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## Beyond Brakes, Amtrak's Woes Hit the Cafe Car

By [MATTHEW L. WALD](#)

WASHINGTON, June 9 - Riders on Amtrak may think that the \$3.25 hot dog and the \$1.50 bag of chips in the cafe car are no bargain. Neither does Amtrak. It is spending just over \$2 for each dollar of food it sells on its trains, according to auditors.

But the financially beleaguered railroad said at a Congressional hearing on Thursday that while it could lose less, it has little hope of breaking even there.

Expenses for labor and food run about \$83 million more than the food service brings in, according to the railroad's inspector general. That sum, twice Amtrak's food and beverage revenues, is without the cost of maintaining the dining cars on long-distance trains and the cafe cars used on short-haul routes like the Northeast Corridor; if those expenses are included, the losses come to about \$130 million.

The railroad did report some good news on Thursday about another expensive problem, saying it had a tentative theory about why brakes had cracked on the Acela Express trains and how to fix them and have them running by July. Improving the food problem might take longer.

Some Bush administration officials have suggested that Amtrak should eliminate the food service. The railroad cut hot food last week in the first-class Metroliner cars, and on July 1, it will not serve any food on trains through Albany.

But some food service is essential, said William L. Crosbie, the senior

vice president for operations, who testified Thursday before the railroad subcommittee of the House Transportation Committee.

"Food and beverage is a key part of what the customer is paying for," Mr. Crosbie said. "It's part of the amenities you need to offer when a customer wants to travel on our service."

During Mr. Crosbie's appearance, Representative John L. Mica, Republican of Florida and a persistent critic of Amtrak, tried to illustrate the food-service problem by putting a trash can on his desk, pulling out a pile of \$1 bills and counting them out, dropping two out of every three into the trash.

But the ranking Democrat, Corinne Brown of Florida, whose district is near Mr. Mica's, said, "It may actually make some sense for Amtrak to incur some losses on food and beverage service to attract more business." She said the railroad's losses came to about \$6 per passenger, which she said was less than what major airlines spent on food.

Ms. Brown said that last weekend her mother, a diabetic, took an Amtrak train and was pleased to find that she could buy a meal on board.

Amtrak's biggest problem, according to a report by its inspector general, Fred E. Weiderhold Jr., is its labor cost, about three and a half times the average for restaurants. Amtrak's work force is unionized and receives health and other benefits, which is not the norm in restaurants. In addition, the study found, Amtrak spends about two and a half times as much as restaurants to supply its trains. Amtrak said one reason was the need to store the food and then move it on and off trains.

That raised a question from the subcommittee chairman, Steven C. LaTourette, Republican of Ohio. While acknowledging that it was hard to compare the economics of Amtrak food service to restaurants, he did question why Amtrak pays more for food and drinks. "A box of apples should cost what a box of apples costs, aside from the transport to the train," he said.

In 1999, in an effort to save money, Amtrak laid off its commissary workers and hired a private contractor to buy and stock the food and put it on trains. Auditors from Amtrak and the Government Accountability Office, as well as Mr. Crosbie, agreed that the contract, which expires soon, is flawed because it gives the contractor no incentive to reduce costs.

Mr. Crosbie said it was being renegotiated.

The inspector general, Mr. Weiderhold, said Amtrak could be selling more food. In Pennsylvania Station in New York, he said, many passengers stopped first at stores like Starbucks to "get their coffee and get their snacks and their bagel, before they settle into their seats."

"Under some models, that is a business the company might want to go after," he said. "I think that's a missed opportunity, one of the things the company has to consider in fixing the problem at hand."

In the cafe car of a Metroliner in Washington on Thursday afternoon, the employee behind the counter, who would give only her first name, Pat, gave a different view. "There's always people buying," said Pat, who said she had worked in the cars for 20 years. "I think they wait, to come from the station, and they will come right here in line."

"It definitely sells," she said.

Amtrak food draws mixed reviews from customers. In Penn Station in New York on Thursday afternoon, Terry Ward, a restaurateur from Pennington, N.J., said: "Get rid of the food. I don't go on Amtrak for food. Keep the alcohol and lose the food."

On the other hand, Naama Laufer, of New York, said she looked forward to the Hebrew National hot dogs. She did not like the price, though. "I can make 12 hot dogs at home for \$3.50," she said.

Also at the hearing Thursday, Mr. LaTourette asked Mr. Crosbie about the Acela trains, which were taken out of service on April 14 after cracks were discovered in the brakes. The trains will start returning by

July, he said, with a simple solution that involves rotating one piece of metal a quarter-turn.

A top priority will be restoring service between New York and Boston, according to Mr. Crosbie. He said that Amtrak and the company that built the brakes have tentatively concluded that the cracks in the spokes that connect the brake disks to the axles were caused by a previously unknown phenomenon, called "bending out of plane," instead of the usual "bending in plane." Mr. Crosbie said that meant the disk was wobbling slightly from side to side when the brakes were applied, like a warped phonograph record.

He said Amtrak and a German company called Knorr-Bremse, which supplied the brakes, would replace the disks with a new part, and they would be frequently inspected.

"There's a lot of physics going on here," he told reporters after his testimony. Each axle has three brake disks, and the problem seems most severe on the middle one.

Mr. Crosbie said he was unsure what the replacement would cost, but that the price was small, compared with the \$5 million a month being lost on the service reductions.

While it investigated the brake problem, Amtrak has substituted older Metroliner trains for all its Acela trains between New York and Washington, but has sharply cut back service on the northern half of its Northeast corridor.

Janon Fisher contributed reporting for this article.