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A minnow breaks monopoly

WHEN Lyndon Rees, managing director of Citybus, said a few years ago that a monopoly often led to a slip in standards and competition invigorated a system, he was outlining the premise on which the company was built.

That has been clearly seen in the years since Citybus roared into action in 1979 with just one 79-seat double decker bus to ferry staff to and from the Hong Kong United Dockyard.

At the time, Citybus was hardly competition and the big two - China Motor Bus company and Kowloon Motor Bus company (which has been operating since 1933) - had little cause for concern.

The next step saw the young company add six double-decker buses to its service - two of these were converted to open-top buses and became popular for tourism and recreational charters.

In 1981, the service from Admiralty to Ocean Park was inaugurated. The growing popularity of Ocean Park has seen frequency increase to 10 minutes, with up to 60 double decker vehicles operating on this route during prime holiday periods.

In 1982, business expanded and three more double-deckers were added, with a further 10 a year later when Citybus initiated its Sha Tin City One and Kowloon Tong route.

Originally, this route operated one bus every hour. Today, it is more like a bus

coaches will ferry passengers from this growth area.

Currently, this is the busiest route with 650,000 passengers a month travelling on 27 high-frequency routes.

From little acorns do big oaks grow.
BARBARA DYER
reports on the huge expansion plans of Citybus.

every two minutes, carrying 600,000 passengers a month.

In 1984, Citybus entered one of its most significant contracts when it agreed to lease buses from the Mass Transit Railway Corporation and use them to provide feeder bus services to the MTR network for five years.

When the contract was up in 1989, the routes were well established and able to support themselves.

As part of the package, Citybus was able to establish the Citybus Engineering Workshop at Tsuen Wan. This gave the company its first firm engineering base for its fleet.

But the increases in the fleet have taken their toll and the group has outgrown the Tsuen Wan yard, which will cease operations in October.

Citybus now has up-to-date workshop facilities in Fo Shan and the first stage of its new workshop in Ap Lei Chau has opened to coincide with the debut of Network 26.

In 1987, Tsui Tsin-tong, the chairman of the major shareholder, the CNT group of Hong Kong, was elected chairman of Citybus.

Under his leadership and with a substantial injection of capital from him, Citybus

Mr Tsui said the routes to Kingswood Villas were an example of successful co-operation between Hong Kong's key property developers and Citybus.

With the substantial

entered an aggressive era and, in 1989, it became the first bus company to introduce air-conditioned coaches to the travellers of Hong Kong.

It had already been operating a Hong Kong to Shenzhen route, experimenting with a high capacity double-decker air-conditioned bus.

While the air-conditioning meant higher fares, the sweltering public obviously felt it was a small price to pay for comfort.

"Our market research showed that if you give people a good deal, they are not offended about paying more for it," Mr Rees said.

"Air-conditioned buses are good for curbing road congestion by reducing the demand for private cars and taxis."

Citybus continued to develop its service into China, running air-conditioned coaches on the border service between Hong Kong and Shenzhen Airport, with 20 coaches on three routes.

Passenger numbers increased by 80 per cent in 1990 and another 50 per cent in 1991.

This agreement is to run for 20 years and, by 1995, it is expected 100 coaches will service the route.

It also opened up the opportunity for expansion into other areas of Guangdong province to be served by Citybus.

In June last year, Citybus started serving Kingswood Villas, a residential housing development in Yuen Long and, in the coming years, it is expected a total of 50

growth in ridership on these routes, the daily number of trips was increased according to demand.

Passengers for the routes will comprise residents of Kingswood Villas and Gov-

ernment housing estates.

With the staged completion of Kingswood Villas in the forthcoming years, the potential growth of service in this area should be full of promise.