

APPENDIX E

PEER REVIEW OF TAXI SERVICE IN OTHER CITIES

INTRODUCTION

Boston, New York, Washington, Philadelphia and Chicago are among the few true 'cab cities' of the United States. Here, taxis are engrained into the transportation system and even the culture to a far greater extent than in San Francisco.

To judge from the current regulatory system in many of these cities, this level of taxi use is more a result of accident than design, however. In New York City, one former regulator has been driven to proposing a fare increase to cut demand in order to improve availability, given the political impossibility of increasing supply. In Washington, DC., there are complaints that infighting on the Taxicab Commission has stalled a fare increase, the installation of driver safety devices, the issue of new licenses, a meter-based fare system, fleet modernization and driver training. In Boston, the Police Commissioner was forced by an appeals court to implement an increase in permit numbers ordered by the state Department of Public Utilities.

The peer review in this appendix, therefore, concentrates on cities – both in North America and elsewhere – where innovative policies have been introduced that might be transferable to San Francisco. It does not focus on a city simply because taxi use is prevalent there; in any case, this depends as much on density, size and other transportation options as the mode of regulation adopted.

This review also concentrates on policy innovations, rather than a simple comparison of fares and taxi numbers per capita. Given the wide variations in cost of living, affluence, visitor numbers, transit ridership, density, and a host of other factors that affect taxi use, it is not clear that these statistics would be greatly helpful.

Figure 1 below summarizes the cities considered in this review, and the innovations that have been considered in each.

Figure 1 Summary of Peer Review

Innovation	City	Effect
Franchising	Los Angeles, CA	Taxi firms are invited to bid to serve specified geographic areas, through a Request for Proposal process. Firms are then required to comply with specified performance standards.
Performance standards	Perth, Australia	Regulations focused on inputs such as minimum hours of operation were abolished. Instead, new regulations hold firms accountable to outcomes such as response times and the number of calls not handled.
Peak-period only plates	Perth, Australia. Clark County, NV	Adjust supply to reflect differing demand at different times of day.
Neighborhood medallions	Perth, Australia Clark County, NV Chicago, IL	Intended to improve service in residential neighborhoods, but success is unclear.
Training as a barrier to entry	London, UK	Training replaces caps on medallion numbers as the barrier to entry to the taxi market. This can improve service quality, while eliminating issues of high medallion values and transferability.
Expanded training requirements	Vancouver, Canada	Improve quality of service, particularly to tourists.
Central dispatch for wheelchair-accessible taxis	Chicago, IL	Aimed at improving availability of wheelchair-accessible taxis. In practice, availability is still extremely poor.
Advanced dispatch technology	Various Australian cities. London, England	Allow small firms to use a common dispatch service, while retaining their individual identities. Ease call-sharing between firms. Automatically dispatches closest taxi.
Taxi sharing	Portland, OR Chicago, IL Madison, WI London, England Various continental European cities	Improve availability at key locations. Reduce the cost of taxi service. Provide better transit service at a lower cost.
Linked taxi-transit service at suburban stations	London, England	Aimed at creating “seamless” door-to-door journey. In practice, uptake has been poor.

REGULATING OUTCOMES, NOT INPUTS

Taxi franchising, Los Angeles, CA

The City of Los Angeles is the only large metropolitan area in the United States to use a franchising system to regulate taxis. New franchising arrangements were put in place in the year 2000, which will hold taxi firms accountable to specified performance measures. The franchises were awarded for five discrete geographic areas on the basis of responses to a Request for Proposals issued by the city.

Proposals received were evaluated according to the following criteria. The percentages refer to the weight each factor was given in the final decision.

- **Firm experience** (25%) – quantity and quality of experience in operating a taxicab company or related business, including knowledge of the service area.
- **Management and administration experience** (20%) – experience of key personnel, and the tasks assigned to each.
- **Quality and feasibility of management/business plan** (35%) – covering programs and procedures for vehicle control, driver training and supervision, dispatching and communications technology, record keeping, and so on.
- **Proposer identification and character qualifications** (20%) – including corporate structure, and any civil or criminal proceedings involving principal staff.

