



GLOBAL RAIL FREIGHT CONFERENCE  
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## THE PROSPECTS OF RAIL FREIGHT

**Frank Lehner**  
**Senior Vice President Rail Logistics**  
**Kühne + Nagel International**



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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.



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## **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.



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## **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**



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## 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.

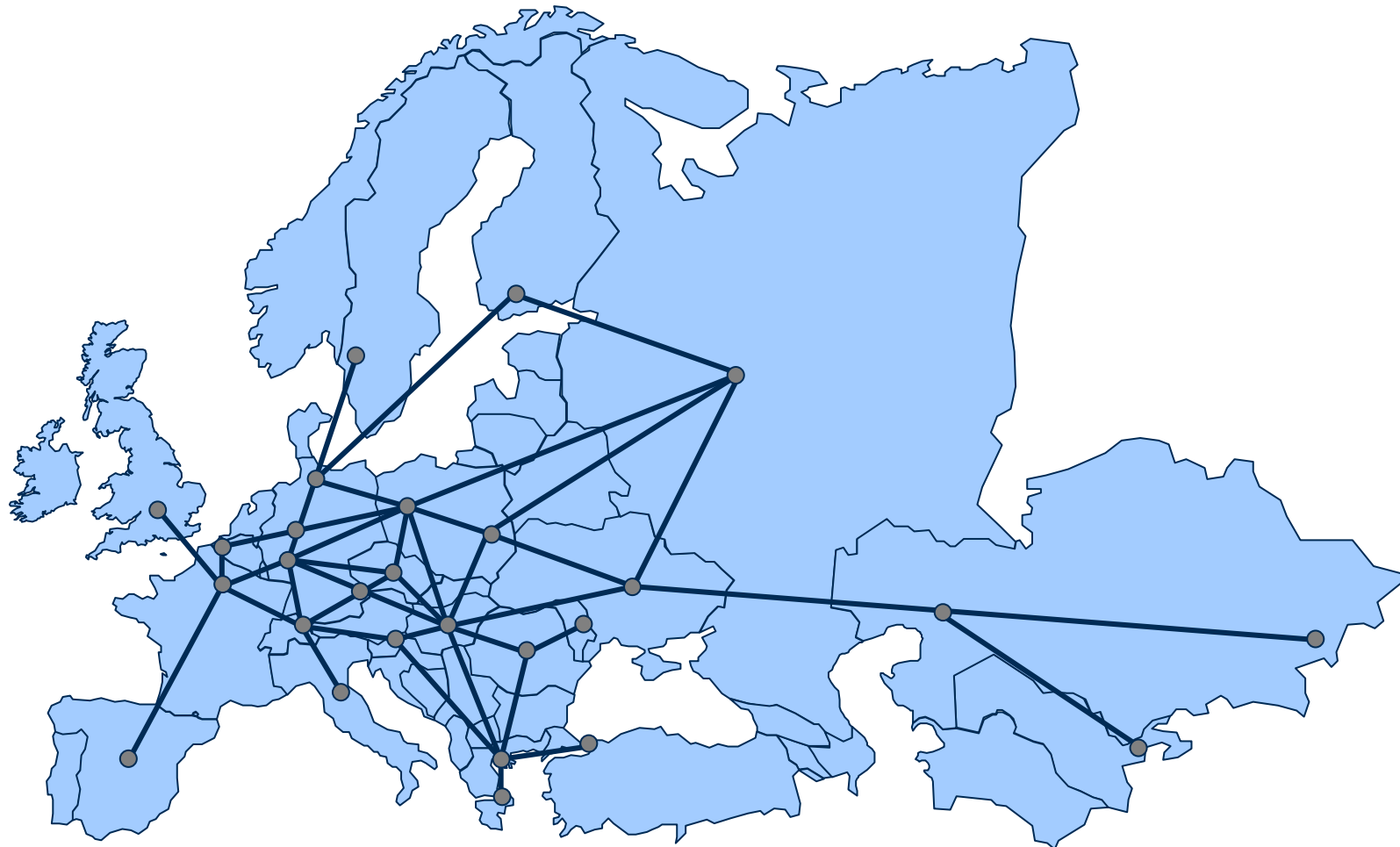
### Prerequisites:

- 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

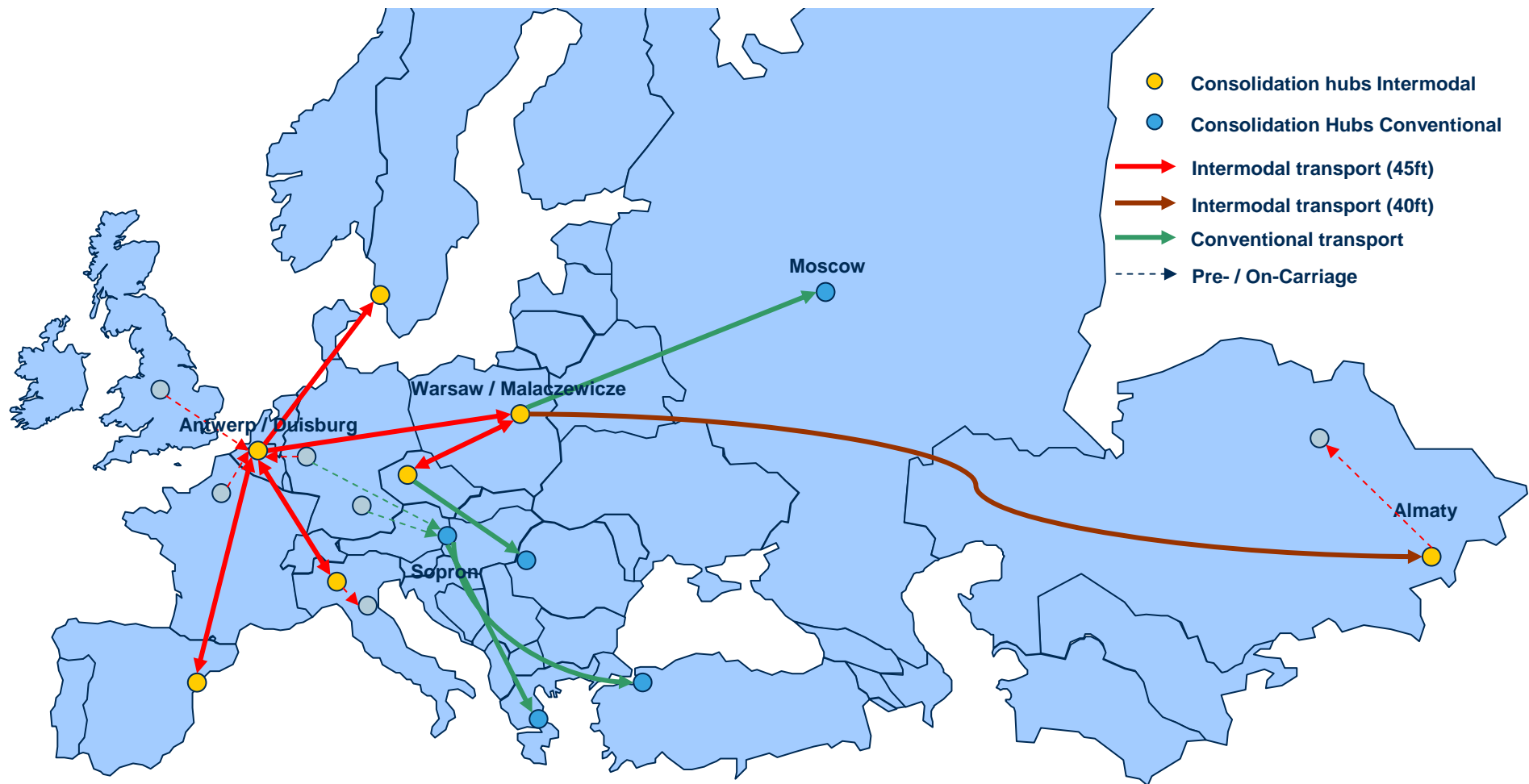
Overland (Trucking Relations)





