



## A vast expanse

Significant potential lies dormant in Poland, Romania and beyond. DB Schenker Rail's Region East now stretches as far as the Pacific

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in the hinterland

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**CARRIÈRES DU BOULONNAIS**  
The pit  
of Ferques

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**NEW PORTUGAL TRAIN**  
Friday Braunschweig,  
Monday Lisbon

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“Our trains convey the mail faster and more cost-effectively than a lorry, a single train can carry ten times as many letters as an aeroplane – at one-tenth of the cost.”

JON WARD, LOGISTICS DEVELOPMENT MANAGER AT DB SCHENKER RAIL UK



## You've got mail

The British Post Office dates back to 1516, when Henry VIII founded “The King’s Posts”. The first time Royal Mail used a mail train was in 1830. Today, 182 years on, the railway is more important to the British postal service than ever before. DB Schenker Rail helps the state-owned company to compete with private operators and to meet the environmental challenges of the 21st century. Night trains operated by

DB Schenker Rail UK form the backbone of Royal Mail’s logistics network, which also includes transport operations by road and air. On average, five mail trains run between London and Glasgow per day; during the Christmas period the number of daily departures increases to as many as 16. In addition, DB Schenker Rail is responsible for the maintenance of all Royal Mail rolling stock. *dv* ■

Coverphoto: Pablo Castagnola; Image editing: Peter Becker Medienproduktionen; Photos: Corbis; DB Schenker Rail; Kai Hartmann/Deutsche Bahn AG



## Not so quiet on the Eastern front

Europe’s near East is drawing ever nearer. We have long embraced the fact that countries such as Poland, the Czech Republic or Hungary belong to the EU. Economic integration is increasing – even beyond the European Union’s eastern borders. With its Region East division, DB Schenker Rail, as Europe’s biggest rail freight operator, boasts an excellent position in this market.

In our Focus on Region East from page 17 you can read about what we are already doing in Eastern Europe – and what our plans are for the future. With our services you can reach not just Europe’s near East but also the Far East. Our transport chains to China are now well past the test stage! We are very proud of our trailblazing efforts, not least because no one is rushing to copy them.

In this railways issue we also report on our annual customer satisfaction survey. I would like to thank all our customers who took the trouble to give us their assessment of our performance. You can be assured that we take the results very seriously and plan to go the extra mile so that we do even better in 2013. More on that from page 38!

Best regards

Axel Marschall

Member of the Management Board  
DB Schenker Rail

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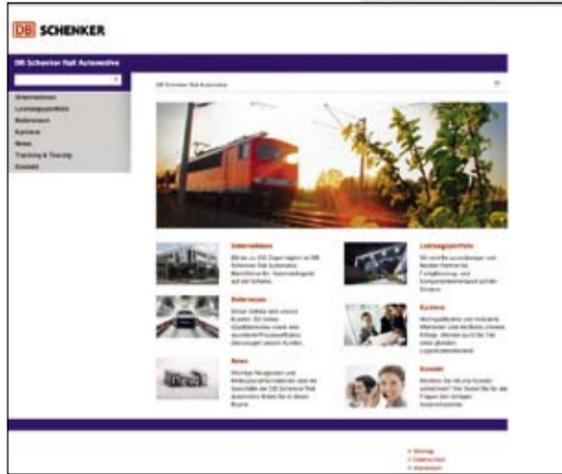
FORGING AHEAD IN THE HINTERLAND

Axel Marschall, Head of Sales at DB Schenker Rail, and Andreas Schulz, Head of the Intermodal division, on the realignment of TFG Transfracht.



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THE PIT OF FERQUES

Photos: Andreas Reeg; Sébastien Grousset



**KELSTERBACH/GERMANY  
AUTOMOTIVE ONLINE**

DB Schenker Rail Automotive, Deutsche Bahn's automotive specialist in rail freight transport, is now presenting its products and services on its own website. At [www.dbschenker.com/automotive](http://www.dbschenker.com/automotive) existing and prospective customers can find not only details of the services on offer but also the relevant contact persons. Interesting additional information on innovative transport concepts, such as the services to Russia and China, as well as a company film are also available here. Under the newly created Tracking&Tracing menu item, customers can check on the status of their consignments online. *ok*



**KEMBLE/UNITED KINGDOM  
THE QUEEN AND HER TRAIN TEAM**

For over 60 years, Her Majesty The Queen has been travelling across her kingdom on the Royal Train. Shortly after her Diamond Jubilee, HM The Queen brought together the team operating the train for an official photograph at Kemble station in Gloucestershire: the engine driver, kitchen staff, stewards and representatives of the British Transport Police gather around HM The Queen and her husband, the Duke of Edinburgh. DB Schenker Rail has been running the Royal Train since 2007, whose engine received a new silver paint job on the occasion of the Queen's Diamond Jubilee. *ok*



**SASSNITZ-MUKRAN/GERMANY  
MERKEL OPENS FERRY SERVICE TO UST-LUGA**

German Chancellor Angela Merkel has opened a new ferry service from Sassnitz-Mukran, in her constituency on Rügen, to the ferry port of Ust-Luga near Saint Petersburg. The ceremony was also attended by Vladimir Yakunin, President of Russian Railways (RZD), and Rüdiger Grube, Chairman of Deutsche Bahn. The Petersburg, the ferry operating this route, carries freight wagons with the Russian gauge. On the first crossing from Ust-Luga to Sassnitz, the ferry already carried 49 wagons for the Russian state railway RZD, which were handled on the broad gauge tracks at Sassnitz-Mukran. Desiro RUS multiple-unit trains from the Siemens plant in Krefeld, among other things, are transported to Russia in the opposite direction (see also *railways 2/12*, page 36). *ok*



**SCHKOPAU/GERMANY  
EUROPE'S FIRST HYBRID FLEET IN USE**

Railway company MEG (Mitteldeutsche Eisenbahngesellschaft), a DB Schenker Rail company, has started operating four new Alstom hybrid shunting locomotives at its customer Dow's Schkopau site. With this purchase, MEG has become the first company in Europe with a fleet of hybrid vehicles in rail freight transport. Another vehicle has been ordered and will be delivered at the end of 2012. The lease contract for the current fleet runs until 2018 and then turns into an option to buy. "With this, we are making a contribution to DB's climate protection target for 2020. The new eco-friendly track vehicles run quieter, consume up to 40 per cent less fuel and cut emissions by 60 per cent," says Alexander Hedderich, CEO of DB Schenker Rail, in Schkopau. *ok*

Sassnitz-Mukran

Schkopau

Kelsterbach

Győr



**GYŐR/HUNGARY  
LCH NOW CALLED DB SCHENKER RAIL HUNGÁRIA**

DB Schenker Rail has changed the name of its Hungarian subsidiary Logistic Center Hungária (LCH) to DB Schenker Rail Hungária Kft. The new name now makes it clear, both internally and externally, that the company is part of the network belonging to Europe's leading rail freight operator. DB Schenker Rail Hungária primarily runs shunting services, at container terminals, for example, and for the automotive industry. Its key customers include both Audi, with its plant in the city of Győr in western Hungary, and Daimler, with its new production facility in Kecskemét. *ok*

Photos: DB Schenker Rail (3); Uwe Miethe, Martin Jehnichen, Attila Voros/Deutsche Bahn AG

# Forging ahead in the hinterland

TFG Transfracht has been fully integrated into Deutsche Bahn. Under the direction of DB Schenker Rail, Europe's biggest provider of seaport-hinterland transport operations is set to become the market leader in terms of performance and quality.



Photos: René H. Assa

**RARE SIGHT:** All five locomotives painted in the colours of TFG Transfracht's AlbatrosExpress come together at the Maschen marshalling yard near Hamburg.



**GATEWAY TO THE WORLD:** All the container trains belonging to TFG Transfracht start or end at the German seaports on the North Sea, such as here in Hamburg.

The history of combined transport in Germany is closely linked to TFG Transfracht. The company was founded in 1969 as a subsidiary of German state railway Deutsche Bundesbahn and has since developed into the leading provider of containerised transport services from and to Germany's seaports. 43 years on, TFG Transfracht has once more been completely reintegrated into Deutsche Bahn: as of 1 July, the group acquired the 50 per cent holding that logistics company HHLA (Hamburger Hafen und Logistik AG) had purchased in 2001. Under the leadership of DB Schenker Rail, TFG Transfracht is now

to be repositioned and strengthened. There are plans to increase market share in containerised seaport-hinterland traffic, where the company is the market leader between the German seaports, Austria and Switzerland. Andreas Schulz, Head of the Intermodal division and Axel Marschall, Head of Sales at DB Schenker Rail Deutschland AG, are supporting the repositioning of TFG as shareholder representatives for DB. "As the sole owner we now have plenty of scope to focus TFG's development on its strong position as a port operator in maritime transport logistics," says Marschall. Combined transport is a key

**TFG TRANSFRACT 1969 -2012**



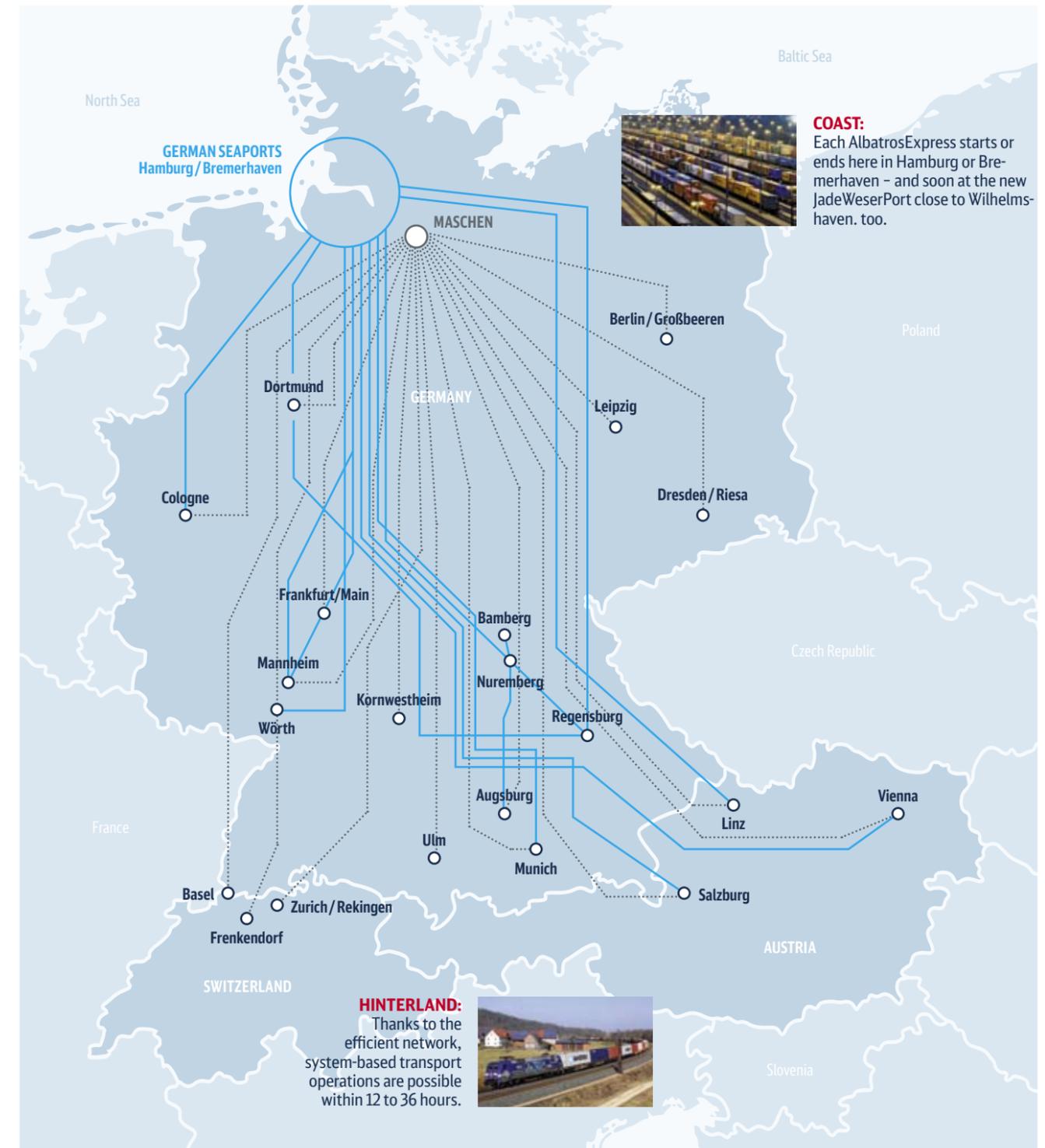
**1969:** Transfracht Deutsche Transportgesellschaft mbH is founded with the aim of developing and handling inland container transport.



