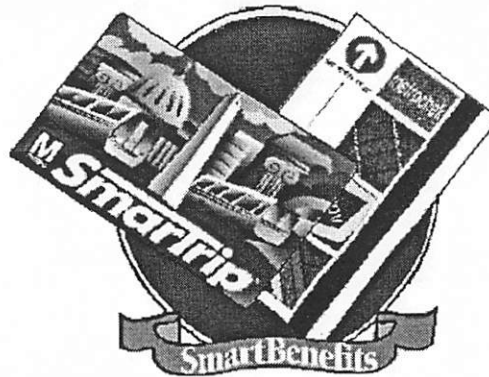


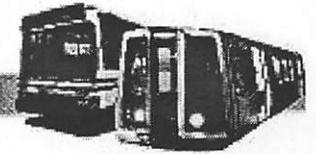
Metrochek/SmartBenefits Program



TREN URBANO PRESENTATION

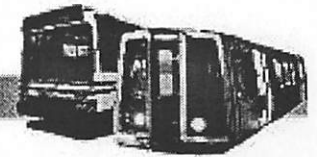
Washington Metropolitan Area Transit Authority
Department of Communications

March 28, 2002



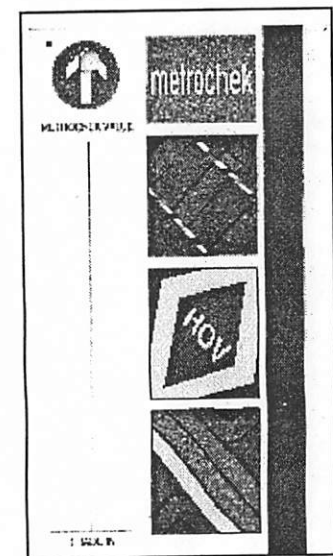
Presentation Purpose

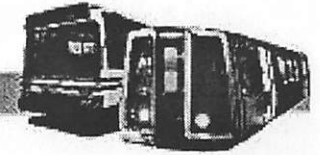
- **To present Metrochek/SmartBenefits program background, sales and participation**
- **To provide an overview of opportunities through business partnerships to expand the regional commuter options program**



Metrochek Transit Benefit Program

- Region's transit benefit program
- Farecard for Metrorail
- Voucher for bus, commuter rail and van pools
 - 120+ transit service partners
- Metrochek denominations
 - \$1, \$5, \$10, \$15, \$20, \$21 and \$30
- Launched January 1993





Metrochek/SmartBenefits Program

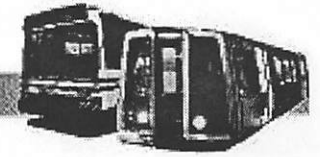
- **Electronic distribution of transit benefits**
 - Web-based employer input
 - Vendor-based employee pick-up with SmarTrip
- **Eases program administration**
- **Public and private employers**
- **Large and small companies**
- **Launched September 2000**





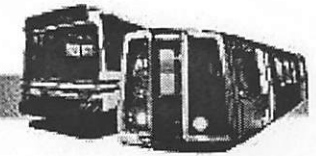
Situation Analysis

- **Benefit increased from \$60 to \$65 - January 1996**
- **Metrochek offered as a pre-tax benefit - October 1998**
- **Executive Order - federal agencies to participate by October 2000**
 - **60,000 employees joined Metrochek program**
- **SmartBenefits launched - September 2000**
- **Funding approved for Legislative Branch - October 2001**
- **Benefit increased from \$65 to \$100 - January 2002**