The key performance standard is a 15-minute response time for 76% of calls within a firm's geographic base area. This is measured from the time a call is dispatched to a driver, to the time the meter is turned on, or to the time the arrival is logged by the cab's GPS system. GPS is not mandated in all cabs, but since the arrival time logged by this will generally be a minute or two before the meter is turned on, there is an incentive to cab firms to install GPS systems to improve their performance figures.

Most taxi service in Los Angeles is provided on a telephone dispatch basis. No performance standards are therefore set for street hails.

Firms meeting their performance standards will be eligible for rolling franchise renewals. Franchises were initially issued for five years, and may be extended after each year for a further year, up to a maximum of ten. This gives firms that meet their targets a continuous five-year investment horizon.

Firms that fail to meet the standard are at risk of having their permission to operate outside their 'home' geographic area withdrawn, and ultimately of having their franchise withdrawn.

Most drivers in Los Angeles are independent contractors. However, this does not undermine the principle of regulating outcomes at the firm level, rather than attempting to

regulate each driver individually. In order to meet their targets, firms will have to provide their own incentives to drivers to accept unpopular calls, such as lower lease fees or a bonus equivalent to double the fare, argues the Los Angeles Department of Transport. This is a question for each firm, not regulators, to resolve.

One criterion for franchise awards was the ability to use a computerized dispatch system to generate reports for regulators regarding response times. While performance standards were specified prior to the latest round of franchising, these were monitored through a sample survey, which was successfully challenged in court by taxi firms. Now, the firms' own data are used.

Entry control is still governed by a Public Convenience and Necessity process. This controls both the awarding of additional permits to existing franchisees and the award of franchises to new operators. The size of firms is limited to 35% of the total citywide fleet.

The franchises also allow the City to specify requirements, such as that at least two percent of each firm's fleet must be wheelchair accessible, and at least five percent consist of Ultra-Low Emission Vehicles.

Perth, Western Australia

Following a 1999 review of taxi regulations in Western Australia, required under the government's National Competition Policy, the state has moved to a system of regulating outcomes, rather than inputs. Many of the previous regulations were abolished, such as minimum hours of operation, and a rule (intended to improve service for short trips) that dispatchers could not tell drivers the destination before the call was accepted. These were considered to represent micro-management of the industry, effectively second guessing what were properly the management decisions of each firm.

Instead, firms are now required to meet performance standards for phone waiting times, response times, the number of jobs not covered, and the handling of complaints. These standards are set according to passenger expectations as expressed through market research surveys. Standards are also set for each neighborhood; response times for any individual neighborhood may not be more than five minutes more than the overall standard.

Under this system, the respective roles of industry and government have been clarified, the Department of Transport considers. The government sets the standards, acting as the representative of the consumer. It is then up to the industry to work out how to meet those standards. Regulators have abandoned any attempt to regulate each driver individually.

Compliance is monitored through the data on response to telephone calls, downloaded directly from the firm's computer systems. This avoids any enforcement problems the job of manipulating the data in a consistent way, to improve a firm's results, is considered virtually impossible. Regulators see the availability of data as essential to the new system,

enabling decisions on plate (medallion) numbers, for example, to be made on a factual basis. Sample surveys are used to monitor performance in the street hail sector.

Enforcement is also aided by the structure of the Perth industry. Two firms account for more than 95% of taxis, and both have computer dispatch systems which record the details of each trip. While there are minimum fleet size specifications for a dispatch service, these are waived for the handful of smaller companies, provided that they serve a niche market such as a particular neighborhood.

If performance standards are not met, regulators have two choices. Based on the data from the firms, such as the proportion of cars available versus the number of jobs outstanding, they determine whether the problems are due to a shortage of plates, or poor fleet management. If the former, more plates are issued. If the latter, firms are fined and required to draw up and implement a plan to address the inadequacies.