**1971:** Overseas container traffic is transferred to TFG Transfracht. Opening of sales offices in Hamburg, Düsseldorf, Frankfurt and Stuttgart.

**1980:** DB large containers are approved for use in international rail transport operations, allowing TFG Transfracht and Deutsche Bahn to become pioneers in European inland container transport. TFG Transfracht has shareholdings in the Bremen-based transshipment company Roland Umschlag and expands the shareholding concept in the service centres.

**The AlbatrosExpress network**



**COAST:** Each AlbatrosExpress starts or ends here in Hamburg or Bremerhaven – and soon at the new JadeWeserPort close to Wilhelmshaven. too.



**HINTERLAND:** Thanks to the efficient network, system-based transport operations are possible within 12 to 36 hours.

**ONE NETWORK FOR THREE COUNTRIES:** TFG Transfracht links 15,000 locations in the major economic centres of Germany, Austria and Switzerland with the German seaports via numerous hinterland terminals. TFG Transfracht shifts some 600,000 truck transports from road to rail every year, hereby reducing CO<sub>2</sub> emissions by more than 360,000 tonnes annually.

— Shuttle trains to and from German seaports  
 ..... Trains through Maschen hub

Photos: Jana Siedenhan; TFG Transfracht; Jochen Schmidt/ Deutsche Bahn AG; Map: Ole Utikal

TFG TRANSFRACHT AT A GLANCE

## Facts & Figures

<b>Name:</b>	TFG Transfracht International Society for Combined Freight Traffic mbH & Co. KG
<b>Date established:</b>	14 April 1969
<b>Head office:</b>	Frankfurt am Main
<b>Branches:</b>	Berlin, Bremerhaven, Duisburg, Enns, Hamburg, Munich, Nuremberg, Olten
<b>Workforce:</b>	202
<b>Turnover:</b>	€ 250 million (2011)
<b>Transport volume:</b>	895,000 TEUs (2011)

growth segment in rail freight transport, and the maritime sector – i.e. services to and from seaports – is expanding particularly fast. The growth in seaport-hinterland traffic also means that more and more containerised goods are being transported by rail. This requires capacity and efficient processes. With TFG as its subsidiary, DB Schenker Rail can now offer comprehensive logistics services from a single source for this segment.

TFG Transfracht's chief customers are shipping companies and freight forwarders, for whom the company interlinks the ports of Hamburg and Bremerhaven with destinations in Germany, Austria and Switzerland. To be able to quickly and reliably convey containers in large numbers, TFG Transfracht operates AlbatrosExpress, the most extensive train network in seaport-hinterland transport. The trains serve 20 terminals each day and conveyed almost 900,000 container units (TEUs) in over 12,000 journeys last year.

With the full support of DB Schenker Rail, the position of TFG Transfracht as Europe's biggest and most efficient provider of hinterland freight transport is to be expanded and the added value of services increased

across every aspect of the customer supply chains. "Both in sales and operational processes we see great opportunities for making rail transport an even more attractive option in seaport-hinterland traffic for our customers," says Marschall. Schulz adds, "We can now interlink the company more effectively with the traction-related service processes. And with value-added services complementing the actual transport operation, we'll strengthen TFG further. In the recently founded operations department, we plan not only to optimise the transport-related processes, but also to reorganise support processes, including the final provision of the service." Two new general managers are responsible for this change and will guide the process of "forging ahead in the hinterland". Christina Arndt was appointed Head of Sales at TFG starting on 1 September and Ralf-Günter Kloss has taken on the role of Head of Operations. dv ■

**Contact |** TFG Transfracht Internationale Gesellschaft für kombinierten Güterverkehr mbH & Co KG  
Telephone: +49 (0)69 2389-0

## “Focus on operational excellence and efficient utilisation management”

Axel Marschall, Head of Sales at DB Schenker Rail, and Andreas Schulz, Head of the Intermodal division, on the realignment of TFG Transfracht.



AXEL MARSCHALL



ANDREAS SCHULZ

### What role do maritime combined transport and TFG play in DB Schenker Rail's business activities?

Axel Marschall: Combined transport is a key growth segment in rail freight transport. Containerisation is on the rise and the quantity of goods conveyed in containers will grow between 2007 and 2030 from 20 to over 30 per cent of the total transport market. Transport volumes in combined transport are set to treble by 2030, and to more than quadruple in the maritime segment. As the number one in rail-based combined transport in Europe we are seeking to organise our portfolio of products and services in such a way that we can share in this growth as a reliable partner. With TFG as an efficient operator that is now fully integrated into our group, we can gear our activities towards our customers' business operations even more effectively. TFG boasts great expertise in the demanding task of handling large intermodal goods flows. Furthermore, some of the existing structures at Transfracht already offer an advantage in the competitive contest for the growing volumes, such as close proximity to the customer in the hinterland. Operationally, the comprehensive AlbatrosExpress network is unique. We plan to retain and use both of these assets. In other areas, we'll optimise processes to bring even greater improvements.

### What do you hope to gain from Deutsche Bahn's complete takeover of TFG?

Axel Marschall: In the past we managed the business as a joint venture with HHLA as our equal partner. Such an arrangement is very challenging in corporate management if the partners do not have the same core business. With

every decision, the varying interests have to be considered and weighed up. Now we can develop TFG into a comprehensive logistics service provider for seaport-hinterland traffic. We plan to target our processes and range of products and services even more closely at our customers' logistics chains and to interlink them with those of DB Schenker Rail wherever suitable. Focus will be on our core business of providing efficient rail services for maritime combined transport, but we'll also take the range of upstream and downstream services into account.

Andreas Schulz: If we look at other successful operators, they offer a much deeper penetration of the value chain. This is where their strength lies. DB Schenker Rail is capable of that too, but was not able to do so in the previous set-up. We now intend to put these skills and synergies to use very quickly and to reduce interfaces at the same time.

### What changes can your customers expect in the near future?

Andreas Schulz: Radical changes are not our primary aim. Many of TFG's subunits are well-positioned. It is now necessary, to build on the strengths and to optimise our potential. We intend to expand our position as a quality leader, to work on process stability and quality and to speed up decision-making. Efficient management of capacity is one primary goal. This is the only way to operate a comprehensive network with marketable prices profitably. Our approach will vary depending on the route: we will target and work on utilisation on high-volume lines. In other cases, we'll implement price rises on a selective basis. And where necessary we will cancel services on one route or



**1985:** The number of container transport operations by TFG Transfracht exceeds half a million for the first time. The InGrid integrated price system for overseas container traffic is introduced.



**1990:** Integration of combined transport in eastern Germany. The terminals of the East German Deutsche Reichsbahn (DR) are integrated into the existing intermodal transport network. DR becomes a shareholder.



**1996:** TFG Transfracht focuses solely on seaport-hinterland traffic and international transport operations. At this time, TFG has 8,000 of its own containers.



**1998:** Founding of AlbatrosExpress, now the most extensive seaport-hinterland rail network to and from German seaports.



**1999:** First link to Austria and inclusion in the TFG network, later to become AlbatrosExpress Austria.



**2001:** HHLA AG acquires a 50 per cent stake in TFG Transfracht.

Photos: TFG Transfracht; Andreas Reeg

another.

**You have added a new operations department to the management - why?**

Andreas Schulz: We learnt very quickly, both from our customers and within our own ranks, that procedural changes were urgently needed in the operations area. Our main concern is to create standardised processes and to be faster and more flexible in our day-to-day operations, through clearly defined and lean handling processes, for instance. We want to give our customers a clear idea of how we process their transport services. And when deviations occur we want to be able to give the customer reliable information on when their consignment will reach its destination. These are just a few examples but they illustrate the in-depth approach that we take when we set up new structures and processes. The new department will pool management resources. Ralf-Günter Kloss, as the department's new head, will contribute a high level of expertise in process-related issues.

**How do you plan to develop the role of sales in future?**

Andreas Schulz: We want to demonstrate that using TFG's services is worthwhile. We are therefore strengthening the management team in terms of ideas and sales strategy. Christina Arndt is a renowned expert in marketing in the DB Group who will draw on her many years of experience in optimising sales processes, product design and pricing. Structures, processes and products will become more standardised to boost efficiency and we will streamline and speed up the process of tender preparation. On the other hand, we will allow ample time for the dialogue with our customers and ensure a high degree of individuality in the consulting process. TFG serves a wide range of clients, from major customers with tens of thousands of load units to small customers sending individual consignments, and from shipping companies and maritime freight forwarders from the sea-

ports to industrial shippers with decentralised hinterland locations. We want to offer solutions that cater to all customer groups. For sales, this means developing tailor-made solutions and making them economically sustainable at the same time. We are therefore strengthening the most inherent task of sales, i.e. customer service. With its comprehensive regional positioning, TFG already has a unique selling point that no other operator can match. We are seeking to build on this competitive advantage at a regional level, in close cooperation with DB Schenker Rail and our equipment and depot specialist DB Intermodal Services. Regional responsibility for business and local customer service will gain in importance. We are pursuing one clear goal in all this: to win back market share in our core markets.

