The future challenges for the rail industry

Armand Toubol
Honorary General Manager of SNCF Delgated 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
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