RESTRICTED MEDALLIONS (PEAK-TIME OR NEIGHBORHOOD ONLY)

Clark County, NV [Las Vegas]

Both geographic- and time-restricted medallions are used in Clark County, Nevada – the county that encompasses Las Vegas. Of the 1,587 medallions currently in circulation, 126 are geographically restricted, preventing the driver from picking up fares from the Las Vegas Strip, downtown or airport. A further 452 medallions are time-restricted, from either noon to midnight, or 2 PM to 2 AM. Temporary medallions are also issued to meet additional demand during specific events, such as large conventions.

New medallions are issued following annual Public Necessity hearings. Recommendations to the Board for new medallions are made based on trip numbers, with staff proposing a new medallion for each increase in trips of 21,800. Medallions are distributed on an equal basis to each firm.

According to the State of Nevada Taxicab Authority, which regulates taxis in Clark County, enforcement has not been a problem. Different colors are used for different types of medallion, aiding the enforcement of regulations. Medallions are detachable and are screwed on to the fender, allowing a greater degree of flexibility – the same vehicle can be used with a full-time or restricted medallion.

However, the enforcement resources available to the Authority are many times greater than in San Francisco. It has 56 employees, including 24 investigators. This is funded through a levy on fares, with firms required to pay \$0.15 to the Authority for each trip.

Economically, the restricted medallions have been successful, to judge from the fact that they are accepted by firms. Since all drivers in Clark County are employees, rather than independent contractors, the allocation process is managed through the firm on a seniority basis. New drivers first work on an as-needed basis, before being assigned a restricted medallion, and then graduating to a regular medallion.

However, the geographically restricted medallions have not been a total success in improving service to residential neighborhoods. According to the Authority, this is largely because casinos and hotels have been established away from the Strip in recent years. Geographically restricted taxis are now serving these, to the detriment of residents.

Chicago, IL

Neighborhood cabs were introduced in Chicago in 1998, in an attempt to improve availability in underserved areas. In 1998, 25 such licenses were issued, followed by a further 25 in 1999 and 50 in 2000.

Permits are issued to licensed drivers through a lottery. To be eligible, a driver's earnings must be below a certain income threshold – essentially meeting the poverty definition of the US Department of Labor – and live in one of the underserved areas. After five years, the neighborhood permit becomes an unrestricted permit.

Under the original scheme, the cabs were required to pick up at least 50% of their fares in designated underserved areas, which in practice accounted for around 85% of the city. However, this has proved difficult to enforce. Permit holders are required to file their trip sheets with the city's Consumer Service Department on a quarterly basis, detailing the date, pick-up address and drop-off address. However, with the exception of radio calls that can be compared to dispatch service records, these are impossible to verify.

Consequently, the City recently moved to an odd/even days rule. Permit holders must operate for eight continuous hours on every other day in the underserved neighborhoods. After eight hours, and on other days, they may operate anywhere. Several drivers have been fined under this new system.

The City is now investigating the possibility for GPS-based enforcement. Several systems have been identified as meeting the requirements, but the cost (\$1,500 – \$2,000 per vehicle) is currently the major barrier, particularly as few of the neighborhood cabs are currently GPS-equipped. It has yet to be decided whether this cost will be met by the City or the drivers.

The City considers the program has been a success in improving service to outer neighborhoods. However, there is no hard data to back this up. Cab firms, in contrast, allege that little business is available in the neighborhoods, and drivers can thus make money only every other day. Consequently, at one firm four out of the nine drivers with neighborhood permits have returned or are about to return them to the City.

Chicago has also introduced three other schemes to improve service to outer neighborhoods and to passengers with disabilities – the Ground Transportation Tax Credit Program, a stipulation that every driver who leases a taxi cab must respond to one radio dispatch call in underserved areas per shift, and a new category of medallion.

Ground transportation tax credits of up to 50% are available to permit holders whose vehicles are operating in underserved areas. The tax is reduced proportionately according to the number of fares transported to or from these underserved areas, up to a maximum of 50%. While the credit is granted to the permit holder, he or she must rebate two-thirds of this to the drivers.