**Are shifts in business to be expected under the "port-neutral service provider" heading?**

Axel Marschall: Successful cooperation with the seaports has always been essential for TFG. Growth is still being forecast for the western and northern ports. We follow the maxim "structure follows business" precisely because we operate as a neutral service provider. Depending on volume growth at the ports, it would therefore be somewhat unusual to rule out changes in business. There are no specific plans right now, but we are aware of the growth forecasts. We are also preparing for a possible expansion of business to other European ports. We can use DB Schenker Rail's European network for these various options.



**2005:** TFG becomes the first operator to offer tracking and tracing via the web. The PortSprinter shuttle train operates five times per week between Bremerhaven and Hamburg.



**2006:** Inclusion of Switzerland in the TFG network as a product in its own right, later to become AlbatrosExpress Switzerland. Introduction of the HABIS Zoll and WADIS Zoll port systems in Hamburg and Bremerhaven, respectively.



**2012:** Deutsche Bahn acquires HHLA's holding in TFG Transfracht and becomes sole shareholder. Start of restructuring under the direction of DB Schenker Rail.



# A vast expanse

Significant potential lies dormant in Poland, Romania and beyond. The activities of DB Schenker Rail's Region East are crossing the frontiers of eastern and south-eastern Europe with increasing frequency, travelling towards China, Central Asia and Turkey. In this special Region East section, *railways* devotes 20 pages to the reality and the future of rail transport from Central Europe to the Pacific - and even to the Middle East.

Just five years ago unimaginable, now business as usual: day after day, a freight train sets off from Leipzig carrying car parts for BMW across some 11,000 kilometres for final assembly in Shenyang in China. This long-distance world record in rail freight transport reflects the potential that lies in the east: a vast expanse which, 20 years after the fall of the Soviet Union, offers many opportunities - but also risks. As Europe's leading rail freight operator, DB Schenker Rail has accepted this challenge and is consistently expan-

ding its involvement in the east. For VW, DB Schenker Rail is establishing stable transport chains to the Russian plants in Kaluga and Nizhny Novgorod (page 16). In Poland, DB Schenker Rail Polska is one of the largest private rail freight companies and *railways* interviews the new CEO of our local subsidiary on his plans and prospects. Elsewhere, Turkey, the market of the future, is awaiting the 2013 opening of the Marmaray rail tunnel under the Bosphorus (page 29).

Photos: TFG Transfracht; Pablo Castagnola

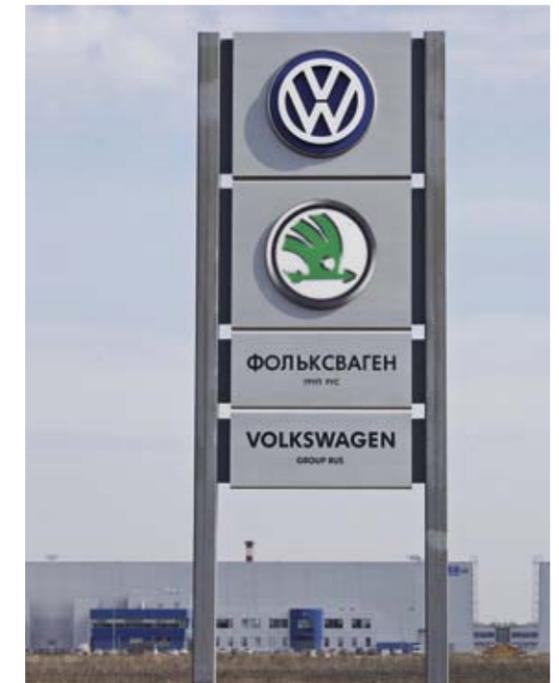


# ФОЛЬКСВАГЕН

Different countries, different alphabets: many things are different in Russia, not just the way that Volkswagen is written in Cyrillic. It is DB Schenker Rail Automotive's job to keep supplies flowing to the VW plants in Kaluga and Nizhny Novgorod.

Photos: Jeremy Nichol/DB Schenker Rail

**IN DEMAND:** VW's first Russian plant in Kaluga is now producing round the clock in three-shift operation.



**SETTING AN EXAMPLE:** The VW plant in Kaluga.

Volkswagen and DB Schenker Rail marked another small milestone in July: the 1,500th container block train arriving in the Russian city of Kaluga with 80 containers from the German and Czech plants of VW and Škoda again testified to the success and reliability of this most demanding supply chain in inter-plant transport for Europe's biggest carmaker.

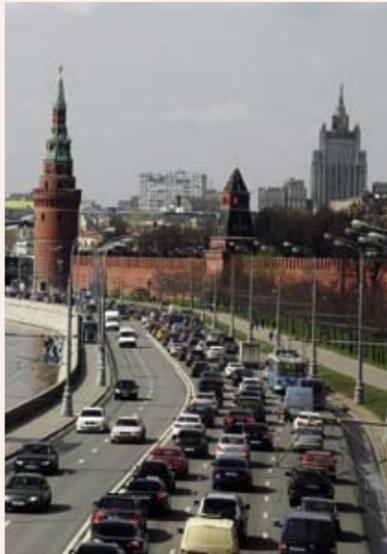
After all, VW's first plant in Russia, which opened five years ago and employs a workforce of 5,900, relies on continuous supplies from the Group's Central European plants and from other component suppliers across the EU. The flow of materials in a west-east direction is necessary because no suitable supplier for the plant located almost 160 kilometres south of Moscow has yet been found in Russia.

"Since VW started producing in Russia we have been acting as general contractor for Volkswagen Logistics," says Michael Gaschütz, Key Account Manager at DB Schenker Rail Automotive for VW, adding, "In the meantime, we have demonstrated that the quality of our transport operations to Russia is as high as within Central Europe." In 2011, VW did not once have to halt production in Kaluga because of the non-arrival of supplies.

"However, we keep twelve days' worth of production stocks in reserve at the Russian plant, compared with only two days' worth in Germany," says Josef Baumert, VW plant director in Kaluga. It comes as no surprise that this approx. 2,000-kilometre-long supply chain holds more imponderables than the participating partners can influence, such as customs clearance by the Russian authorities. The unloading

## Russian car market in the fast lane

According to VW's forecasts, some 2.6 million new vehicles will be sold in the Russian Federation this year. In terms of numbers of cars sold, the German car manufacturer currently ranks fourth place behind Lada, Renault/Nissan and Hyundai/Kia, with a market share of 11.4 per cent. At the start of this year, sales of new vehicles rose by some 20 per cent. Industry experts believe that Russia could overtake Germany as Europe's biggest car market in terms of unit sales as early as 2014. The high demand results in very long delivery periods: anyone wanting to buy a VW or Škoda in Russia has to wait four to seven months. The model



range offered by Volkswagen Group Rus differs considerably from that in the EU. A Polo saloon car, which is not available in Germany, is currently the most popular VW model on the Russian market. Since they first entered the market, major manufacturers such as VW have learned that vehicles need to be "russified" not only in terms of design to enjoy sustained success: owing to the poor road quality in many places, a so-called "bad road chassis" is a must for improving a car's service life. The highly variable petrol quality across Russia also presents quite a challenge to carmakers.

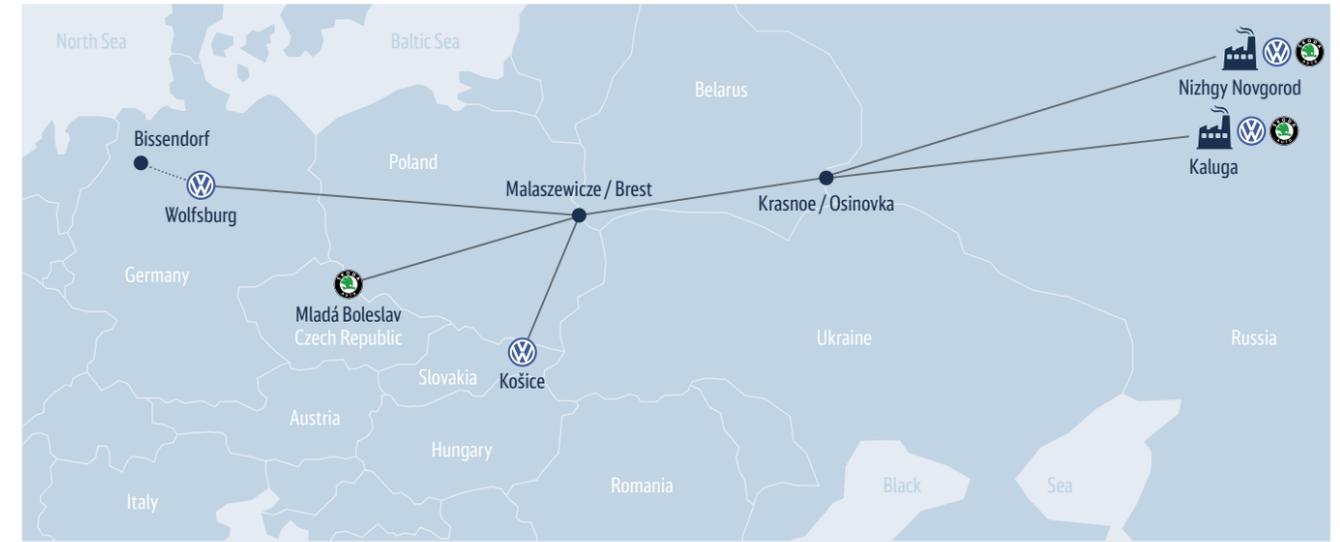


**UMBILICAL CORD:** Russia still lacks efficient component makers, meaning that the Kaluga plant is dependent on a constant flow of materials from Central Europe (above). Below, a VW employee installs a windscreen.

of the containers on the Poland-Belarus border onto Russian broad gauge wagons also increases the complexity of the transport operations, as does the participation of the Polish, Belarusian and Russian railways. All in all, DB Schenker Rail coordinates 26 partners to provide this service.

Together with the VW Group Rus, DB Schenker Rail has now ventured even further east. The Group, based in Wolfsburg, commenced production in Nizhny Novgorod at the end of 2011. "We are currently sending one or two trains to Nizhny Novgorod", says Michael Gaschütz. This city on the Volga, 300 kilometres east of Moscow and with a population of over one million, has a long tradition as a produc- ▶

## It keeps running and running ...



tion site for passenger cars (Volga model) and trucks. Working on behalf of Europe's biggest carmaker, the Russian manufacturer Gorkovsky Avtomobilny Zavod (GAZ) will build 110,000 Volkswagen Jetta, Škoda Octavia and Škoda Yeti models per year in future. The cars will be built at the Nizhny Novgorod plant for the local market. Due to high customs duties, car imports in Russia are not very profitable. This is different

if at least the final assembly is carried out in Russia. All international manufacturers building assembly plants in Russia commit to continuously increasing the share of local added value. This explains the large open space adjoining the VW plant in Kaluga, where component suppliers will soon be based. *ok* ■

**CHANGE OF GAUGE:** In Malaszewicze near Brest, the containers bound for Kaluga and Nizhny Novgorod are reloaded onto Russian broad-gauge wagons.

