) With Regard To Technology Enhancements
 - Over 60 Responses

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Payment Options

- **Provide Riders With Options for Payment**
 - Credit/Debit Cards
 - Other Electronic Payment Methods
- **Must Have Passenger and Driver Buy-In**
 - Timing
 - Cost
 - Money

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Communicating With Passengers (PIMs)

- **Allow TLC to Communicate with Passenger**
- **Must include a Map**
- **Must have an “Off Button”**
- **Will include TLC Specific Information**
- **Will include Public Service Announcements**
- **Envisioned to include other information “useful” to the passenger**

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Communicating With Drivers (Text Messaging)

- **Recover of Lost Goods**
- **Cab Efficiency**
- **Traffic Related Information**
- **Emergency Communication**
- **Note: By TLC Rule, two-way communication between Cabs and a Base is not permitted**

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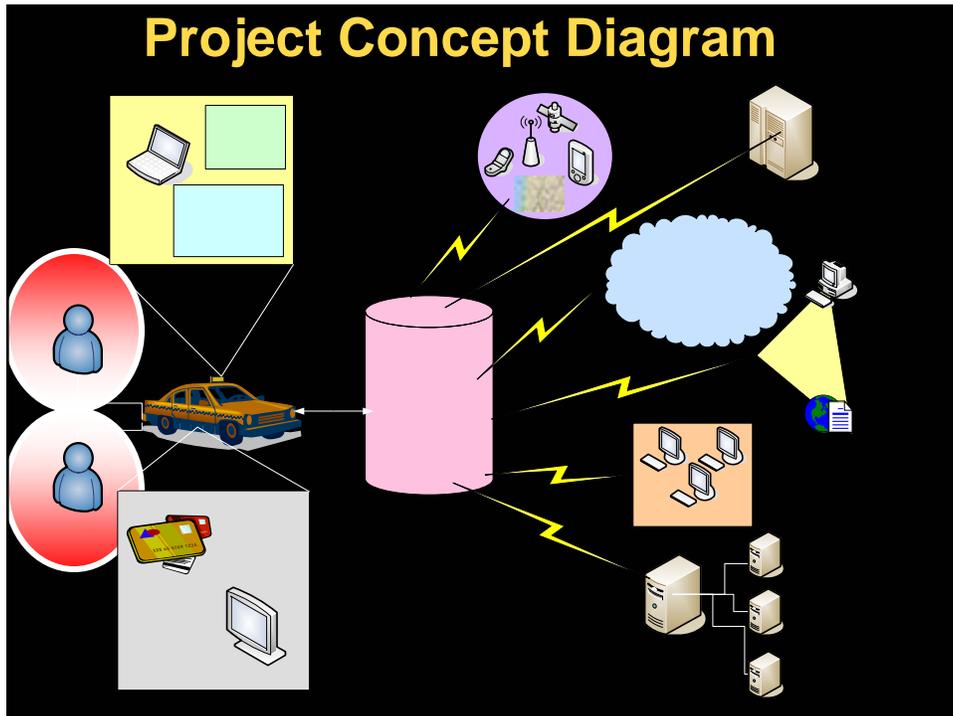
Automated Trip-Sheet Data Collection

Automated Data = Real Information = Good Policy

Highlighted fields on the trip sheet include:

- Driver ID and Shift Information
- # of Trips
- Start Location
- Toll Information
- Final Fare

Project Concept Diagram



Project Analysis

- **All Four Service Enhancements Exist Today**
- **Best Value Services and Products for the Drivers and Passengers in all 13,000+ NYC Taxicabs**

Goals – Getting to Success

- **Procurement**
 - Information from RFI process
 - Input gathered from the Informational Summit
 - Research:
 - Passengers
 - Drivers
 - Industry
 - TLC Requirements & Objectives

Goals – Getting to Success

- To Improve the Riding & Driving Experience Through:
 - Credit/Debit Cards (Payment Options)
 - Passenger Information Monitor (Communicating Useful Information to Passengers)
 - Text Messaging (Communicating Useful Information to Drivers)
 - Automated Trip-Sheet Data Collection (Better Policy)

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- Implementation: November 2005

For more information:

Presentations may be found at:

www.nyc.gov/taxi

Written comments may be submitted to

policy@mail@tlc.nyc.gov

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Vendor Summit Topics

October 14, 2004

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Automated Vehicle Locator / Tracking Technology

- Location technology
- Automated trip sheets
- Lost property/cab identification

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Text Messaging Capability

- Relaying messages to drivers (broadcast and targeted)
- 1-way versus 2-way
- Non-mandated capabilities

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Credit/Debit Card Payment

- Customer interface/experience
- Driver acceptance
- Merchant issue
- Number of cards to be accepted

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Passenger Information Monitor (PIM)

- Content
- Display of advertising
- Customer controls (audio, video)
- Content/advertising policies

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