The one-call-per-shift requirement was introduced late last year, and it is difficult to determine the effect on service levels. Taxi firms are required to certify compliance with this rule to the City on behalf of their drivers, and both firms and drivers are held liable if the requirement is not met. Firms are also responsible for ensuring that sufficient calls are available, on penalty of losing their license. This has prompted several small and medium sized firms to discuss the potential for coordinated dispatch, to save money that could then

be spent on marketing. Many fear, however, that they have no chance of meeting the requirement regardless of this; one calculates that it would require a 1500% increase in calls, as most of the business of smaller firms is through street hails.

Medallions in the new category are to be issued through a Request for Proposal process. Two hundred are to be distributed this year, of which 100 are for wheelchair-accessible vehicles. All 200 cabs must generate at least 40% of their fares from underserved neighborhoods or passengers with physical disabilities. Bidders are to submit their operation, staffing, marketing and service evaluation plans to a committee of City officials, community representatives and advocacy groups, who will then select the most qualified applicants.

Perth, Western Australia

Both peak-period plates and outer area-only plates are used in Perth, Western Australia.

Around ten percent of the 1,000 plates in Perth are peak-period only, and this proportion is set to be increased shortly with the issue of more plates. According to Department of Transport officials, the initiative has been a great success in improving service at peak times.

Enforcement is not considered to be a problem, as the plates are clearly distinguishable. Other drivers report use of the plates outside peak times to the regulators.

The economics of the plates also work, to judge from the fact that they have been accepted by the taxi firms. While their average transfer value is lower than that for standard plates – US \$8,150 (AUS \$15,700) compared to US \$84,650 (AUS \$162,900) – the fact that they have a transfer value at all indicates that profits can be made under them.

The success of outer area-only plates, under which drivers can only pick up in designated poorly served neighborhoods, is difficult to judge. Only eight have been issued as of Spring 2001 as part of a limited trial – too few to make a real impact. However, more are likely to be issued later in 2001.

Again, the economics of the plates have worked so far, as all of those issued have been accepted. However, no data is available on transfer values.

A proposal that would have allowed peak-period plates to be used in outer neighborhoods at off-peak times was never implemented. This was due to industry concerns over loss of business, and the realization that the poorest service in outer neighborhoods was at peak times, and the proposal would have therefore done little to improve service.

TRAINING

London, England

London was repeatedly cited in the stakeholder interviews as having the model taxi system that San Francisco and other cities should aspire to. The standard of service, with knowledgeable drivers and high-quality vehicles, was particularly admired.

The London system is run on a two-tier basis – regulated taxis and private hire vehicles or minicabs, which until very recently were unregulated. Taxis are primarily used by tourists and for business purposes in the city center, and drivers must undertake about two years of training to pass a stringent test of geographical knowledge. This examination, not any limit on medallion or plate numbers, is the barrier to entering the taxi market.

Drivers may both respond to radio calls and accept street hails; most of their radio business is for corporate account customers in the city center. Fares are regulated at the following levels:

- Flag drop and first quarter mile or 87 seconds: £1.40 (\$2)
- Each additional 1/8 mile or 43.5 seconds, until fare reaches £10.60: 20p (\$0.28)
- Each subsequent 1/12 mile or 29 seconds: 20p (\$0.28)

The counterpart to these high-cost taxis is the minicabs. Fares are not regulated, and are generally negotiated between passenger and driver. Prior to 1998, there were no requirements for driver background checks or vehicle quality standards. Drivers are not permitted to accept street hails, although in practice this rule is widely flouted.

When London's taxi service is admired, it is thus generally the regulated taxis that are being referred to, rather than the minicabs which serve the needs of most residents and the outer areas.

TaxiHost, British Columbia

The TaxiHost program was developed in 1994 by the Greater Vancouver Partnership Committee, in a bid to improve the quality of taxi service in the region. Since then, the program has often been cited in the literature as a model for other training programs, and has received four awards from tourism agencies for program excellence and innovation. It has also been purchased by the Canadian Tourism Human Resources Council for adaptation across Canada.