3,200

40' high-cube containers, some pallet-wide,

800

flat wagon slots in Russian broad gauge and

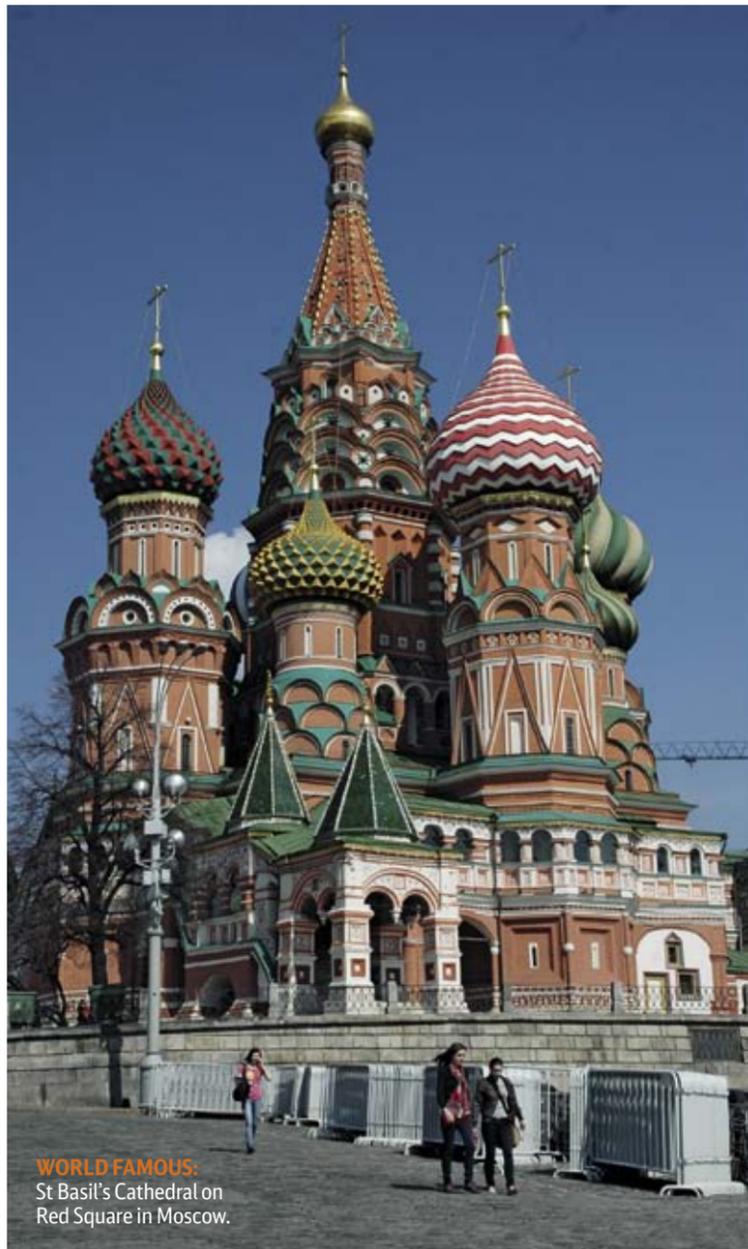
800

flat wagon slots in European standard gauge ...

... are used in a self-contained round trip system to and from Russia.

Photos: Jeremy Nicholl/DB Schenker Rail; Map: Ole Utikal

# Vodka is no longer compulsory



**WORLD FAMOUS:**  
St Basil's Cathedral on Red Square in Moscow.

## 1. AN IMMENSE COUNTRY

Somebody coming from Western Europe is first overwhelmed by the sheer size of Russia and the CIS states. If you travel regularly across the eight time zones, as I do, you have to put up with jet lag and interrupted sleep even on domestic flights.

## 2. HOT AND COLD

of climate, ranging from -50 °C to +45 °C. You sometimes set off on a business trip wearing a hat and overcoat and switch to a t-shirt as soon as you reach your destination – or vice versa. In the Siberian winter you come to appreciate chilled home-made spirits (60 per cent alcohol by volume) and a genuine fur coat. In Uzbekistan, on the other hand, all you want when the temperature reaches +43 °C is warm green tea and light cotton clothing.

## 3. XXL RAILWAYS

Russia's state railway operator RZD, with which DB collaborates, is a huge company with some 1.3 million employees. The modal split for rail freight transport gives it a share of 82 per cent, hardly imaginable in Western Europe. RZD's efficiency is impressive, and its dispatch centre (operations management) feels more like a space operations centre.

## 4. DOING BUSINESS IS QUITE A BUSINESS

When in Rome ... you need patience to do business in Russia and the CIS states. This is true both for concluding contracts and for settling accounts for completed transport operations, both of which entail a lot of bureaucracy. In order to make payments through a bank, you have to show the signed contract before the transaction can go ahead.

## VODKA IS NO LONGER COMPULSORY

I know from experience that, back in the 1990s, you had to down a whole bottle of vodka in the banya (sauna) with your business partner before you could sign a contract. But times have changed. Now, a handshake over a cup of tea or coffee is enough to settle the matter. What is still true, though, is that a good command of the Russian language and some knowledge of the country's history are a great advantage.



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Jörg Siedenbiedel, 56, comes from Mecklenburg but has been a Muscovite for the past 20 years. He began by building up DB's representative office for the CIS states and then, in 1999, set up the freight forwarding company that is now known as Railion Russija Services. Here, he gives *railways* readers a few tips for making sense of Russia.

# Going West in a tilted position

ArcelorMittal Galati is relying on rail to transport heavy plate from Romania to Central Europe.



From the time of its establishment in 1966, the Romanian Galati steelworks sold its products mainly to customers in Eastern Europe. Nowadays, however, Galati is a site belonging to the world's biggest steel producer, ArcelorMittal, whose supply chains know no boundaries. Manufacturers of wind turbines, engineering companies, shipowners and construction companies from Germany, France and Denmark as well as Poland and the Czech Republic value the steel plate from Galati.

Since June, DB Schenker Rail has been responsible for the majority of transport operations, which were previously handled by inland vessel via the Danube and through various railway companies by rail. "Until May we had successfully handled nine test trains," says Jakob Weber, Key Account Manager for ArcelorMittal Galati. "The customer attaches prime importance to punctuality and speed and we have been able to reduce the duration of the previous transport operation via waterway almost by half."

A further requirement was the efficient transportation of over-wide plate. "For plate that is more than

3.1 metres wide we use tilting wagons, with which the individual parts, up to two tonnes in weight, can be transported in a tilted position so that the loading dimensions are not exceeded," explains Weber.

DB Schenker Rail is responsible for about 60 per cent of the routes, which, depending on the destination, can be over 2,500 kilometres long. The Romanian subsidiary dispatches the consignment in shuttle trains, feeding it into the single-wagon system in western Hungary. On the German border DB Schenker Rail Deutschland assumes responsibility, and for transport operations to Denmark, DB Schenker Rail's employees there take over. The transport services, which have to date been carried out weekly, add up to some 50,000 tonnes per year. As Weber notes, "ArcelorMittal has been very pleased with the first shipments. We are confident that we will be able to increase the volumes further."

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**FLEXIBLE INTERNATIONAL CONNECTION:**  
Via Hungary, DB Schenker Rail links Romania with 37 destinations in six different countries.

Photos: DB Schenker Rail; DB Schenker Rail/Romania; Map: Ole Utikal



# Expertise in the East

For its customers, the Region East division of DB Schenker Rail establishes logistics chains extending to Poland or even all the way to the Pacific. This ambitious undertaking is characterised by many different languages, a wider gauge in the CIS countries and customs frontiers with processes and formalities that differ significantly from those of Western Europe.

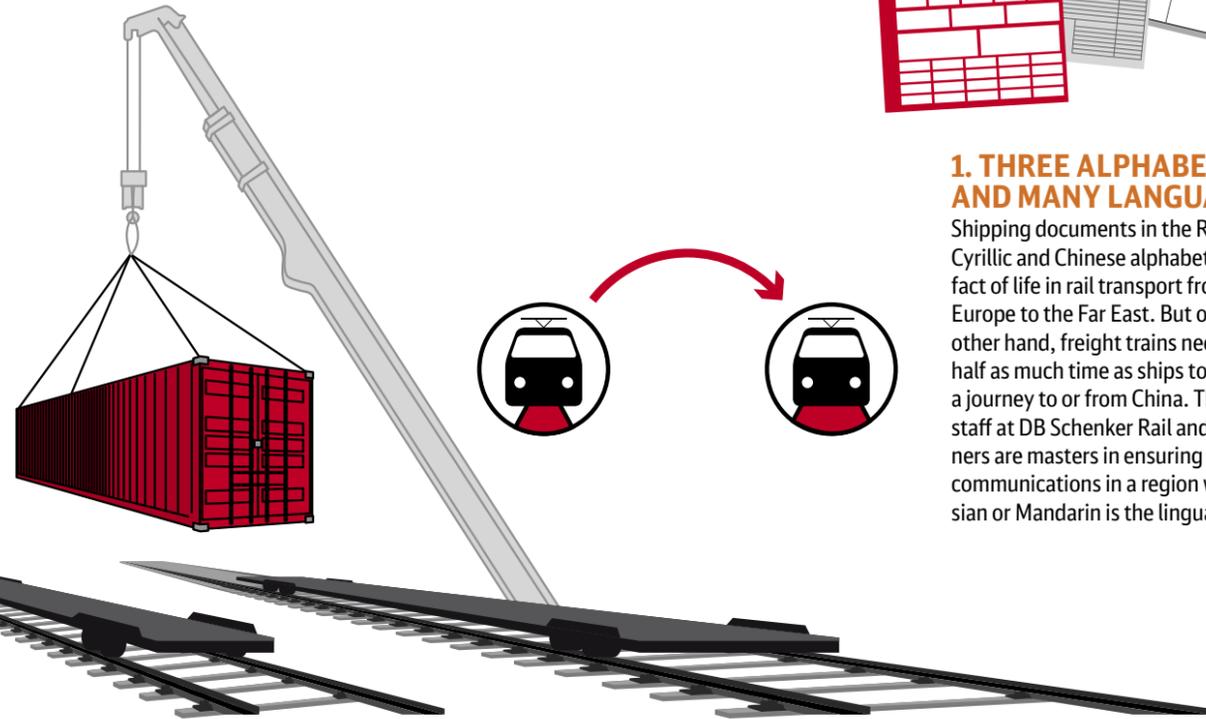


## 1. THREE ALPHABETS AND MANY LANGUAGES

Shipping documents in the Roman, Cyrillic and Chinese alphabets are a fact of life in rail transport from Central Europe to the Far East. But on the other hand, freight trains need only half as much time as ships to complete a journey to or from China. The skilled staff at DB Schenker Rail and its partners are masters in ensuring smooth communications in a region where Russian or Mandarin is the lingua franca.