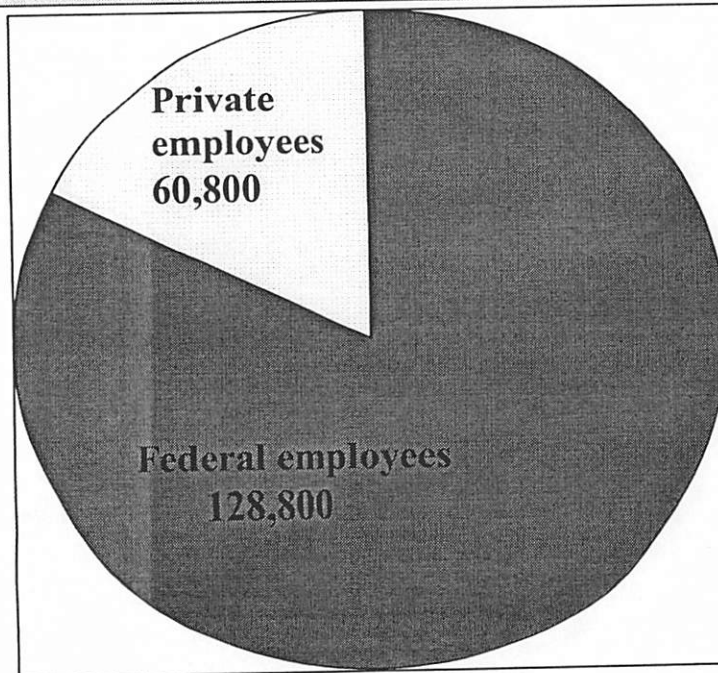
Situation Analysis continued

- **SmarTrip fareboxes on Metrobus - late 2002**
- **Emerging regional concern about air quality**
- **Post 9/11 ridership: overall ridership is down; peak remains steady, off-peak returning; bus ridership wasn't significantly affected**
- **Prevailing economic conditions that might constrain private employers from providing transit benefit - thus focusing marketing on pre-tax option**



Metrochek Program Participation

Employee Participation



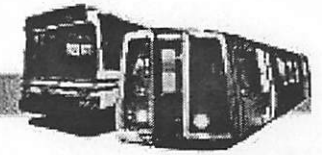
SmartBenefits Participation 10,800
(federal participants 3,800)

Employer Participation

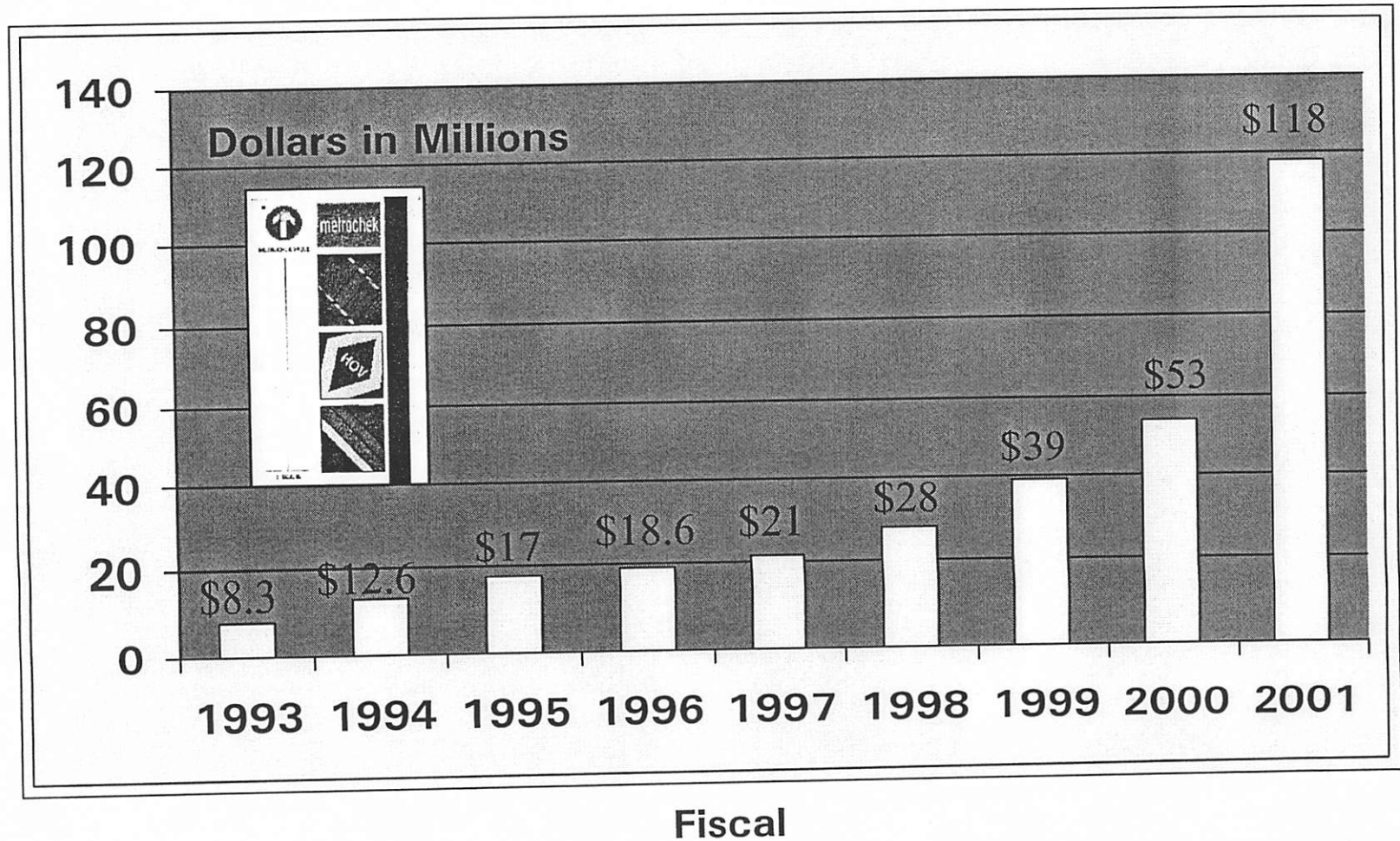
- Private sector 3,400
- Federal agencies 267