Most notably, the program is targeted at existing drivers as well as new applicants. Specific dates were set for current drivers to pass the courses, if they wished to renew their airport permits.

In 1997, the City of Vancouver began requiring new applicants for driver permits to complete Level 1 of the program – a 27-hour course covering local knowledge, road sense, and taxi industry knowledge. English language screening is also required.

From 1998, the airport authority required all drivers seeking or renewing airport permits to have completed Level 1. Existing drivers did not have to take the course if they passed an examination instead. From 1999, the authority required all drivers to have passed Level 2, which includes an in-car training session on collision prevention, advanced geography, transporting passengers with disabilities, and driver safety.

Two more advanced courses are planned, which involve an evaluation by an anonymous passenger, and regional tourism knowledge. However, dates for completing these have not yet been set.

TECHNOLOGY AND DISPATCH

Central dispatch for wheelchair accessible taxis, Chicago

All Chicago taxi firms with wheelchair accessible vehicles were required to jointly prepare and submit a plan for coordinated or central dispatch for these taxis by March 1, 2001. The scheme was designed to avoid the need for passengers to call multiple firms in search of an available taxi. If firms had failed to comply, or the City had not approved the plan, one would have been drawn up by the City and the costs imposed on the firms.

In fact, central dispatch began in December 2000, run by Yellow Cab. So far, however, it does not appear to have solved availability problems. Under a survey by the City and the Multiple Sclerosis Society, 35 calls were made, of which just 14 resulted in a taxi arriving. Response times for those that did arrive were up to 2 hours 30 minutes.

One problem is that there are currently just 41 wheelchair accessible vehicles, from a total fleet of 6,700.

Two new proposals by the City to address the problem involve requiring cab companies to accept reservations from disabled riders up to 48 hours in advance, and to provide reports detailing usage by disabled and able-bodied riders.

This has resulted in Yellow Cab threatening to pull out of the program. The firm disputes the results of the City survey, claiming that 89% of all service requests are currently fulfilled. It also complains that several other cab firms have failed to pay their share of the costs.

Multi-badged call centers, Sydney, Australia

In New South Wales, all taxis are required to be equipped with GPS as a driver safety measure. This has led to medium-sized and small firms joining forces with each other or with large firms to gain access to the technology, without the capital outlay.

The firms operate out of a common call center. However, the telephones are answered and taxis dispatched in the name of whichever taxi firm the passenger calls. The concept is known as a "multi-badged call center". The center can either be owned by a large firm, or a cooperative of smaller firms.

One firm in Sydney, Taxi Combined Services, manages a system on behalf of six firms, comprising a total of around 3,400 cabs.

One common system used is the GPS-based T8000 series from Sigtec. This automatically allocates the closest available taxi to the job, and transmits the details directly to the driver.

Raywood Computer Controlled Dispatch

Computer dispatch systems from Raywood Communications are in use in a range of cities in Australia, New Zealand, southeast Asia and Europe. A multi-badged call center operates using this technology in Brisbane, Australia, dispatching 800 taxis from eight companies, out of a total fleet size of around 1,400.

As well as enabling several firms to share a common call center, the system allows trips to be off-loaded to each other at busy periods, when one firm is unable to handle the call within a specified time period. Experience has shown that small firms tend to get more trips off-loaded to them than larger ones. The system can automatically select which firm receives the trip, rather than the operator, ensuring that the system is perceived to be fair.

The concept can be taken a stage further, with passengers able to call an individual driver through the call center. If he or she is not available, the job is passed to another driver.

The system can also include safety features such as a panic button on the floor, which triggers a camera and covert microphone, and automatically relays the taxi's position to dispatchers.

Computer Cab, London, England

Computer Cab is the largest dispatch service in London, with more than 3,000 independent drivers subscribing. It handles 13,000 bookings per day.