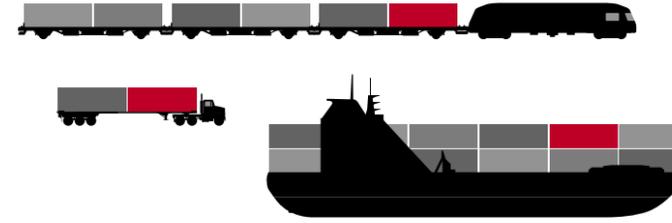
## 3. SHUNTING SERVICES FOR OUR CLIENTS

DB Schenker Rail also offers tailored shunting services in all the countries in which it operates. These services are especially in demand from the steel, chemical and automotive industries.



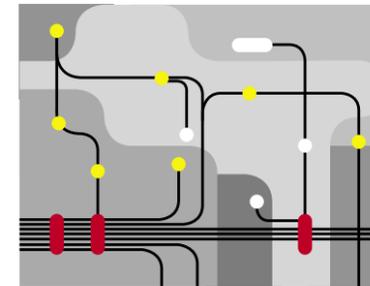
## 2. WHAT A DIFFERENCE 8.5 CENTIMETRES MAKE

Beyond Poland, the Czech Republic, Hungary and Romania, the tracks with the Central European standard gauge (1.435 m) meet the Russian broad gauge (1.520 m), which is the standard in all the CIS states and the Baltic. Freight is transferred onto different wagons at the border. At the Malaszewicze/Brest border crossing, for example, DB Schenker Rail offers its customers a rapid service for the onward east-bound journey. This freight transfer process has to be repeated at the Russian-Chinese border.



## 4. MULTIMODAL TRANSPORT CHAINS

Containerisation continues to flourish in Eastern Europe. Here too, DB Schenker is working with its partners to develop multimodal transport chains that meet the high requirements of industry and commerce. This is helping to integrate Region East ever more closely into DB Schenker Rail's European network.



## 6. KNOW-HOW WHEREVER YOU GO

DB Schenker is blazing trails for its customers all over the world. With its local subsidiaries, shareholdings and international partners, the DB Group is in an ideal position everywhere on the Eurasian land bridge, with specialist local knowledge and a direct line to its clients.



## 5. MARITIME INTERFACES

In Szczecin and Świnoujście, DB Schenker Rail is also the port operator. The opening of a new container terminal in DB Port Szczecin in April will strengthen the position of this city at the mouth of the river Oder as a hub for the Baltic region. Furthermore, a new rail ferry now connects the ferry port of Sassnitz-Mukran with Ust-Luga near Saint Petersburg.



## 7. ANYTHING TO DECLARE?

DB Schenker Rail is crossing the EU's external border with the CIS more and more frequently. The company has considerable expertise in import and export operations and in handling customs formalities, and is active internationally in advocating ways of simplifying and speeding up these processes.

Illustration: Ole Häntzschel

## More often to the East

The frequency of the scheduled train to Silesia will increase thanks to high demand.

Since 2010, a scheduled service, known as the Silesia Line Train, has been operating between Germany and the industrial region of southern Poland. The direct train conveys individual wagons and groups of wagons from Germany to destinations in Silesia – and back again. This service is in such high demand that DB Schenker Rail is to increase its frequency from three to four weekly trains from this autumn onwards. The direct connection is particularly popular for transporting chemicals, steel and white goods. **dv** ■

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**POPULAR:**  
Due to high demand, the frequency of the Silesia Train will increase from three to four trains per week.

## Hitting the mark

“We use the Silesia Train mainly for reasons of speed, reliability and flexibility. The competitive price is another factor.”

**MARIAN DURLAK, BRANCH DIRECTOR AT RHENUS PORT LOGISTICS**

“In the three years we have been working together, the quality of the service has improved continuously.

DB Schenker Rail is familiar with the specific requirements of transporting chemicals and copes well with all the challenges involved. And the Silesia Train meets our needs exactly.”

**COMMERCIAL DIRECTOR AT PETRO CARBO CHEM GMBH - OFFICE GLIWICE**

“Speed, guaranteed delivery and careful handling of the consignment are this service’s main strengths. This also has a positive impact on our levels of customer satisfaction.”

**PIOTR NIEWIADOMSKI OF THE PCC ROKITA CHEMICALS COMPANY**

## At full speed

DB Schenker Rail Polska is extending its activities for power plants.

**DB** Schenker Polska (DBSR) is stepping it up: in July, the company signed a contract with TAURON Wytwarzanie S.A. on shunting services at the Łagisza power plant in Będzin. The work for the power plant in the Upper Silesian Industrial Region is set to start this September. In the public invitation to bid, DB Schenker Rail Polska came out on top against PKP Cargo, the freight transport subsidiary of the Polish state railways, which had provided the shunting services until that point.

A few weeks after the contract had been awarded, the power station operator PGNiG SA Termika also extended its cooperation with DBSR Polska. The services to be provided cover receiving the wagons of various carriers at different sidings, and their onward transportation to the receipt points, as well as shunting services for five different power plants belonging to the customer. In securing the new contract, which

will run for several years, DB Schenker Rail Polska again won against PKP Cargo as well as two other bidding consortia. **dv** ■

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**POWERHOUSE:**  
Shunting locomotive belonging to DB Schenker Rail Polska on the premises of the Łagisza power station.



## Refined process

DB Schenker Rail Polska is transporting limestone for the Belarusian sugar industry.

If you think that sugar beet is all that is needed to produce refined sugar, think again. Large quantities of limestone are an essential ingredient, too. This limestone is burned, and then the milk of lime produced from the burnt limestone and the carbon dioxide generated during the process are used to remove impurities from the sugar. In order to supply a Belarusian sugar plant, DB Schenker Rail Polska transports limestone in large volumes from Poland to its neighbour. The regular service got under way in early June following successful trial rail shipments at the start of the year. DB’s Polish subsidiary completes the customs formalities in the country of origin and takes the trains, each comprising 28 loaded coal wagons, to Brest on the Polish-Belarusian border, where the limestone is then transferred onto broad-gauge wagons. **dv** ■

**WHITE CUBES:**  
The limestone required in sugar refining is delivered by rail.

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Photos: DB Schenker Rail (2); iStockphoto



**LOOKING EASTWARDS:** Christian Schreyer after the *railways* interview at DB Schenker's Berlin office.



## “Building new corridors”

Christian Schreyer, the new CEO of DB Schenker Rail Polska, talks to *railways* about current challenges and his future plans.

**Mr Schreyer, congratulations on your appointment as Chief Executive Officer of DB Schenker Rail Polska! You are taking up the position at a challenging time. How is DB Schenker Rail's biggest subsidiary in Region East faring at present?**

Christian Schreyer: DB Schenker Rail Polska is operating in a difficult and volatile market environment, which is currently twelve per cent down on the previous year. In recent months we have managed, nonetheless, to stabilise our economic position and operate at a profit. In addition to the general economic crisis, a second factor in Poland has been the heavy investment in infrastructure during the run-up to the UEFA European Football Championship. This is now suddenly over. In the short term I want to guide the company safely and profitably through the current crisis so that it emerges from it stronger in 2014. This also means making further progress with the drive to realign and restructure DB Schenker Rail Polska and its business activities.

**You know the Polish market well and you speak the language, too. What distinguishes Poland's rail freight transport market from Germany's?**

Schreyer: Business here is based mainly on traditional goods such as coal and steel. Poland relies on coal for 95 per cent of its power generation and will continue to do so for the next 10 to 15 years. Intermodal transport operations, on the other hand, have played only a secondary role to date and cross-border traffic, which accounts for over 50 per cent of operations in Germany, remains at a very low level in Poland. But I see huge development potential for the future in these two areas in particular, and this is where we plan to develop new transport operations and services.

**What objectives have you set yourself? What are you seeking to achieve in the medium and long term?**

Schreyer: We intend to continue our strategy to consolidate our position as a profitable premium operator in the Polish railway market. But it is also important for us to develop, to transform the Silesian industrial railway into a strong player within DB Schenker Rail's European network. Through the

expansion of cross-border services we are also increasing our independence from the national railway market. In addition, we are seeking to further expand the Intermodal, Chemicals and Biomass units as new pillars in the medium term.

**What are you doing in order to grow in these fields?**

Schreyer: Our scheduled service to Silesia is a great success that demonstrates our potential. We launched the operation in 2010, initially with one weekly service from Seddin outside Berlin to 14 destinations in Silesia. This was a real innovation in individual wagon transport in Poland. We are now planning the fourth train per week because the demand exceeds our current supply. This autumn we will also be entering the Polish seaport-hinterland transport market with two weekly trains from Szczecin, where our sister company DB Port Szczecin is based, to the Wrocław region.

**Are you happy with the Polish infrastructure and access to the network?**

Schreyer: This subject is causing us quite a headache. The track access prices we pay are twice as high as in Germany,

### CHANGE AT ZABRZE

Christian Schreyer, previously responsible for Production and Human Resources at DB Schenker Rail Polska, took over from Hans-Georg Werner as Chief Executive Officer of the Polish subsidiary as of 1 July. Werner is taking over as Chairman of the Supervisory Board and will continue to run DB Schenker Rail's Region East. In addition to Schreyer as the new CEO of DB Schenker Rail Polska, the Management Board comprises Tamara Staniowska (Human Resources), Michael Hetzer (Production), Zbigniew Pucek (Sales) and Marek Staszek (Finance/Controlling). DB Schenker Rail Polska's head office, where some 4,800 staff are currently employed, is located in the Silesian city of Zabrze.



for use of a much poorer infrastructure. In Poland, we reach an average speed of 21 km/h, compared with a good 60 km/h in Germany. In principle, we have access to the network, but in practice we are blocked in many places. This includes access to terminals or branch lines, where the track infrastructure is often leased on a long-term basis to our competitor PKP Cargo. This is a clear competitive disadvantage that also affects other market players.

**Satisfaction levels among your Polish customers have risen noticeably of late. What are you planning to do in order to maintain or build on the standards achieved next year?**

Schreyer: We are seeking to remain the prime operator in Polish rail freight transport and to offer our customers continued high quality. To do so, we intend to further improve our punctuality as well as our consignment tracking service. In addition, we will continue to develop innovative products and to achieve growth in markets that do not even exist yet in Poland. Moreover, we are investing in the future: we are about to order new electric locomotives that will rejuvenate our existing fleet of locomotives with its average age of 48 years, and make it more efficient.

**How Polish is DB Schenker Rail Polska actually? As a German you are managing a company with several thousand Polish employees. How do you do that?**

Schreyer: We are a Polish company through and through. There are only six Germans working alongside me here, including my Management Board colleague Michael Hetzer. We have merged more than 30 companies into one and are endeavouring to develop a common corporate culture at present. The positive results from our annual employee survey show that we are making good progress in this direction. I enjoy working in Poland with its warm and dedicated people.

