

FLORIDA

Brightline losing money despite increased revenue, ridership from Miami-Orlando service



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Brightline is losing money despite increased revenue and ridership from the Miami-Orlando service it launched in September, according to a financial statement the high-speed train company released in March.

Higher interest and operating expenses contributed to an 18.1% higher net loss in 2023 compared to 2022, to \$306.68 million from \$259.58 million. That includes:

- **Operating expenses:** Up 30.4% over the year, to \$176.05 million from \$134.98 million, for labor, maintenance, fuel and other train expenses
- **Interest expenses:** Up 86.5% over the year to \$143.66 million from \$77.05 million.

Brightline owner Fortress Investment Group is \$4.9 billion in debt, which it has been refinancing to lower borrowing costs.

Brightline revenue and ridership

Brightline revenue increased 174% in 2023 compared to 2022, to \$87.66 million from \$31.97 million, including:

- \$76.34 million for passenger and ancillary revenue, such as parking and food and beverages
- \$11.32 million for revenue from other sources, which the report doesn't list.

The average fare nearly doubled to \$52.63 from October to December, compared to \$22.02 before that.

Long-distance ridership has been increasing as short-distance ridership between the five South Florida stations has been decreasing — 27% less in 2003 than 2022.

The Miami-Orlando route contributed to over 30% of Brightline's monthly passengers in 2023. In January, for the first time since September, long-distance ridership surpassed short-distance ridership. Brightline had a record 237,069 passengers in December, which is 29% more than the 183,920 passengers it had in December 2022.

Brightline: Losing money despite more passengers, December report says

Brightline: Projects fewer passengers in 2024 based on 2023

“The addition of long-distance service has fundamentally transformed our business, with average fares, ancillary revenue per passenger, and ridership all increasing significantly,” Brightline said in a January filing for its bondholders.

In December, Brightline lowered its passenger projections for 2024 by 21%, predicting it will have 5.5 million long-distance passengers, not 7 million.

In hopes of increasing ridership, Brightline this month announced it will build two more stations on its long-distance route, in Stuart and Cocoa.

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