Computer Cab uses the Mobistar system, based on an automatic vehicle location methodology using GPS tracking. The position and status of every taxi on the fleet is recorded every 20 seconds. Bookings arrive by telephone or direct online booking terminals (which are generally used by corporate customers), and the system automatically allocates the job to the closest appropriate taxi, delivering pick-up information to the on-board computer. At the end of the journey, the system automatically credits the fare to the driver's account, and debits any contract customer.

Dispatch company managers expect an increased shift to virtual bookings over the coming years. Order takers would then turn into customer service agents, dealing with the exceptions to the automated jobs.

The firm considers its customer service is based on three principles: no destinations given to the driver, no refusals, and the job allocated to the closest taxi. Drivers are attracted through the guaranteed payments, automatic tip added to most fares, and the safety offered by the high proportion of corporate accounts.

TAXI SHARING

A distinction can be made between routed and non-routed shared taxi services. Routed taxis, as used in the continental European examples essentially act as buses, and the system is set up and funded by the transit operator. Non-routed services, as in Chicago, Madison and London, provide an on-demand service much like regular taxis. Here, shared taxis depend on employees (starters) to group passengers by destination, or experienced dispatchers who can match orders to maximize occupancy and minimize travel times.

These two categories are not hard and fast. The Cedar Mill Taxi Shuttle in Portland, for example, is a substitute for bus service, but offers flexible door-to-door service.

Cedar Mill Taxi Shuttle, Portland, OR

In Portland, transit operator Tri-Met has contracted with a taxi firm to offer transit service in the suburb of Cedar Mill. This demonstration project began in 1998, and was recently extended to August 2002. Shared taxis take residents from their homes to one of six destinations, including stores, the library and the transit center. A key element of the program is the connections offered to light rail services and the rest of the regional transit network at the transit center.

Rides must be scheduled in advance directly with the taxi firm. Regular transit fares apply, and transfers are issued. Service is provided on weekdays between 6 AM and 7 PM.

Ridership has leveled off at an average of 130 rides per day, at an average cost of \$4 each. Use is heavy during the peak periods, and low at other times. According to Tri-Met, customer and community feedback about the type of service and provider performance has been "very positive". Tri-Met is currently exploring the potential to replace the shuttle with a fixed-route taxi service.

Chicago, IL

Shared rides are available at four locations in Chicago – the two airports, the McCormick convention center and the United Center sports arena. At all four, starters are employed to manage the passenger flow, and shared rides are only permitted when these starters are on duty.

Up to four passengers are permitted to share a taxicab from these locations to a destination within designated boundaries in central Chicago. All cabs are required to accept shared rides, and flat fares are set by ordinance. From O'Hare Airport to downtown, the shared-ride fare is \$25, compared to around \$35 for a metered ride. From the convention center to downtown, the shared-ride fare is \$5, compared to \$7 - 9 for a metered ride.

Maximum waiting periods are specified by ordinance. If one passenger has entered the cab, and no further people can be found to share within ten minutes, the passenger can

request to be taken to his or her destination at the metered fare. If two or more passengers have entered the cab, the driver is prohibited from waiting more than ten minutes for further passengers, and must charge the shared-ride fare.

At the airport, passengers may request a shared-ride cab from the starter. The first cab in line is then required to proceed to a designated shared-ride area in order to wait for additional passengers. At the convention center and sports arena, shared rides are effectively compulsory at peak times, due to a shortage of cabs.

London, England

Heathrow Express, which runs express trains from Heathrow Airport to Paddington Station in central London, has introduced a shared taxi scheme at Paddington to improve availability at peak times. Passengers effectively get to jump the long lines by agreeing to share, as drivers or starters work down the line to find people with compatible destinations. Fares are levied on a zonal basis.

Madison, WI

Shared-ride taxi service in Madison, WI is provided by a single, dedicated firm, Badger Cab. The firm currently has 40 vehicles and carries around 800,000 passengers per year, logging around three million fleet miles. The city, with a population of around 200,000, is thought to be the largest in the United States where shared rides are available on such a widespread basis.

Average occupancy is around 1.3 passengers. Since deadhead trips still occur (although to a lesser extent than with exclusive taxis), the average number of passengers sharing is somewhat higher.

