

Press Release

12 November 2010

XC2010/022 (SH)

CUTS TO FIRST CLASS TRAVEL COSTS UK BUSINESSES £15.5K PER EMPLOYEE PER YEAR

CUTS IN THE USE FIRST CLASS TRAIN TRAVEL is costing UK business' £15,624 in lost productivity per employee every year.

Nearly half of business travellers revealed their employers had stopped their First Class travel despite 86 percent of business passengers admitting to being more productive when travelling in first class.

Fifty nine percent said they were inclined not to work if their business booked them a Standard fare – some even opting to use a pool car.

More than 60 percent of people said they felt 'unproductive' if not travelling First Class due to business cost cutting. Almost half said they enjoyed the benefits of larger seats, more space, power sockets, complimentary refreshments and a table – just some of the many of the advantages that can be enjoyed in First Class.

The study into 1,000 business people across the country was conducted by CrossCountry trains, one of the UK's largest rail franchises, which has been researching the real costs of UK business travel cuts since the economic downturn.

Professor Cary Cooper, distinguished Professor of Organisational Psychology and Health said; "During tough economic times, First Class travel is considered a luxury and almost one of the first things that businesses cut. However, companies should look carefully at the true cost of cutting First Class travel and consider the effect this is going to have on the productivity of their employees and the profitability of their company."

"In addition, businesses should also consider the networking opportunities that will be lost by sending their employees in Standard. First Class has always been a prime place to form business to business relationships which can potentially lead to added revenue for companies."

With Advance First Class fares costing on average £39 more than Standard – CrossCountry trains is encouraging businesses to consider First Class once again.

Stuart Henry, External Relations Manager at CrossCountry said; "The average extra cost of a First Class journey of 1.5 hours is only £39, set this against the cost of having a professional losing £225 of billable time per journey and the cost benefits are clear."

“Typically, a lawyer travelling from Manchester to Birmingham would have 1.5 working hours in a relaxed, spacious environment with access to power, table and refreshments. The cuts businesses have made mean they are now travelling in Standard, which our research has shown to be less productive for professionals on tight, demanding schedules.”

“Some businesses may not realise that First Class travel represents excellent value for money with Advance fares costing as little as £67.50 from Manchester to Birmingham”.

Regionally, the research showed North West businesses are the most affected with almost 50 percent of companies cutting First Class travel, yet over 50 percent of employees said they only work on the train if they were to travel First Class. Bigger seats, more space, individual tables were motivators around this.

In comparison, over a third of North East businesses have cut First Class travel but in the South East only a quarter have seen similar cuts.

**Stats based upon an average 1.5 hour journey from Manchester to Birmingham with average advanced fares based on an average charge out rate of £150 per hour.*

ENDS

**Please find notes to Editors, CrossCountry facts and figures below.
For more information feel free to contact us on 0121 2006115 or by email to communications@crosscountrytrains.co.uk**

Notes to editors

CrossCountry started operating on 11 November 2007. The franchise, which is the most extensive in the UK, will run until 31 March 2016. For further information on CrossCountry services and future franchise plans log on to www.crosscountrytrains.co.uk

CrossCountry is part of the Arriva group, which is owned by Deutsche Bahn. Arriva is a leading pan-European public transport operators with more than 38,500 employees and operations across 11 European countries. The link to Arriva is www.arriva.co.uk. The link to Deutsche Bahn is www.deutschebahn.com

CrossCountry is now live on Facebook www.facebook/crosscountrytrains

Follow us on Twitter via www.twitter.com/crosscountryuk

CrossCountry facts and figures:

STATIONS SERVED: 118

ROUTE MILES: 1,478

WEEKDAY SERVICES: 295



PASSENGERS CARRIED: Over 30 million passenger journeys a year anticipated

ANNUAL TRAIN MILEAGE: Approximately 16 million

EMPLOYEES: Approximately 1,600

LONGEST TRAIN SERVICE: 08.20 Aberdeen to Penzance (774 miles)