**Looking to the future now, what vision do you have of DB Schenker Rail Polska in five years' time?**

Schreyer: We will still be number two in the Polish rail freight transport market but we will be positioned differently by then. We will have established new corridors in the country by that time, such as the East-West bridge from Frankfurt (Oder) to Brest in Belarus. A large proportion of our transport services will then be operating across borders. I also hope that we will have a sound infrastructure policy in terms of quality, access and costs here in Poland in five years' time. If this is the case, I am confident that we can take a decisive step towards our goal of shifting more transport operations from road to rail.

Interview: Olaf Krohn

## A short profile:

### CHRISTIAN SCHREYER

The 44-year-old comes from Munich, where he studied law. Following a brief career as a commercial lawyer, Christian Schreyer joined the DB Group in 1999 and set up the department for competition law within the legal department. Later on, he managed the corporate development of DB Services, and as Head of Corporate Strategy he prepared the ground for DB's flotation. In 2009, he moved to DB Schenker Rail Polska, where he supervised the integration of around 30 individual companies before being promoted to the Management Board, responsible for Production and Human Resources. Schreyer has been learning Polish for three years and can now sometimes perform his duties at his Zabrze office without an interpreter. The new chief executive of DB Schenker Rail Polska commutes between Silesia and Berlin, where his wife and two children, aged four and six, live.

### KOLEJE:

One of the thousands of Polish words that Christian Schreyer has learned over the past three years. Meaning: "railway".

# Turkey, market of the future: the Marmaray project

The first rail connection between Europe and Anatolia is expected to open in 2013. This tunnel under the Strait of Bosphorus will also blaze new trails for freight traffic.

In European eyes, Turkey is not yet a priority for rail freight traffic. But Andreas Lipka, for one, is sure that this is going to change. "Turkey is already a regional economic power, and it will close the decisive gap in the rail infrastructure at the Bosphorus," says Lipka, Head of European Service Design in Eastern Europe at DB Schenker Rail.

Marmaray is expected to be completed in 2013. This project, its name a combination of the Sea of Marmara and the Turkish word ray (rail), is the first direct rail connection between Europe and Anatolia. A 13.6-kilometre-long rail tunnel will pass under the Bosphorus, 56 metres below sea level. For the first time, this €2.5-billion tube will give the metropolis of Istanbul, with its population of 13 million, an effective suburban rail system connecting its districts on the European and Asian sides of the strait. Long-distance and freight trains are also expected to pass through the earthquake-proof tunnel.

"It is true that DB is already running a few trains to Turkey each week for the automotive industry, for example," Andreas Lipka says. "However, the opening of Marmaray will result in entirely new prospects in the southeast for us. We are getting ready for this right now." The Turkish state railway has been redeveloping its infrastructure for several years now to ensure that it can meet the present and future requirements of the logistics market. Marmaray is expected to replace the existing rail ferry across the Bosphorus.

This will make it possible to run direct freight trains from Central Europe to Asia Minor – and, in future, onward to the Middle East. Marmaray will give a completely new impetus to this freight corridor from Europe to Asia Minor that has largely remained untapped until now.

**MILESTONE:** Marmaray will create the first land-based rail connection between the European and Asian parts of Turkey. By day, the tunnel is expected to be used mainly for passenger trains.

### BREAKTHROUGH AT THE BOSPORUS



Over the tunnel, the Bosphorus is only 1,400 metres wide – but almost 50 metres deep. This requires long subterranean ramps west and east of the strait.

Photos: Max Lautenschläger (3); Corbis; Map: Ole Utilkal



## Rich harvest

Commodity trader Glencore is relying on DB Schenker Rail to handle agricultural produce in Hungary.

One of the biggest interfaces for worldwide commodity trading is located in the tranquil town of Baar in the Swiss canton of Zug. It is from here that the multinational Glencore group directs its activities across all continents, trading in metals and minerals, sources of energy and agricultural produce. The Glencore branch located in Foktő in southern Hungary serves as a hub for the trade in agricultural produce between Eastern and Western Europe. In June, DB Schenker Rail Hungaria took charge of marshalling services and transport operations to the Kiskőrös rail freight terminal. Several hundred thousand tonnes of agricultural produce were to be transported original-

ly, with two shunting locomotives and two daily connections. In the meantime, however, it transpired that there is a lot more to be done for Glencore. "We are happy to have won over another prestigious customer with our services," says Nándor Németh of DB Schenker Rail Hungaria, adding, "It is our aim to handle Glencore's long-distance haulage operations as well, both within Hungary and across borders to Western Europe."

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**GRAIN TRAIN:**  
In July alone, DB Schenker Rail Hungaria handled several hundred rail tank wagons for Glencore.

dv ■



**ON A HIGH:** The photo on the left shows Sébastien Grousset, a train driver for Euro Cargo Rail in France. The photo on the right shows him too, as the pilot of a powered paraglider. And the photo on the following double-page spread shows the Ferques quarry from the air, as photographed by Sébastien Grousset from his flying machine.

## The pit of Ferques

Carrières du Boulonnais, one of the largest producers of building materials in France, is switching its transport operations from road to rail and relying on the expertise of Euro Cargo Rail in the process.

The quarry in Ferques in the northernmost corner of France is among the largest of its kind in Europe. In this area just a few kilometres south of Calais, Carrières du Boulonnais extracts limestone, which is needed in both structural and civil engineering, as well as in the manufacture of lime, steel, sugar, paper, glass and pet food. As part of its sustainability strategy, the company is increasingly endeavouring to shift the dispatch of its building materials from Ferques from road to rail.

For this reason, Carrières du Boulonnais is investing in a new fleet together with Euro Cargo Rail (ECR), DB Schenker Rail's French subsidiary, and Nacco, the largest independent freight wagon leasing company in Europe. In addition, Carrières du Boulonnais is making a contribution to the renewal of the local rail network by providing funding together with Réseau Ferré de France for the repair of the section between Caffiers railway station and its production site at Ferques.

In an initial step, regular rail transport services are to be established between the Ferques site and the Mitry transshipment centre in the region of Val d'Oise. This will help to improve the provision of supplies to the construction industry to the north of the Paris metropolitan area, whose annual requirements come to 600,000 tonnes. The ECR trains from Ferques to Mitry are set to replace some 150 truck journeys every day.

"Carrières du Boulonnais was one of the first customers to have confidence in us six years ago, thereby enabling us to demonstrate our capabilities," says ECR

Managing Director Emmanuel Delachambre. "We now operate 25 trains per week on behalf of Carrières du Boulonnais, eight times as many as in 2006," he continues. Carrières du Boulonnais' MD Pierre Proy adds: "Logistics play a pivotal role for a quarrying company. Rail freight transport is part of our logistics strategy, which is truly multimodal."

ok ■

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## Focus on Carrières du Boulonnais

The company owns the Ferques quarry in the Nord-Pas de Calais region, which has been in operation since 1896, as well as five material handling centres. Some six million tonnes of limestone are produced annually. Carrières du Boulonnais forms part of the aggregates division of the CB Group. This long-standing branch of the Group employs a 279-strong workforce and generated sales of €92.6 million in 2011. It is made up of seven companies, which supply 7.2 million tonnes of materials to the building trade, including sand, gravel and rock material as well as limestone for steel production and for other fields of application.

**CONVEYOR BELTS:**  
The limestone is tipped into the freight trains according to varying grain sizes.

## The houses of Paris...

... were once located in this deep pit in France's northernmost corner. Since 1896, the Ferques quarry has annually been supplying millions of tonnes of limestone and continues to do so to this day. Most of it is used by the construction industry in and around Paris. Carrières du Boulonnais, which operates the Ferques quarry, one of the largest in Europe, relies increasingly on rail and a new partnership with DB subsidiary Euro Cargo Rail (ECR) for its logistics.

**PEARLS OF WISDOM:**  
The light-coloured limestone, which is extracted a few kilometres south of Calais, finds its geological neighbour in the chalk cliffs of the English south coast.

**LESS TRUCKS:**  
Environmental and climate protection are important issues for Carrières du Boulonnais. Shifting transport operations from road to rail is part of the company's sustainability strategy.

Photo: Sébastien Grousseau

# Longer trains - greater efficiency

For the first time, Transfesa is running 700-metre-long trains in Spain for the automotive industry.

Until recently, freight trains on Spain's broad-gauge network were limited to a length of 450 metres. Especially for international traffic to and from France, this restriction required longer French trains to be split up at the border - resulting in higher costs, lower efficiency and longer journey times. Transfesa, DB Schenker Rail's Spanish subsidiary, has now overcome this handicap - at least on the corridor from the border station of Irun to Venta de Baños near Valladolid. In close collaboration with the state railway operator Renfe and the infrastructure management company ADIF, this stretch of the line has now been upgraded to make it capable of carrying 700-metre-long trains. Trains with 42 Transfesa swap bodies full of vehicle components - an increase of 33 per cent on the previous capacity - have been making scheduled runs across the Spanish network for several weeks now.

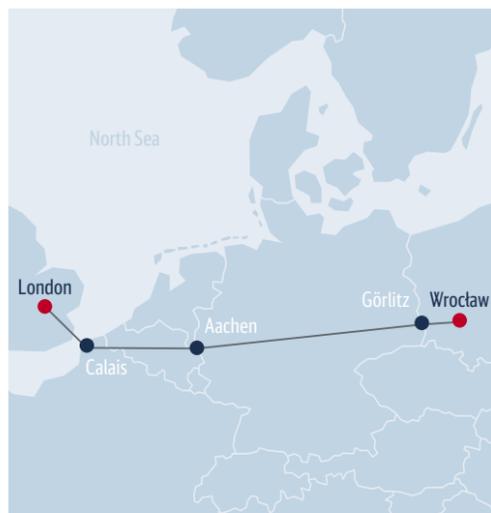


**LONGER IS BETTER:** Transfesa can now run 700-metre-long trains on some Spanish routes.

ok ■

## Double power

DB Schenker Rail UK is operating more trains between London and Wrocław.



Direct freight trains have been running between Poland and the United Kingdom since last November - and DB Schenker Rail UK now plans to double their frequency from October onwards. This is in response to the great demand for these services, chiefly from the automotive industry, traders and the food sector. In addition to the weekly Friday departure, a train bound for Wrocław will also set off from London every Tuesday from 9 October onwards. The departures in the opposite direction are on Tuesdays and Saturdays. The trains are operated by DB Schenker Rail UK in cooperation with DB Schenker Rail Polska and Schenker Sp. z o.o. They use High Speed 1 (HS1), the high-speed railway line between the Channel Tunnel and London on which freight wagons carrying continental-size containers can run. The journey time for the approximately 2,000-km route is around 50 hours.

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"In just five years we have developed into one of the most important steel service centres in Germany"

GUNTHER PETERHÄNSEL  
OF GONVAUTO

## Steel service from Thuringia

DB Schenker Rail is supporting the growth of car components supplier Gonvauto Thüringen.