Each passenger who uses Badger Cab must be willing to accept a shared ride. Drivers can deviate to pick up or drop off other passengers en route. The decision on whether to take additional passengers lies with the dispatcher. For street hails, the driver will stop, and call the dispatcher for approval or to request another cab if the destinations are incompatible. In any case, telephone orders account for around 90 - 95% of the firm's business, with most street hails taking place on weekend nights in the university area.

While travel times are longer, the firm considers its overall service level to be comparable to exclusive cabs, due to faster response times.

City ordinances set out two different fare structures. One is for exclusive taxis, which are metered, and the other is for shared-ride services, which charge fares on a zonal basis. Under this system, an extra charge is levied each time the taxi crosses a zone boundary - \$1 for the first four, and \$0.75 subsequently. There are 253 zones in the city, and the outer zones are smaller, in effect making travel to these parts of the city more expensive as the probability of a shared ride goes down.

The fares from any zone to any other zone are pre-calculated, and the driver looks them up in a handbook. This means that the fare is independent of the route taken – there is no extra charge if the driver deviates to pick up or drop off passengers, for example. The fare is also the same regardless of the number of people sharing the cab. In practice, shared cabs are 60 - 65% of the cost of exclusive cabs, and as little as 45% of the cost in the city center.

Package delivery is a big component of the firm's business, accounting for 15 - 20% of daytime revenue. Other important sources of revenue include ADA paratransit work, accounting for 300 - 400 passengers a day, and contract work for schools and the City Health and Human Service department.

The firm considers the key to its success has been the development of a clientele that accepts the shared ride concept, and the savings this affords. Most of its riders are seniors, students and others on low incomes, who take the shared taxis for economic reasons. Badger Cab has been in business since 1946, however, and staff suggest that it could be difficult to start up a similar operation due to the lack of a pre-existing customer base. A foundation of contract work would be essential for any new entrant to this market, they believe.

Continental Europe

Shared taxi services are commonly used in parts of central Europe, particularly Germany and Austria, as an integral component of the public transit system. The same fares are generally charged in shared taxis as on other parts of the transit network,

In Rouen, France, the Metrobus network consists of two light rail lines, 36 bus routes, five shared taxi circuits and 24 school routes.

In Muenster, Germany, scheduled taxi routes operate during the day in low-density areas at the end of three bus routes. Along with others in Germany, such as Bad Salzuflen, the city also uses taxis instead of buses to provide night service. Passengers call the transit system dispatcher, who in turn calls the taxi dispatcher. They are then given a confirmation time at which the taxi will be at the bus stop.

In the Netherlands, the national railway company subsidizes "Treintaxi" shared taxi services to and from rail stations. The flat fare is DFI 7.5 (around \$3), and passengers are guaranteed a waiting time at the station of ten minutes or less.

INTEGRATION WITH PUBLIC TRANSIT

London HomeLink

In 1998, London Transport introduced a pilot scheme for a linked taxi service to relatively isolated suburban subway stations. The aim was to increase transit revenue by stimulating off-peak demand, through addressing concerns about personal security, travel time, and baggage. It was intended to promote the concept of a premium “seamless journey” from door to door.

Passengers, who must register in advance before they can use the scheme, telephone the taxi firm directly, to ensure a taxi will meet them at the station. Fares are charged on a zonal basis, at a slight discount from regular rates. London Transport does not subsidize the scheme; its role is to coordinate the interchange and guarantee service quality through contracting with a single firm.

No significant operational problems have been reported in the two years since the scheme’s inception. Around 800 passengers have registered, and market research showed strong support for the scheme. However, usage has been “disappointing and way below original expectations”, London Transport reports, with fewer than 25 trips per week being made. It suggests this may be due to passengers registering only as insurance, just in case they need the scheme, or because of passengers not using their registration numbers.

Rather than extending the pilot scheme across its network, London Transport is now considering an alternative option of a more general promotion of taxi facilities at stations. Alternatively, the advance registration requirements may be dropped.