

Xrail on the right track to boost European wagonload traffic

Munich, 12 May 2011 – European alliance Xrail is on track to achieve more reliable and customer-friendly wagonload traffic. Business has been good since the alliance launched in 2010, and 25% of production on the wagonload network is set to use the Xrail standards by the end of 2011. Xrail has also facilitated a significant improvement in the transparency of the data delivered to customers before, during and after transport.

The seven alliance members are 100% committed to the further development of European wagonload in their own interest and, above all, in the interests of their customers. So far, customers' reactions have been positive:

Mr. Jacques Koch, General Manager, ArcelorMittal Purchasing & Procurement, one of Xrail's customers, states: *"Single wagonload transport is a key element in the supply chain and thus vital for the growth of the European industry. Xrail is addressing issues that are very important for the customer: improved reliability and performance as well as increased transparency. These are two fundamental prerequisites for the survival of single wagonload in Europe and for a sustainable competitiveness of the European economy."*

Coverage

Xrail is a unique production alliance between seven rail freight operators which started operations in 2010 and which aims to render international wagonload traffic by rail more reliable and customer-friendly.

- With 150 connections between the partners in the alliance, 10% of all wagons in the wagonload network were supported by the Xrail standards by the end of 2010.
- With 450 connections, 25% of the whole wagonload network will be covered by the end of 2011.
- In 2012, an additional 10-15 % of the network will be covered, thus increasing the total to 35-40%.

Ferdinand Schmidt, Chairman of Xrail, explains: *"Customers would like us to develop our offer even more and since quality is one of Xrail's core values we will first secure quality and grow step by step. This means that quality is our first priority. The enlargement of the Xrail's market coverage is our second priority."*

Customer experience

In the area of information technology, Xrail has been able to make a significant difference both in terms of processes and quality:

- The transparency of data delivery to customers before, during and after transport has improved significantly. For example, customers can now receive delay alerts when wagons are running behind their planned transport time, which was not possible before.
- Transport information is now delivered in a harmonised manner and even carriers outside the Xrail network benefit from the fact that they receive more accurate time stamps.



Mr. Markus Helg, Head of International Transports, Migros comments: *“We especially value the transparency and future options that this Alliance offers, which helps us in our planning.”*

Xrail is set to refine its systems still further in the coming months. Information leaving the Xrail system needs to be packaged and customised in different ways. Therefore, Xrail is currently developing an electronic data interface as well as a more sophisticated track & trace function, and will enhance the graphical user interface of the Xrail tool.

Next steps

The short term goal of Xrail is to increase network coverage by rolling out the Xrail standards to additional customers.

Thereafter, in the medium term, Xrail needs to further strengthen cooperation between the alliance partners by facilitating process improvements (e.g. better leveraging of existing resources). Xrail also needs to assess the possibility of attaching more added-value services to the current Xrail standards.

The long term goal of the alliance will be to assess whether the European wagonload network could be optimised further, for example by controlling capacity.

Xrail Chairman Ferdinand Schmidt comments: *“Xrail will power reliable, predictable rail freight services in Europe and improve the competitiveness of sustainable transport in Europe. Supported by Xrail, the market share for wagonload and for rail freight will increase steadily in the future. Standardised production patterns will help avoid today’s rather manual and exception-driven production of international wagonload traffic.”*

About Xrail

Xrail was initiated under the leadership of the International Union of Railways (UIC) in Paris, which developed and designed international production standards, the required IT tools, quality improvement measures and the alliance agreement. In February 2010, a unique production alliance was formed for the operation of international wagonload traffic between the rail freight operators CD Cargo, CFL cargo, DB Schenker Rail, Green Cargo, Rail Cargo Austria, SNCB Logistics and SBB Cargo. In autumn 2010, pilot projects were initiated between the partners in the alliance.

The alliance strives to significantly enhance the competitiveness of European wagonload traffic by working together to improve the quality of wagonload services throughout Europe.

Xrail implements a cross-border production standard benefiting wagonload customers in three areas: reliability (at least 90 % in international wagonload traffic on the Xrail network), transparency (international timetables from customer siding to customer siding, active information systems) and the offer process (standard response time of three days maximum). In September 2010, the same operators created Xrail as a company with offices in Brussels.

For more information about Xrail and wagonload traffic please visit www.xrail.eu