SmartBenefits

- Private sector 234
- Federal agencies 63

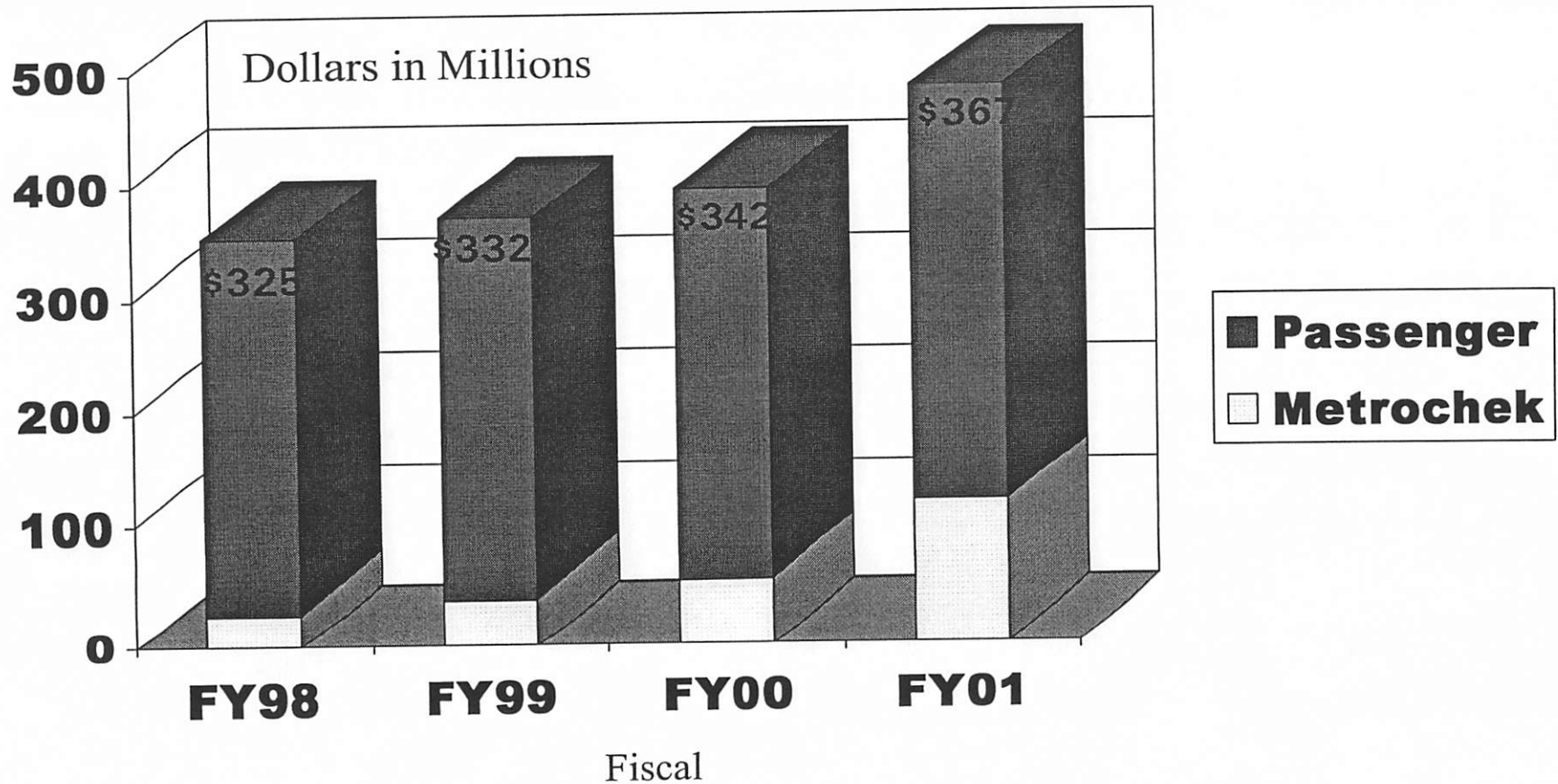


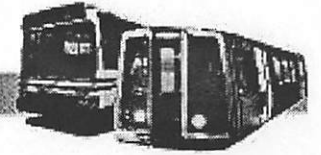
Metrochek Program Sales Growth





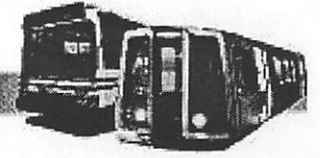
Metrochek Program Sales and Passenger Revenue Comparison





Program Highlights

- **Recent highlights in FY01 include:**
 - \$118 million in Metrochek program sales
 - Program represents \$1 of every \$4 of passenger revenue
 - 57% or \$6 million value of passes and tokens sold at Metro sales offices were with Metrocheks
 - Nearly \$14 million in Metrochek reimbursements to regional transit carriers; an increase of \$7 million over FY 00
 - Council of Governments Commuter Connections Marketing Award winner



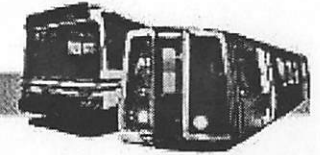
Program Highlights

- **So far in FY02 (July - February)**
 - \$94 million in sales (65% of \$145 million goal)
 - 143 federal agencies increased benefit from \$65 to \$100
 - 324 new employer customers
 - More than 5,800 new employee participants
 - 3,100 new employees joined since December 2001
 - 2,100 federal employees
 - 1,000 private employees



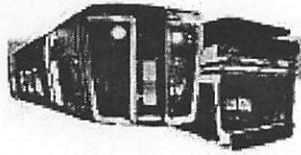
Opportunities Through Business Partnerships Board of Trade

- Hold press event to kick off promotional campaign
- Sponsor, with WMATA, exclusive Metrochek employer seminars for BOT members
- Establish hot links from BOT Web site to metroopensdoors.com
- Arrange for Metrochek/SmartBenefits exhibits at BOT Business Exchange events
- Articles in BOT monthly e-mail to membership
- Direct mail campaign - letter and Metrochek brochure to BOT members
- Coordinate with area Chambers of Commerce to widen private employer exposure to Metrochek



Lessons Learned

- **Target messages to employees and employers**
- **Pre-tax participation very strong**
- **Program administration must be kept simple**
- **Satisfaction with SmarTrip is very high**
- **Conversion to SmartBenefits slower than anticipated**
 - **Resistance from employers to manage two distinct programs**
 - **Comfort level with paper Metrocheks**
- **Increase staff to handle customer service**



M opens
metro doors