GLOBAL RAIL FREIGHT CONFERENCE
SAINT PETERSBURG; 6-7 July 2010

THE PROSPECTS OF RAIL FREIGHT

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THE EU’S LOGISTICS ACTION PLAN

The 6 pillars of the Plan:

- E-Freight and Intelligent Transport Systems.
- Sustainable Quality and Efficiency.
- Simplification of Transport Chains.
- “Green” Freight Transport Corridors.
- Urban Freight Logistics.
- Vehicle Dimensions and Loading Standards.
GOOD INTENTIONS - BUT…

- Implementation of stated policies very slow.

- Competition on rail tracks not fully materialized (especially in the South and East).

- A dedicated rail freight network still far from reality.

- E-freight and ITS in the rail sector far behind road (especially in the South and East).

- Quality and Efficiency of rail services still low, due to difficulties in infrastructures and interoperability with other modes, and sustainable only locally.
K+N’S AIM IN PROMOTING RAIL TRANSPORT

- Exploit its long experience in operating rail transport (conventional and intermodal). To create synergies within the transport chains with maritime e.g.

- Develop more cost effective and sustainable transport operations.

- Offer “Green” transport options to its customers.

- Exploit needs for high capacity trunk lines to serve on hub and spoke networks.

- Develop new markets.

- Optimize productivity and quality.

- Standardization of products and processes.
THE TOPIC OF TODAY

Sustainability ...improving lives now and for generations to come

Shift ~30% of truck volumes to rail – “There Is No Alternative”

Initiation of a major worldwide FMCG Industry customer
PAST CASE…

…of a major FMCG industry customer bases all its European transports and supply chain needs solely to the trucking mode.

Outcome:
• Increased logistics costs / high monthly expenditure.
• Limited Flexibility.
• Limited Rolling Stock = High Local Logistic Expenditure

Proposed Solution:
• Decrease by minimum 30% the truck transports and shift the volume to intermodal or conventional rail solution.
• Shift by 2015 more than 50% of the overall volume.

Prerequisites:
• Sufficient local logistic capacity (expenditure to be financed by the shipping cost savings).
• Major 3PL provider to be able to cover all the different trade lanes.
PAST CASE
Overland (Trucking Relations)
PROJECT DEVELOPMENT

Major Consolidation/ Distribution points

- Consolidation hubs Intermodal
- Consolidation Hubs Conventional
- Intermodal transport (45ft)
- Intermodal transport (40ft)
- Conventional transport
- Pre-/ On-Carriage

Cities mentioned:
- Warsaw / Malaczewicze
- Moscow
- Almaty
- Antwerp / Duisburg
- Sopron

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CURRENT STRUCTURE
Consolidation points (Intermodal/Conventional Rail Relations)

Shipping / Receiving
Only Receiving

Moscow
Almaty
Minsk
Kiev
Warsaw
Istanbul
Athens
Belgrade
Budapest
Prague/Plzen
North Italy
Barcelona
London
Belgium
Rhine-Main
Helsingborg
Rhine-Ruhr

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K+N’S SOUTH EAST EUROPEAN RAIL FREIGHT OPERATIONS

- Single wagons/ wagon groups are dispatched from any place in Central and Eastern Europe to one of our hubs.

- Single wagons/ wagon groups are joined together to form a block train.

- Within the block train system the wagons are transported to the entry borders station of the respective destination country.

- After the arrival the wagons are sorted out of the block train and dispatched to their final station (Possibility for Pre/ On-carriages by truck).
K+N’S SOUTH EAST EUROPEAN RAIL FREIGHT OPERATIONS

Junction Points / Hubs

Sopron (HU), Kelebia (HU), Ljubljana/ Zalog (SL), Villach (AT), Sturovo (SK), Cervignano (IT), Makis/ Belgrade (RS)

Final destinations

Bulgaria
F.Y.R.O.M.
Greece
Romania
Serbia
Turkey
Kosovo/ Montenegro, Albania, CIS (Russia, Kazakhstan, Ukraine, etc)
K+N’S STATE OF THE ART INTERMODAL TERMINAL IN THESSALONIKI
THESSALONIKI AS A GATEWAY
IN CONCLUSION….

- Rail freight transport can compete with road transport only if the barriers to “seamless interoperability” are overcome.

- The new rail freight economy must be based on a new rail freight business model, which places the customer and its needs at the centre of any logistics service providers’ activity.

- The mono-product rail freight transport service culture of the past must be replaced by a multi-products marketing oriented culture, which is able to meet the more and more complex customers’ needs.

- The change requires skills, new techniques, competences, marketing knowledge, new tools and technologies, modern management and training.

K+N is fully committed to providing the above and enter the new era of rail freight transport in full cooperation with all related stakeholders!
Thank you for your attention