



THE FIRST IN EUROPE “DUTY FREE” SHOP AT THE RAILWAY STATION

17-18 October 2013

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Session 2A - Business and services



Key information

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□ Government decree of the Russian Federation on 4 June, 2008 № 907 gives the right to organize retail trade of duty free goods in duty free shops within the rail road crossing points through the state border of Russian Federation

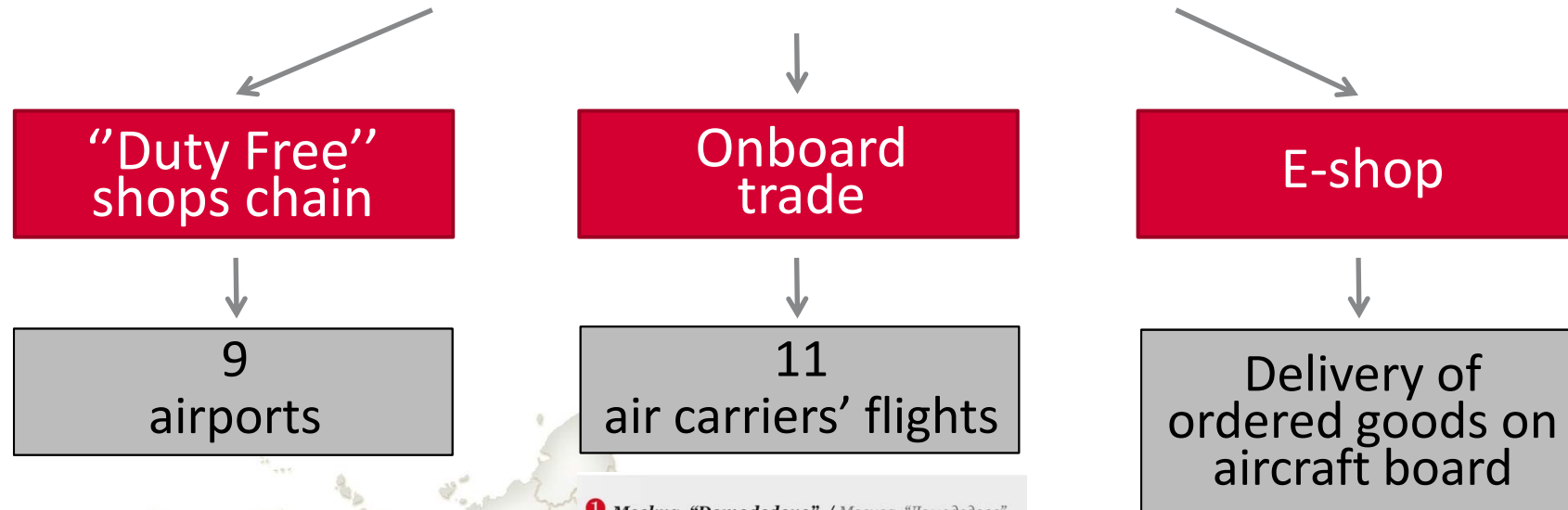
□ Commission Act of determination the border checkpoint on 23 May, 2013 sets the limits of the border crossing point of the Russian Federation including the duty free shop location at the Finlandskiy station

Key information

AeroTrade LLC successfully works in aviation services' market for 22 years

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KEY BUSINESS LINES



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Station: Procedures of boarding and registration for passengers

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- ❑ Before passengers' registration while boarding on Allegro train the platform is released from outsiders and surrounded by security officers.
- ❑ After checking the documents and tickets by conductors of JSC "Russian Railways" passenger has the right to enter the "Duty Free" shop as well as the platform to Allegro train.
- ❑ For passengers with hand luggage mobile carts are available for the transportation

Station: Tickets and documents checking granting the right to cross the border

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- ❑ Checking is provided by four conductors of JSC “Russian Railways”
- ❑ Conductors do not check passengers in the train

Station: Conductor's working place for checking tickets and documents

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- Passengers' information is stored in the border entry point database

“Duty Free” shop

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□ “Duty Free” shop is open only at boarding on Allegro train

□ Sale of goods is available after checking passengers’ registration on Allegro train

□ Information about passenger’s purchase in “Duty Free” shop appears in the database of the customs authorities

“Duty Free” shop

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□ “Duty Free” shop is closing 5 minutes before the train departure in the presence of the customs service employee and then sealing

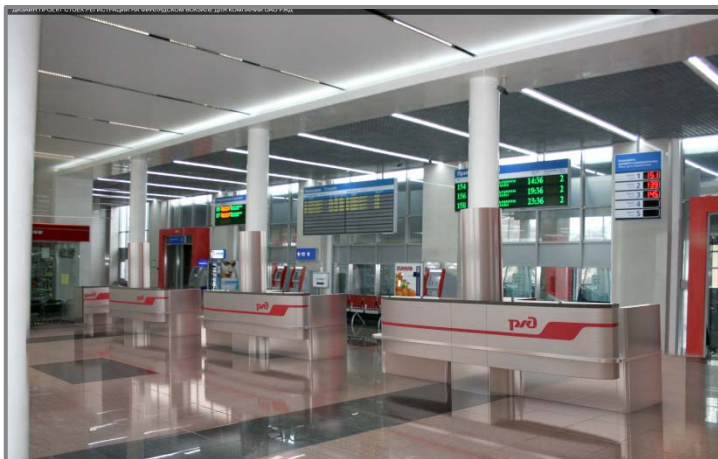
□ Border and customs control are held directly in the train and reduces the time of registration for passengers.

□ Passenger is able to order duty free goods online. Ordered goods can be provided as already executed purchase:

- In the shop (in priority)
- In Allegro train

“Duty Free” shop

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ALLEGRO high speed train

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Duty free goods trade organization in Allegro train

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- ❑ Conductors distribute catalogues in each Allegro coach
- ❑ After the departure passengers can look through the catalogue of duty free goods which is located inside the Allegro train.
- ❑ On the St. Petersburg-Vyborg route AeroTrade company's employee offers passengers to purchase duty free goods. Trade is carried on the shopping cart
- ❑ Sealed shopping carts with duty free goods are placed in office premise in coach №4



- We are setting up *the first “Duty Free” shop in Europe at the railway station*
- *This is a new stage in the development of transport in Russia and Europe*
- “Duty Free” shops will influence passengers’ attitude to the railway transport
- *Setting up “Duty Free” shops at the railway transport (both at stations and in trains) will increase competitive advantage of the railway front aviation*