

**To:** Potential suppliers  
**From:** Ruter AS

## Invitation to supplier conference regarding Ticket Vending Machines, 23<sup>rd</sup> May 2016

### About Ruter

Ruter AS is the Public Transport Authority (PTA) of Oslo and Akershus, owned by Oslo municipality (60 %) and Akershus County Council (40 %). Ruter plans, commissions and markets public transport services.

In 2015 Ruter had approximately 340 million journeys which is expected to grow to 800 million by 2060. Ruter's main strategic goal is to ensure that the growth is handled by public transport. To achieve this, Ruter is working actively together with its stakeholders to make public transport, together with cycling and walking, natural first choices as modes of transportation within Oslo and Akershus.

Ruter develops, manages and operates award winning mobile ticketing solutions, as well as a number of other sales channels such as an extensive retailer network and around 170 self-service ticket vending machines (TVM). Ruter is a big advocate of open data and open systems.

In 2014 the revenue from the ticketing systems was around 3,3 billion NOK. Currently around 60% of the ticketing revenue is collected from the NFC-card based system and 40% from mobile sales channels. The mobile sales channel, that was introduced in 2012, is expected to continue its rapid growth both with respect to volume as well as revenue.

### Ticket Vending Machines at Ruter

Ruter currently has 170 TVMs that are located primarily in Metro stations, both inside and outside. In 2015 the TVMs accounted for 8% of the revenue collected by the ticketing system, but it is expected to decrease to about 4% in 2019.

Ruter's current TVMs were taken into operation in 2007 and have an expected end-of-life before 2020. The TVMs sell tickets on *Reisekort* (MiFare Desfire cards) but also has a stacker with *Impulskort* (MiFare Ultralight cards), and they accept both coins and credit cards.

Ruter is currently assessing the future of the TVM sales channel and what are the options moving forward given the increasing share of the mobile channel. Ruter wishes the TVMs to be a good supplement to the mobile sales channel and to improve the cost efficiency of them. The options moving forward includes a TVM-mini solution (with credit card+*Reisekort* only), an upgrade of the existing TVMs, a TVM combined with another type of vending machine or something else that gives Ruter and its customers a good and cost efficient solution.



A new self-service sales solution would be a thin client that is connected to Ruter's own backoffice system where most of the business logic is located.

## Aim of the conference

Innovative public procurement requires closer dialog between the client and different market participants than a default public administration procurement process prepares for, which is why Ruter regards a supplier conference to be suitable for this process. Target audience for the conference are all potential suppliers of TVMs and adjacent services. Ruter consider the following to be essential output for this conference:

- Challenge market participants to give input on how Ruter's needs can be clearly defined, how these needs can be fulfilled and what the market can offer in terms of innovative and cost efficient solutions
- Give potential suppliers a better understanding of Ruter's Challenges and provide input and advice on how these challenges can be handled moving forward
- Inform the market about Ruter

Ruter wants to gather information, experiences and input from the market regarding set of opportunities and approach to the Ticket Vending Machine sales channel, and is hereby inviting to supplier conference

**Date and time:** 23<sup>rd</sup> May 2016, 12:00-16:00 (GMT+1, end time to be considered indicative)

**Place:** Jernbanetorget 1, 0154 Oslo, Norway

## Structure of the conference

The conference will be carried out according to the agenda described in the table below. An important objective is to stimulate innovation and possible cooperation between market participants, and for Ruter to get sufficient insight on market offerings today and in the years to come. In order to achieve this, Ruter wants all participating organisations to prepare a five to ten minutes presentation, giving their views on the questions outlined in the 'focus areas' chapter of this invitation. An open dialogue including Q&A will follow if time allows for it (depending on number of participants).<sup>1</sup>

Time	Topic/activity	
11:30	Registration	
12:00	Welcome and introduction	
	Information about Ruter, current setup and desired way forward	Endre Angelvik, CIO Ruter
	Ticket Vending Machines as a sales channel – how are they used today and what do we aim for	Sales channels & payment solutions
	<i>Break and refreshments</i>	
	Supplier presentations, feedback on questions (see 'Focus areas – questions to be answered at the conference')	Everyone, 5-10 minutes presentation per supplier

<sup>1</sup> Participants at Ruter's conferences shall not enter into discussions, actions or behavior that violate competition laws. Participants shall not discuss or exchange confidential information or any other information that may be sensitive to competition, including non-public information regarding prices, discounts, marketing strategy, terms of sales or delivery and so on. This applies to formal discussions during the conference, but also to informal discussions or conversations before, during or after the conference.



---

Summary and further process
-----------------------------

---

Following the conference, all information put forward at the conference will be made available on Ruter's website, including minutes from the meeting as well as any presentations. This is to ensure that the same information is available to all suppliers, including those unable to attend.

The conference in its entirety will be conducted in English.

## Focus areas – questions to be answered during the conference

All participating suppliers are expected to prepare a brief presentation answering/discussing the following questions:

- How can Ruter maintain a cost efficient TVM channel with a small and declining share of the sales?
  - What are the key design issues to address this challenge?
  - What are the key operational/life-cycle issues to address this challenge?
- How can such a cost efficient TVM channel still be flexible and adaptable, without driving cost upwards?
- What possible ownership and operating models should Ruter consider if Ruter decides to move forward with a procurement process (buy, lease, rent, TVM-as-a-Service, shared vending services, etc)?
- What functionality should Ruter consider in a TVM that could help us improve our services?
- What do you consider important that Ruter do, and how, in order to make it possible/interesting for you to participate in a tender?

## Registration

As meeting room capacity is limited, attendance to the conference will be restricted to registered participants. For registration, please contact Erik Englund, erik.englund@ruter.no, before 17<sup>th</sup> May 2016, 18:00 (GMT+1). We ask you to provide names and contact information for participating representatives. There will be a limit of two attendees from each organisation.

## Possibility of written feedback and one-on-one meetings after the conference

Ruter reserve the right to publish additional questions after the conference. Ruter will in that case distribute questions within 30<sup>th</sup> May 2016, and to suppliers participating at the conference only. These suppliers will be given the opportunity to submit written feedback.<sup>2</sup>

Suppliers who in turn choose to submit written feedback can be given the chance to have a one-on-one meeting with Ruter. Meetings will be held at Ruter's premises according to a fixed schedule, alternatively arranged as a conference call. The individual supplier will be allocated a time slot after

Suppliers attending the conference will receive information from Ruter regarding any further questions, with the possibility of one-on-one meetings, after the conference.

**Deadline** for submission of any written input after the conference will be explicitly communicated if/when questions are distributed. Suppliers can count on 4-5 working days for responding.

---

<sup>2</sup> Suppliers providing written information are asked to specify whether submitted documents contain trade secrets which Ruter is obliged to exempt from public disclosure in accordance with *offentleglova §13 (Act relating to public access to documents in the public administration - Freedom of Information Act)*, *confer forvaltningslova §13, first part, 2 (the Public Administration Act)*.



written feedback is submitted. Duration of these meetings will not exceed 45 minutes. Ruter reserves the right to contact the individual supplier for clarifications beyond agreed meetings if necessary.

Ideas appearing during this process may be utilised as input both in connection to preparation of requirement specification and for possible future acquisition processes.