“OUR CUSTOMERS ARE WILLING TO USE RAIL SOLUTIONS MORE OFTEN WHEN THEY OFFER TRANSPARENCY, RELIABILITY AND FLEXIBILITY”
Jean-Marc Longequeue, General Manager of Fret SNCF, and Anne-Laure Noat, a partner in the Eurogroup Consulting consulting and strategy firm, discuss the main findings of the fourth survey on how shippers perceive rail transport.

What do you think of the new survey?
Anne-Laure NOAT: The fourth survey shows that the previous years’ trends are holding steady: the industry still drives the choice of the means of transport, and road remains the top option. Shippers’ opinions of rail freight are improving. In particular, they find it easier to understand the rail freight system and how it’s organised and say that services meet their needs.

Jean-Marc LONGEQUEUE: The survey shows that some prospective customers might use rail freight more if they had a better understanding of how it works. By and large, it also confirms that rail is very well suited to the transport of hazardous materials as well as to grouping, when possible. Connected shippers say service quality and on-time delivery are the two areas where the most progress has been made, which is highly encouraging!

What do shippers expect from rail freight?
ALN: A lot. We’ve noticed that they’ve found rail increasingly appealing for four years, but complain that existing services still fail to meet some of their needs. It’s important to pinpoint them in order to offer the best possible solutions.

JML: Rail might be the best option if it’s geared to various configurations, which we’re capable of doing. Some customers seek flexibility and adaptability, others competitive prices for high volumes. Still others would rather load one train than several lorries. They all find our services highly attractive, especially pooling between different shippers and grouping volumes, which are good reasons to use rail.

What do you recommend to increase rail freight’s appeal?
ALN: It’s crucial to establish more pooling, cooperation and competition between players. I also hope rising environmental awareness will boost the growth of rail, which is better for our planet than other means of transport.

JML: Improving network access is essential. The first positive signs will appear in 2017, when the planning of long-distance freight train routes will take priority over short-distance passenger trains. We must also improve our customer request response times and be able to view our available capacity more quickly. Generally, I think we need to offer more imaginative services.

* The Eurogroup Consulting consulting and strategy firm surveyed 113 shippers in partnership with AFRA, AUTF, SNCF Réseau and Objectif OFP from 4 January to 4 March. The barometer:
360°

THE SQAS AUDIT: EVERYBODY’S BUSINESS

In late January, Fret SNCF scored 97.5% on the most recent SQAS audit, the chemical transport safety and quality assessment system. “This score is outstanding,” says Continuous Improvement Manager Daniel Muller, “especially given the fact that in 2012 the survey was broadened to include CSR and outsourcing.” Fret SNCF’s ratings have risen at a steady pace since the early 2000s, proving its ability to comply with specific hazardous material transport standards. The audit has been expanded to encompass all of Fret SNCF’s production and sales areas, positioning every entity in the comprehensive, responsible management of the transport of hazardous materials.

GREENHOUSE GAS EMISSIONS:
FRET SNCF POSITIVE RESULTS

SNCF measures its greenhouse gas emissions (GGE) every three years. The last measurement, which focused on the 2011-2014 period, showed very positive results, especially for Fret SNCF. The SNCF Group as a whole overshot its target of cutting GGEs by 3.3% over three years, reducing them by 5%. Fret SNCF did even better, achieving a 15% decrease. The trend will last: SNCF is committed to cutting its GGE emissions by 20% between 2014 and 2025. Freight, whose emissions account for 10% of the Group’s total, will reach that goal by pursuing the industrialisation of production, grouping traffic together, improving energy management to enhance environmental performance and shifting from thermal to electrical power.

A RECORD FOR FRET SNCF

The longest train to ever roll in France—5,427 tonnes, 969 metres, 67 wagons, three locomotives and a maximum speed of 100 kph—made its first trial run on the North-East route on the night of 2 December 2015. Since then, SNCF has successfully tested the feasibility of coupling and decoupling to form double trains, and the ability to maintain its speed and stick to the planned timetable despite the high tonnage. Other tests are planned in 2016. Fret SNCF hopes to run its first double trains on the French network in 2019 and to ship goods for companies such as Arcelor-Mittal, Saint-Gobain and Solvay. The long-term goal: to make a single journey where approximately 750-metre-long freight trains now make two.

A HARSH SPRING FOR RAIL FREIGHT

Things have been tough lately for Rail transport, due to industrial action that took place in our country regarding the draft labour law. It was even more adversely affected as social partners from this sector were committed to a labour agreement framework for this branch for several months. Fret SNCF offers its clients an apology for any inconvenience caused. It appreciates their constructive exchanges conducted throughout this tough period with the sales interface people, as well as the commercial platforms mobilised to ensure priority conveyors.

Our utmost will be done this summer to restore expected quality of service, to win back trust, and to make bold new developments. Both SNCF Logistics’ haulage companies and multimodal operators are eager to gain more attractiveness, whether in combined transportation or conventional rail transportation. The launch of the new VIIA Britannica rail motorway (opposite) in addition with the creation of FORWARDIS, an European rail freight forwarding entity (International dossier), represent two recent signs of our determination to give rail a bright future.
The Rail Transport and Multimodal Division accounts for a third of SNCF Logistics’ international business, bringing it closer to its goal of becoming an industry leader in Europe.