# PROJECT DEVELOPMENT

## Major Consolidation/ Distribution points

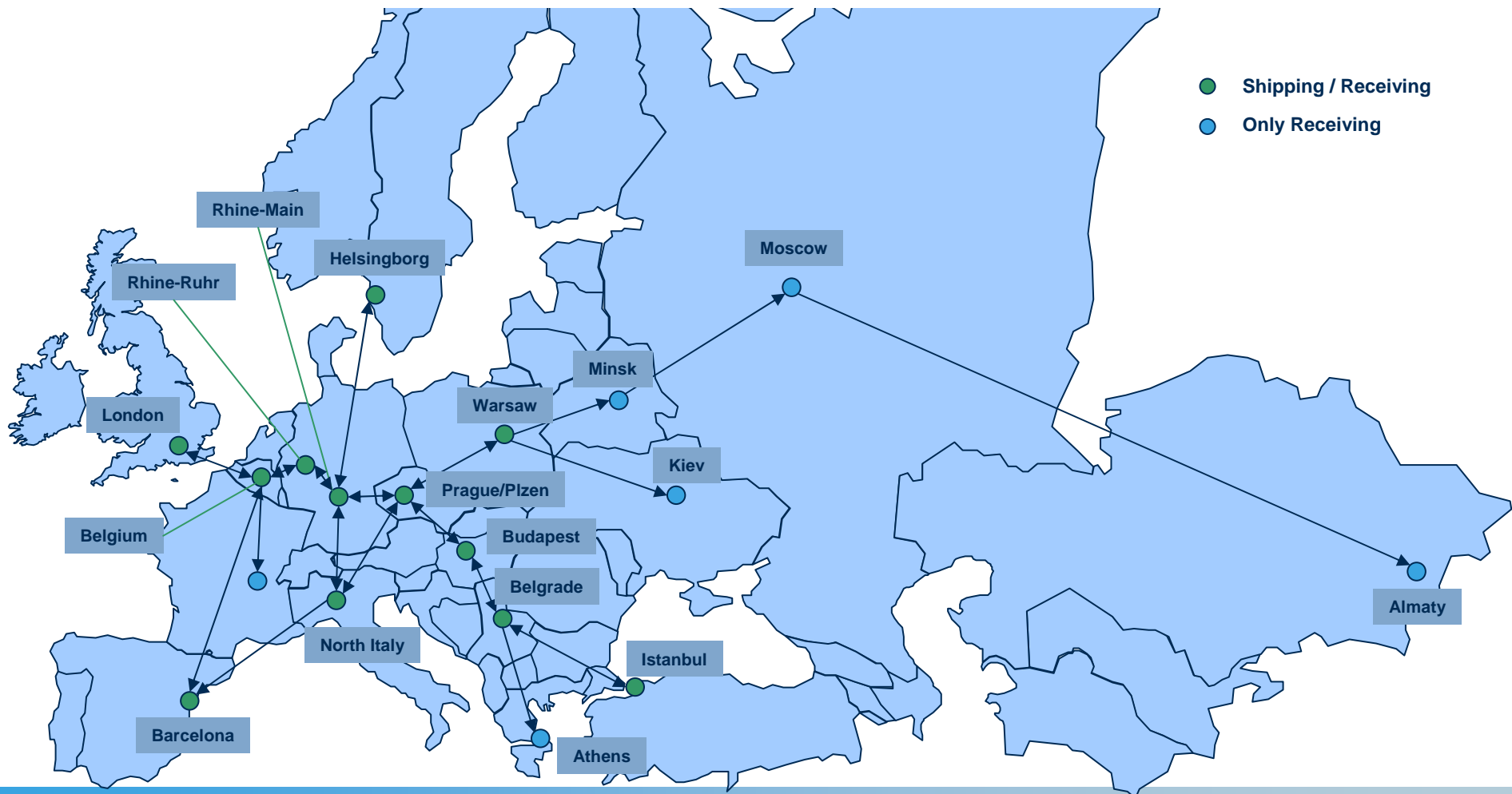






# CURRENT STRUCTURE

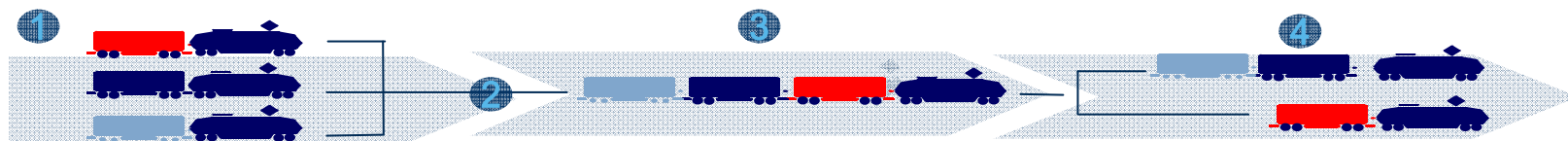
Consolidation points (Intermodal/ Conventional Rail Relations)





## K+N'S SOUTH EAST EUROPEAN RAIL FREIGHT OPERATIONS

- 1 Single wagons/ wagon groups are dispatched from any place in Central and Eastern Europe to one of our hubs .
- 2 Single wagons/ wagon groups are joined together to form a block train.
