On the 2nd December 2007, the Hong Kong Mass Transit Railway Corporation (MTRC) and Hong Kong Kowloon-Canton Railway Corporation (KCRC) successfully merged to form a new Hong Kong Mass Transit Railway Corporation Limited, (MTRCL).

The merger comprises two key components. The first is a Service Concession Agreement whereby MTRCL is granted the right, for an initial period of 50 years, to use KCRC’s railway assets to operate the existing KCRC railway lines and related businesses. In return, MTRCL must make a fixed annual payment of HK$750 million to KCRC, and after 36 months, an additional variable payment based on a percentage of the annual revenue.

The second component is a Sale and Purchase Agreement, whereby on 2nd December 2007 MTRCL purchased, for a sum of HK$7.79 billion, a number of KCRC properties and property management subsidiaries, and made a further payment of HK$4.25 billion for the Service Concession and the purchase of certain short-lived railway assets of KCRC such as stores and spaces.

Following the merger, MTRCL’s rail network comprises nine railway lines serving Hong Kong Island, Kowloon and the New Territories as well as the Airport Express. MTRCL must also operate a Light Rail network and feeder bus services in the New Territories.

As a result of the merger, KCRC will no longer be an individual member of the Nova Group, releasing space for a new member. In the benchmarking exercises, KCRC and MTR will be treated separately for 2008, but data will be merged in 2009.

Both the CoMET and Nova groups have witnessed changes to their membership during 2008.

The former Nova member, Metro de Santiago has experienced substantial passenger growth over the last two years and therefore moved to the CoMET group. Together with KCRC and MTRC’s successful merger, Nova was left with two vacancies and these were taken by Sydney RailCorp (CityRail services) and Bangkok Metro Company Ltd. (BMCL) after a democratic selection process. These unique urban railways are warmly welcomed into the CoMET and Nova community. Their inclusion further diversifies the geographical coverage of the group’s membership.

Sydney RailCorp is a state owned corporation that operates suburban services, routed underground within the city centre. Its high frequency double-decker services offer comparability with more suburban and complex urban railways in the groups such as the Paris RER.

Bangkok Metro Company Limited started operations in 2004 with 1 line of 18 stations and a 21 km length. BMCL hopes to become the operator for future planned extensions in the Thai capital and offers useful insights for other developing metros such as Delhi Metro.

Nova is now running at its full capacity of 15 members. Membership of the CoMET group, with 12 members, remains open to any other metros which exceed 500 million passengers per annum.
Pilot CoMET Staff Exchange Program

Two employees from Hong Kong MTR Corporation and their two colleagues from London Underground have exchanged their posts as part of a six-month exchange programme.

MTR’s Kong Kit Wang (known as Rico), a Traffic Controller and Ka Hang Leung (known as Stephen), a Design Support Engineer, have been in London since early October 2007, meanwhile London Underground’s Group Station Manager, Peter Jukes, and Maintenance Assurance Engineer Grant Burton have travelled to Hong Kong.

The idea for the exchange sprang from CoMET, as a pilot. As well as promoting an exchange of ideas, the programme also aims to help the personal development of the individuals concerned.

Managing CoMET Internally: Experience of London Underground

London Underground (LU) has evolved a number of mechanisms for managing CoMET to increase the benefit it obtains from its membership.

A key to success is strong support at Board level and LU has that with support from the Managing Director, Tim O’Toole and director-level sponsorship from David Waboso, Director of Engineering. CoMET is kept visible at Board level through regular presentations and discussions at the LU Executive Committee, covering case study proposals and outputs, the KPIs and outcomes of the Management and Annual Meetings.

On a day-to-day level, single point management has been found essential. Dave Bird is responsible to David Waboso for managing all CoMET matters and promoting CoMET use within LU. This includes sourcing the KPI data, securing LU input into all case studies and answers to Forum questions, helping managers formulate case study proposals and working with senior managers to help them gain the most benefit from CoMET.

LU is committed to benchmarking itself against other railways and this is where it sees its CoMET membership as adding the greatest value. To this end, getting CoMET work embedded within the organisation is key to the success. Direct operational involvement is secured through the Deputy Chief Operating Officer, Howard Collins, who chairs a group of Line General Managers, senior operational managers, strategic planners and the Performance Reporting Manager which seeks to bring CoMET closer to the operational business. The Group meets bi-monthly and focuses on aspects where CoMET can help improve performance of the railway.

By November 2007, LU organised a CoMET seminar on service regulation and dwell time management and undertook study visits to Moscow and Berlin.

Each Directorate (department) has a CoMET Champion who is responsible for promoting the use of CoMET within their directorate, acting as a single point of contact for CoMET information requests and assisting staff locally in how to use CoMET.

There is a wealth of CoMET information available and it is not practical to give hundreds or thousands of metro staff access to the CoMET website. LU has overcome this through a set of CoMET pages on its Intranet site which provide an overview of CoMET and member metros, lists of all case studies and clearing-house studies with links to one paragraph summaries of each and selected, anonymised KPIs. There are also links to 2-page guides for staff on case studies and clearing-house studies.

Knowing how CoMET has been used helps in understanding the effect it is having on the business and gives valuable pointers as to how to further increase its use. LU has developed a short survey form that is sent to managers and staff who have led or participated in case studies or requested CoMET information to gather feedback on how they have used the information and how useful they found the CoMET process. In this way LU can demonstrate how CoMET has been used and suggest improvements to the CoMET processes.