The automotive industry and its sheet metal component makers operate a large number of plants in Germany and across Eastern Europe. One of them, the steel processor Gonvauto Thüringen, a subsidiary of the Spanish Gonvarri Group, supplies virtually all of the others and has reliably been serving this industry sector since 2007. From its location in Ichtershausen near Arnstadt in the heart of Germany, Gonvauto supplies its customers with sheet steel products. "In just five years we have developed into one of the most important steel service centres in Germany," says Gunter Peterhänsel, Logistics Manager at Gonvauto Thüringen GmbH, adding, "And we are gearing up for further growth."

From the outset, rail transport formed an integral part of Gonvauto Thüringen's planning. Most of the steel coils from steel mills throughout Europe are delivered via the plant's own rail siding and many of the steel products from Ichtershausen also reach their recipients by rail. DB Schenker Rail is not only responsible for the execution of transport operations in individual wagons but also manages the in-plant marshalling operations at the Gonvauto site. In addition, DB Schenker Rail supports the steel service centre's growth through the provision of its own storage capacity.

Gonvauto has already expanded its rail handling capacity twice since the company was established in Thuringia in 2007. Only in 2010 was the number of freight wagon parking spaces with crane handling doubled to 16, and the operating frequency increased from one to two services per day. This August, a new coil storage building was commissioned, allowing Gonvauto to store up to 100,000 tonnes of steel. A second indoor track now provides space for 32 freight wagons, which can be processed in just one servicing session.

DB Schenker Rail handled more than 4,000 freight wagons with steel coils in Ichtershausen in 2011. "We have supported Gonvauto Thüringen from the outset and would like to ensure that there are no logistical restrictions putting a brake on its growth," says Elke Vogel, Head of Regional Sales at DB Schenker Rail in Halle, adding, "The new infrastructure has laid down the foundations for an even higher freight handling capacity."

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**SPACE FOR COILS AND FREIGHT WAGONS:** Gonvauto has enlarged storage and track capacities.

Photos: Transfesa; Roger Hagmann

dv ■



**NO CRANE NECESSARY:**  
With the MegaSwing,  
the container moves  
directly from the truck  
onto the rail wagon.

## Quick change

New handling systems make it possible to load megatrailers from road onto rail without any special infrastructure on site.

It is hard to think of another industry where the production structures are as complex as in the automotive industry. Parts and components for one model are supplied by a carmaker's own plants, as well as by numerous external manufacturers, so-called original equipment manufacturers (OEMs) – and increasingly these supplies come from abroad. This distributed system, however, must still perform as one plant. To ensure that the highly synchronised production process functions smoothly, the various production sites and OEMs supply their components in strict time slots.

The railway plays a key role in these inter-plant transport operations. DB Schenker Rail Automotive has set up a train system for European carmakers that guarantees delivery on the following day for domestic services and within two days for international routes. Component suppliers that are not integrated into the production network, on the other hand, rely heavily on road haulage. The reasons for this are a lack of works sidings and the greater flexibility offered by road transport.

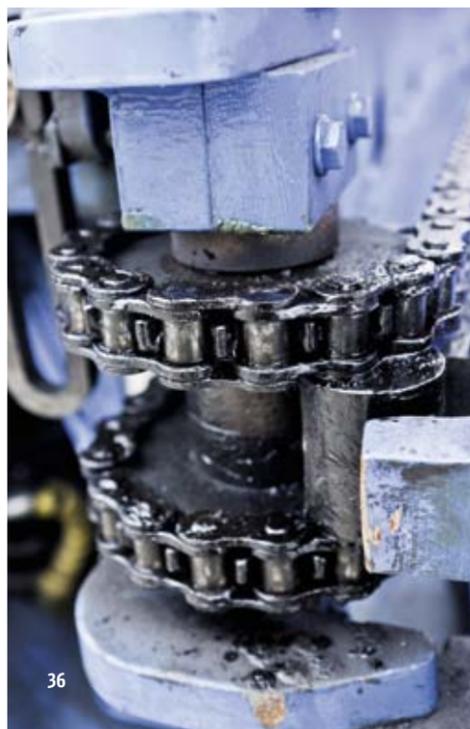
“We are continually working on making rail an attractive option for all suppliers and improving their access to our train system,” says Helmut Kumm, Head of Equipment Management Components at DB Schenker Rail Automotive GmbH, adding, “Crucial to this are systems that make it possible to combine the flexibility of road haulage with the plannability of rail.”

With this in mind, DB Schenker Rail supports the development of innovative handling systems and new multimodal containers, and presents these new systems to the industry on a regular basis, alongside the companies that have developed them. Two new developments have been launched this year. Both are horizontal handling systems that allow the loading and unloading of swap bodies or megatrailers between road and rail without cranes or other handling infrastructure on site. With the MegaSwing, developed by the Swedish company Kockums Industrier, the system's hydraulics and operating devices are located on the rail wagon, whereas with the Container-Mover devised by Swiss company Innovatrain AG, they are positioned on the truck. Both systems are designed for handling the containers commonly used in the automotive industry: the MegaSwing for megatrailers, including those not suitable for crane handling, the ContainerMover for containers of up to 30 feet and swap bodies up to 7.82 metres in length.

More than 40 representatives from VW, DB Schenker Rail and the two manufacturers from Sweden and Switzerland, as well as collaborators and suppliers recently came to Wolfsburg for the presentation. “These systems are especially undemanding as far as the requirements on the local infrastructure are concerned. The MegaSwing merely needs a power connection on the track and the ContainerMover an adapter frame on the standard flat wagon of intermodal transport,” says Helmut Kumm, adding, “We are therefore offering our customers and suppliers new forms of access to our rail network between automotive sites in the hope that these systems will help attract more haulage operations onto the rail system.”

dv ■

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Photos: Nils Hendrik Mitjler



# Spirit of optimism

Steady performance in Germany and an encouraging trend in the rest of Europe: The findings of the current customer survey show that there is still room for improvement. DB Schenker Rail is seeking to exploit this potential with its new network rail business model, among other things.



**CUSTOMER RATING:** Overall customer satisfaction with DB Schenker Rail in Germany (black line) and Europe (red line, measured for the first time in 2011) – on a rating scale of 1 to 7. (No survey conducted in 2010)



**“To ensure that the benefits of the new business model take effect for our customers, changes to IT and procedures are needed: the transport schedule**

**that we will draw up for every consignment in future, regardless of whether it comprises one or five wagons, will offer our customers enhanced planning predictability and additional optimisation potential for their production and logistics processes.”**

**HENDRIC FIEGE, HEAD OF MARKETING OF DB SCHENKER RAIL**

**A** total of 657 customers in Germany and 176 customers across the rest of Europe have delivered their reports for 2012 on DB Schenker Rail (DBSR) and its European subsidiaries: customer satisfaction with DBSR held steady in the home market of Germany at the prior-year level of 4.7 (on a scale of 1 to a top mark of 7).

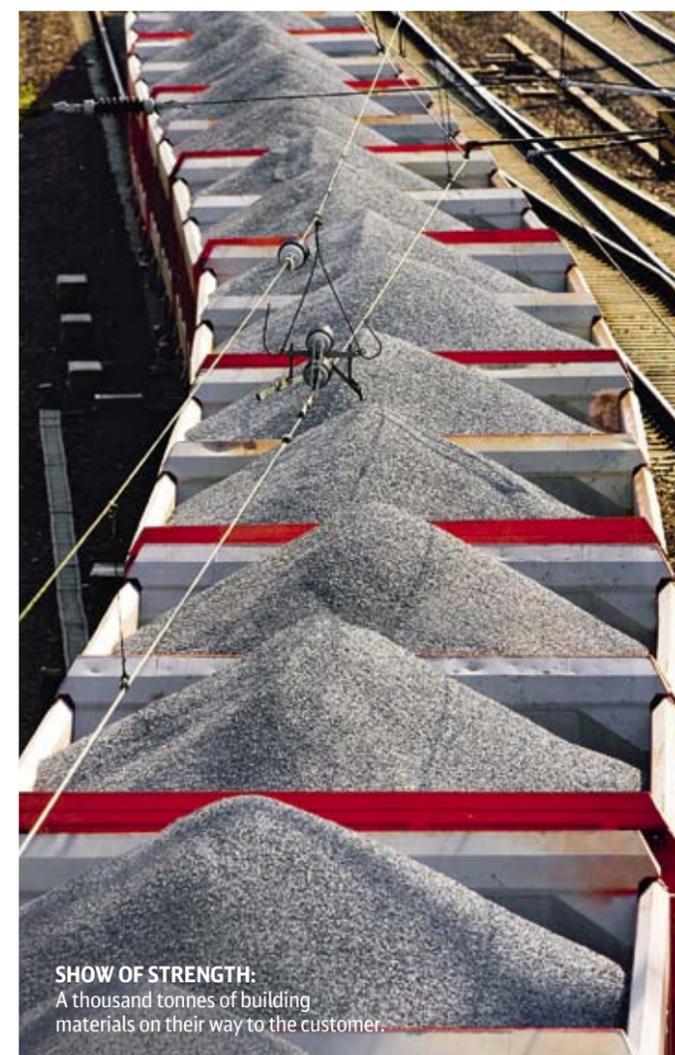
Internationally, the trend was often sharply upward: in Poland, the customers’ ratings for DB Schenker Rail Polska improved from 4.9 to 5.6 within a one-year period. Euro Cargo Rail (ECR) jumped from 3.9 to 4.8 and Transfesa in Spain registered an overall mark of 5.4 – up from 5.1 in 2011. In the UK, the customer rating was also very favourable, with DB Schenker Rail UK as the biggest international subsidiary improving from 4.7 to 4.9.

“Our efforts over recent years are now bearing fruit internationally,” says Hendric Fiege, DB Schenker Rail’s Head of Marketing, adding, “Our optimisations and new products are being well received in Poland and are meeting customers’ needs.” In France, companies are rewarding ECR’s ability to further increase quality, reliability and customer benefits, in spite of strong growth. The recruitment of many new staff, as well as the assignment of key account managers to major customers have met with an exceptionally positive response.

“We thank all our customers who have supplied us with valuable feedback by responding to this survey,” notes Head of Sales Axel Marschall, adding, “The substantial progress made by our young foreign subsidiaries demonstrates the improvements that are possible in Europe, as well as the areas that still offer potential in Germany – even if we will never be able to take such big strides so quickly in our home market.”

The fourteenth customer survey in Germany, and the second at European level, comes at a time of new beginnings for DB Schenker Rail: the company is on the point of introducing a new business model that is not seeking short-term effects but is geared towards the lasting reform and modernisation of rail freight transport in the years ahead. There will be a clear focus on customer requirements: quality and plannability are key drivers of customer satisfaction and with the introduction of the new business model DB Schenker Rail is consistently working on improving these and other aspects.

