



The future challenges for the rail industry

Armand Toubol

Honorary General Manager of SNCF Delegated to freight

Board member of BIC



The status of the rail industry

- The drivers of the rail industry:
 - Safety
 - Reliability
 - Door to door service
 - Service quality
 - Information on services for customers
 - Competitiveness
 - Sustainability
- Today the rail industry for passengers reaches more or less these goals

But the smooth situation is over

- New entrants have created at various degrees competition
- New types of mobilities are jeopardizing historical services
- The quality of some services is not satisfactory for the customer

• THE PRESENT BUSINESS MODEL IS AT RISK

Rail industry possible reaction

- Digitisation offers large possibilities:
 - To improve competitiveness
 - To customize the service for an improved customer satisfaction
 - To improve the safety
 - To increase market knowledge by processing big data
- But rail industry is very slowly changing because:
 - Safety is based on huge number of rules to be strictly applied
 - It is difficult to change the mind of very skilled people convinced that their ancient knowledge is perfect
- **New blood and intense training is absolutely necessary**

An Example on a small scale in the container activity

- BIC Bureau international of containers gives the code characterizing the property or the permanent user of a container
- The technical characteristics are vital for safety
- Solas has just introduced the compulsory weighing of containers before placing them onboard
- Classical BIC procedures would leave BIC out of this service to users
- BIC with its team has launched the processing of this large data base to give the weight of the container itself without the load
- In That spirit BIC supports scholarship programs at University

How to Change

- Introduce young skilled people used to new technologies and to new mobilities
- Mix them with older staff and open think tank with external participation of academia on a program involving:
 - Economy of new mobilities to show the challenges
 - Benefit in terms of quality of service of the introduction of digitisation
 - Re-train the older staff to new types of jobs to withdraw the fear of employment loss

EASY TO SAY, MORE DIFFICULT TO DO...

Thanks for your attention