- 3 Within the block train system the wagons are transported to the entry borders station of the respective destination country.
- 4 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

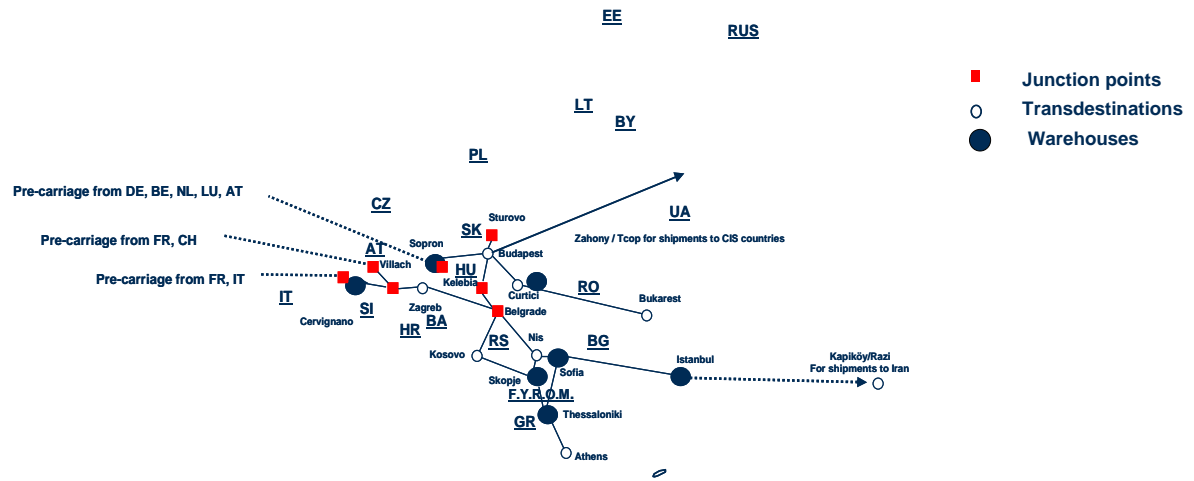
## Junctions Points / Hubs

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





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## 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**