The aim of this strategically important project is an efficient and stable network for customers and



**SHOW OF STRENGTH:** A thousand tonnes of building materials on their way to the customer.



**“We have received a great deal of positive feedback from customers on our drive for improved service and quality. But there have also been some critical comments, of course, which we take very seriously. Together with our customers we will be carefully analysing their value-added chains in order to work out the benefits of this project for each individual participant.”**

**AXEL MARSCHALL, HEAD OF SALES DB SCHENKER RAIL**

DB Schenker Rail. Integrated and stable production processes are the essential prerequisites. This will be achieved in future, among other things, through the interlinking and stable planning of consignment flows beyond individual industries. The stabilisation of production processes will be accompanied by ever-increasing operating frequencies and accelerated transit times.

“Customers will experience a significant change from the introduction of capacity management and modified booking processes,” explains Hendric Fiege. “They will book their transport operations online or by EDI interface in future. A new booking system will check immediately whether there is sufficient capacity in the network for the consignment. For our customers this means greater transparency and planning predictability because, compared with the current system, there will be no offer in future that is not backed up by resources,” he goes on.

If suitable capacity is no longer available, an alternative offer will be drawn up without delay. The promise of transport capacity coupled with the smooth

execution of transport operations according to the transport schedule will offer customers increased reliability and plannability as soon as they place their order. This new dependability makes DB Schenker Rail a strong and reliable partner in the organisation of supply chain processes.

“This autumn we are taking the first step towards introducing the new processes,” says Axel Marschall. The comprehensive implementation of the new business model will take place gradually in the years to come. “At the present time there are many private discussions going on between customers and key account managers as DB Schenker Rail supports and advises its customers on the gradual adjustment of their processes and on how to resolve any outstanding issues,” he continues.

“Thanks to more stable transit times and improved punctuality, DB Schenker Rail will meet its customers’ requirements even more effectively in the future and achieve a lasting improvement in satisfaction levels,” concludes Axel Marschall, expressing a view in which both he and Hendric Fiege firmly believe. **ok** ■

Photos: Andreas Reeg (2), Bartłomiej Banaszak/Deutsche Bahn AG

## Major shake-up

At the twelfth Northern Ports Conference, industry experts discussed what the ever-larger container vessels mean for hinterland traffic.



**OCEAN-GOING GIANTS:**  
The new large container ships can transport up to 18,000 containers

At up to 400 metres long with an 18,000 TEU capacity, the next-generation supersize container vessels, which will be sailing the world's oceans in increasing numbers from next year, are setting new benchmarks. This has consequences not only for the ports but also for hinterland traffic. After all, the higher volume of goods that is landed in one go has to be handled, stored and hauled away – both for imports and exports.

At the invitation of DB Schenker Rail, some 30 representatives of port authorities, transport operators and logistics companies gathered in Berlin at the end of May to discuss the challenges resulting from these new developments. Andreas Schulz, Head of the Intermodal division, and Head of Sales Axel Marschall, who hosted the Northern Ports Conference, anticipate rail transport in particular to reap the benefits of this new trend.

The majority of conference participants supports this thesis: the modal split in hinterland traffic is expected to shift in favour of rail because the railway is best able to cope with the movement of large volumes of cargo. In order to bring timetables in rail freight transport in line with the greatly fluctuating volumes

and the risk of container ships arriving with a delay or ahead of schedule, it will be necessary, however, to create additional capacity for buffer storage in the ports and hinterland. Moreover, IT systems in which all participants are integrated are playing an increasingly vital role for the stability of the supply chains (see also *railways* 3/12, page 18).

The rivalry among ports is also set to increase. A survey conducted by DB subsidiary TFG Transfracht in the run-up to the conference shows that the pressure on port operators to expand their infrastructure and adapt to the large container vessels is growing. Most of the terminal operators, freight forwarders, shipping companies and transport operators questioned expect an increasing concentration of volumes on a few major ports. *dv* ■

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**LOOKING TO THE FUTURE:**  
Participants at the Northern Ports Conference work out possible scenarios in workshops.



## Friday Braunschweig, Monday Lisbon

DB Schenker Rail is now clearing the way for a green corridor to Portugal for the automotive industry. Demand is high.

A freight train from Braunschweig to Lisbon? For years even the railway community found this idea too exotic to pull through. But where there's a will there's a train: Volkswagen's wish to supply its production plant in Setubal, south of Lisbon, by eco-friendly rail has been granted by DB Schenker Rail (DBSR) Automotive. Every Friday a train sets off from Braunschweig on the 2,700-kilometre route towards the south-west – with a short stop in Frankfurt am Main, and Oporto and Lisbon as the final destinations.

"The response has been phenomenal," says Hendrik Kubitzky, under whose direction a team at DBSR Automotive has made the impossible train possible. "In a northerly direction the train is already fully booked with 33 consignments, but we still have some capacity left for the leg to Portugal," he adds. The Portugal train may originally have been conceived as a "company train" for VW's inter-plant traffic, but several component makers for the automotive industry have now jumped on board, the biggest being Continental. "There has never been such an industry solution for transport operations to Portugal, and there is no other provider that can convey time-sensitive cargo over the weekend along this corridor from door to door, including pre-carriage and onward car-

riage by road," explains Kubitzky. Under the direction of DB Schenker Rail Automotive in Hanover, five other Group companies are working hand in hand on this demanding transport operation: DB Intermodal Services and DUSS in Germany, ECR in France, Transfesa in Spain and DB Schenker Transitarios in Portugal. On the Iberian peninsula, the state railways RENFE and CP Carga are also involved. The main challenges of the Portugal train include the customers' requirements on the type of containers used and the differing broad gauge on the Iberian peninsula. "We have opted not to change the axles of the trains on the French-Spanish border but to transfer the containers by crane onto another train," explains Kubitzky. For this operation, the train heading south and the return train meet at the border station of Irun. Following the first trial trains in November of last year, the Portugal train is now operating as a regular service, and from September a second operating day will make even faster round trips possible. There are plans to increase the frequency in line with any further rise in demand. The ultimate aim is to offer a daily departure. *ok* ■

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**OVER THE WEEKEND:**  
Bobadela terminal near Lisbon on a Monday morning. A reach stacker sets about unloading containers with automotive components from Germany.



**DR RAINER MERTENS** is a historian and the deputy head of the DB Museum in Nuremberg. The 51-year-old and his team are responsible for the collections and exhibitions and the museum's educational programme. In his spare time, Dr Mertens plays keyboard with the psychedelic rock band *Shiny Gnomes*.

SPECIAL GUEST

## Rainer Mertens on advertising

**Rainer Mertens, why is historical railway advertising still so interesting today?**  
 Dr Rainer Mertens: Because these advertising posters always reflect the spirit of their age. For example, the years of the postwar economic boom in Germany, when a new self-confidence was expressed in cool slogans such as "Our engines are giving up smoking", or - referring to freight transport - "Take advantage of Germany's biggest vehicle fleet". In the seventies, the German Bundesbahn even jumped aboard the flower power bandwagon with "Go easy, Go Bahn".

**When did the railways actually start advertising?**

Mertens: Until the First World War the railways - at least in Germany - did hardly any advertising, simply because they had no competition. This changed in the 1920s, as cars and lorries began to appear on the scene. At that time, Germany's Reichsbahn even set up its own advertising office.

In fact, they not only produced posters but also many advertising postcards, and even feature films. The silent film "Miss Evelyn, die Badefee", which was an advertising film, was made in 1929 and it was a full hour long.

**I believe that even the GDR's Reichsbahn made adverts for freight transport.**

Mertens: Yes, that's very interesting! Around 1975, the GDR made an attempt to encourage international traffic from northern to southern Europe to use its network.

**What do you like about the advertising that railways have produced over the years?**

Mertens: It's often artistically interesting and of a high standard. Many motifs are created by renowned artists. Salvador Dalí, for example, made posters for the French state railways. I must add, though, that I enjoy DB's current TV adverts a lot, too.

Interview: Olaf Krohn

SIGN OF THE TIMES

## Chilled and fresh

In the 1970s, the German Federal Railway (Deutsche Bundesbahn, as it was then known), launched its most well-known and enduring advertising campaign for freight transport under the "Goods belong on the railway" slogan. The "vitamin boost" motif was devised by the McCann agency in 1978 and promoted refrigerated transport for fruit and vegetables. Even in those days, incidentally, freight forwarder Schenker & Co. was owned by DB. As German news magazine *Der Spiegel* wrote at the time: "According to the parent company's plan, freight forwarders that previously operated in a somewhat unhurried fashion will increasingly close inclusive contracts with interesting customers and then transport the goods by rail or road, depending on requirements and availability." What sounded revolutionary back then is now, 34 years on, DB Schenker's bread-and-butter business. **ok ■**



Poster dating back to 1978 from the DB Museum in Nuremberg.



BOOK TIP

## Railway advertising through the ages

In 2008, the DB Museum staged an exhibition entitled "Go Easy Go Bahn", devoted to 200 years of railways and advertising. The posters appearing in our Sign of the Times series are taken from the exhibition catalogue of the same name. The 290-page coffee table book featuring hundreds of illustrations is available for €19.90 from Bahnshop 1435 : [www.bahnshop1435.de](http://www.bahnshop1435.de) in the Special Collection, DB Museum section. **ok ■**

## Save the Date

Forthcoming trade fairs and industry events that DB Schenker Rail will be attending. Seize the opportunity for a face-to-face meeting!



in Berlin (Germany)  
 DB Schenker Rail and DB Schenker Logistics will be represented at the **29th German Logistics Congress**. [www.bvl.de](http://www.bvl.de)



in Rimini (Italy)  
 DB Schenker Rail will be showcasing its products and services at **Ecomondo, the International Trade Fair of Material and Energy Recovery and Sustainable Development**. [td.ecomondo.com](http://td.ecomondo.com)



TV-TIPP

## Containers at the crime scene

Several empty containers and a forklift truck belonging to DB Intermodal Services play a weighty role in a forthcoming episode of long-running German TV crime series *Tatort* (Crime Scene). The episode, entitled *Black Afghan* and featuring Simone Thomalla and Martin Wuttke in their roles as inspectors Saalfeld and Keppler, was filmed in and around Leipzig over the summer on behalf of public service broadcaster MDR (Mitteldeutscher Rundfunk). The 60th episode of *Tatort* to be commissioned by MDR concerns the mysterious death of an Afghan student in a fire, and a major drugs haul. DB Intermodal Services was not involved in the crimes - it only lent some vital props to the production company Saxonia Media. The episode will be broadcast in 2013. **ok ■**

NUMBERS, PLEASE!

# 522.4

tonnes of freight were transported by the average DB Schenker Rail freight train in the first six months of 2012. This means a rise in train utilisation of 1.2 per cent compared to the same time period of the year before - or 6.1 tonnes per train.

Photos: Bernhard Huber; DB Museum (2); MDR/Jungmans

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