CoMET Nova Web Forum: A Valuable Tool for Members

Since its inauguration in August 2006, the CoMET and Nova website forum has become the primary tool and platform for quick information exchange between metros. More than 250 questions have been posted, with approximately 10 responses per question. This gives metros quick feedback and insights into how practices have been developed and applied in other metros.

The usefulness and power of the forum is significantly appreciated when a member wishes to gather data and information from other metros urgently. Recent examples include Metro Rio’s request on “integration tickets” and Moscow Metro’s request on “security staff contracts”, both of which gathered 16 responses within 10 days, providing both metros with rapid information within a confidential environment to serve their particular needs.

In addition to the forum, the Railway and Transport Strategy Centre (RTSC) has also launched a new policy of sending a weekly update email. This alerts members to new forum questions and case study questionnaires. This serves to inform the group in an efficient way and reduces the volume of emails sent to members.
Recent CoMET and Nova Case Studies

During the past year, three CoMET case studies were completed in ‘The Reliability of New and Ageing Rolling Stock Fleets’, ‘Crowding & Train Service Planning’ and ‘Risk Management’.

During Nova Phase IX, benchmarking case studies were undertaken in ‘Regulatory Regimes’, ‘Customer Satisfaction and Service Quality’, ‘Passenger Counting’ and ‘Wireless Data Transmission Systems’. Final and draft reports are now available for both CoMET and Nova members.

The Nova Group is currently completing studies in ‘Work Time Rules and Regulation’, ‘Energy and the Environment’ and ‘Non-Fare Commercial Revenue’. Final reports will be available by the end of 2008.

By way of example, it is worth highlighting the contents of a recent Nova Case Study:

The ‘Non-Fare Commercial Revenue’ study aimed to gather together the innovative practices adopted by metros to optimize income from advertising, retail, telecommunications and other sources. Amongst the 27 CoMET and Nova metros, non-fare commercial revenue covers between 2% and 72% of metro operating costs (even when excluding real estate and property). Therefore, some have a lot to gain from emulating the successful business models and practices of other metros.

Best practices identified included the financing of platform edge doors from advertising, designs for ‘lifestyle retail hubs’, business models for leasing telecommunications capacity in tunnels, and even running open-topped metro tours for enthusiasts and historians.

Benchmarking Group Meetings: Metros learn from each other face-to-face

Since the last issue of the CoMET and Nova newsletter, four metro benchmarking group meetings have taken place. Additionally a workshop in ‘Train Service Planning’ was hosted by London Underground in the autumn of 2007.


This meeting was attended by twelve Nova metros. During the three-day event, delegates from member metros steered the group’s future development and decided on issues such as membership and on the work program for the coming year. Important issues such as the new KPI system were also discussed in depth.

The CoMET 2007 Annual Meeting was hosted by Metro de Madrid in October, also with great success. Ten CoMET metros attended the meeting together with Barcelona TMB as representative from sister group Nova. During the four-day meeting, representatives shared their recent issues, challenges and achievements around the table with other members, and together they examined the results of the CoMET 2007 case studies.

In February 2008, the annual CoMET Management Meeting was held in Mexico City, Mexico. Nine CoMET metros participated in this two-day meeting which was opened by the Mayor of Mexico City, Mr Marcelo Ebrard, together with other local government officials. CoMET had a high exposure in the local press following the event. As at all meetings, senior delegates of member metros discussed how the activities of CoMET could be enhanced to better meet the needs of members in the facilitation of best practice benchmarking. The activities of the next twelve months, including case studies, were agreed. The first results of the new CoMET and Nova KPI system were also presented and discussed.

The latest group meeting was the Nova Phase 10 Annual Meeting, hosted by Metro Ríó, in Ríō de Janeiro, Brazil. Thirteen out of the fifteen Nova metros, together with Metro Sao Paulo as CoMET representative, met for the three-day meeting to discuss recent issues facing metros and to view and discuss the Phase 10 case studies. Site visits were made to view the remarkable achievements of Metro Ríó.

The Nova Phase 11 management meeting will be hosted by Barcelona TMB on 1st to 3rd October 2008. The CoMET Annual Meeting will be hosted by the current group President, London Underground, on 28th to 31st October 2008.

CoMET and Nova Members can access the presentations from all meetings at the CoMET and Nova websites.
Metro focus: Shanghai  SMOC’s record breaking growth

For the second time, Shanghai Metro Operating Company (SMOC) has been chosen to feature in our metro focus column. SMOC has recently achieved an immense expansion in terms of network and capacity.

On 29th December 2007, Shanghai Metro lines 6, 8, 9, the O-shape of line 4 and the north extension of line 1 opened to the public for trial running simultaneously. All the new lines are operated by SMOC except lines 5 and 6 which are operated by the Shanghai Modern Rail Transit Company.

This grand opening day, which saw the opening of almost one hundred kilometres new metro lines at the same time after only several year’s construction, is an unprecedented case for China’s metros and probably the world.

To date, SMOC operates 8 urban rail transit lines with 161 stations and 234 km of network length. Line 1 was only opened in 1995, therefore Shanghai has one of the youngest and most rapidly developing metros in the world. The number of daily passenger journeys will soon reach 3 million.