Cross-border traffic accounts for nearly 30% of Fret SNCF’s turnover in France, a figure that exceeds 50% on single-wagon services. Whether it’s a matter of market opportunities or rail’s advantages (high capacity over long distances), Fret SNCF offers its customers, many of which have cross-border shipping needs, a European approach. Fret SNCF relies on its Captrain network to keep pace with growing international traffic and offer uninterrupted, comprehensive, end-to-end solutions. Captrain companies are not just very active on the domestic markets in Germany, Italy and Poland, but also cooperate in managing traffic on major corridors criss-crossing Europe from east to west and north to south. They’ve gaining ground year by year: turnover rose from €285 million in 2010 to nearly €350 million in 2015. In Italy and Germany, Captrain is now the second-leading rail company after the historic national operators.

Deciphering

DMAIC: spearheading continuous improvement

MORE AGILITY
Logistical challenges, oversized loads, quality: to solve complex problems, Fret SNCF is rolling out DMAIC, a continuous improvement method. Based on innovation and performance, DMAIC sets a single goal for all the departments meeting customers’ needs as best as possible.

FIVE DECISIVE STEPS
This problem-solving method is a “Lean Management” technique. The automotive industry developed the Lean Management concept in order to boost performance by involving all the employees. Based on five steps—Define, Measure, Analyse, Innovate, Control—DMAIC identifies problems, pinpoints their root causes, tests groundbreaking solutions and implements them on a daily basis. This dynamic, collaborative approach involves mapping our processes, sharing measures to refine the analysis of causes, creating a suggestion box and making field observations.

SPECIAL TRAINS
Fret SNCF recently used DMAIC to transport the French army’s Leclerc tanks. Because of their XXL size—56 tonnes and seven metres long—the tanks must be routed via bespoke traced routes, mobilising many players from the SNCF group’s various departments. The slightest snag delays the whole project and causes transport management problems.

The process has proven its effectiveness: the time it takes to design the trains has been cut from 90 to 45 days and the reliability rate rose by over 50%. Very satisfied with “this fruitful and efficient cooperation in the interest of the defence of France” and “the quality of the work accomplished”, the army has increased its orders. And Fret SNCF has increased its special trains turnover.

In addition to these immediate benefits, this has helped to spread a real culture of continuous improvement in the teams as well as to strengthen their cohesiveness and solidarity.

MORE HORIZONTALITY
Breaking down walls, cooperating, exchanging ideas: to boost performance, Fret SNCF always mobilises employees working in the various departments on the project concerned. Guided by a Fret SNCF project manager and trained in DMAIC techniques, they apply all the process’s stages every step of the way. Over 50 Fret SNCF employees have received training in the method.

The Rail Freight Gains Ground Internationally

DMAIC

Defined: 45 days
Capitallising on success

In 2015, Captrain Italia won a contract with oil company ENI, illustrating its success and ability to meet the Italian market's specific needs. This major contract has two parts: shipping petrol in Italy for ENI’s Refining & Marketing Division, and transporting styrene for the Versalis Division with four trains a week from Mantua, Lombardy to Dunai, Hungary. Captrain Italia manages the rolling stock and logistics in cooperation with several partners in order to carry out these services successfully. “As the representative of a group of companies,” says Captrain Italia Sales Director Angelo Accomando, “we’re ENI’s sole contact for tracking their goods and managing the contract’s commercial side. We focus on our rail freight expertise, letting partners such as Getras, a road hauler with which we’ve had a trustworthy relationship for five years, manage additional means of transport. “The ability to be a single shipper is what won ENI over, but competitive prices and Captrain Italia’s acknowledged expertise in shipping hazardous materials also played a role. So far, the outlook is bright: ENI already plans to ask the Group’s other European subsidiaries, in particular Captrain Deutschland, to develop new international flows. “We anticipate customers’ needs by portraying ourselves as a major European group rather than a small Italian freight company,” says Mr. Accomando. “We position ourselves as an integrated international operator able to offer customers a wide array of trailblazing, reliable solutions.”

FORWARDIS: comprehensive, tailor-made solutions

To boost the appeal of rail freight on Europe’s highly competitive market, SNCF Logistics offers the expertise of FORWARDIS, a freight forwarder facilitating access to rail throughout Europe. Formed by the merger of five freight forwarders that have been active for around 15 years—Ecorail, Ermefer, Ermechem, Captrain Solutions, and Captrain UK—FORWARDIS offers shipper’s tailor-made logistical solutions that go beyond traction by relying not just on rail companies, but also on commercial partnerships with other operators offering complementary services, including handling, trans-shipment, stock management, pre- and post-shipment services, administrative and customs formalities and the supply of wagons or containers. Personalised solutions meet each customer’s needs.

Could you tell us about your collaboration with Fret SNCF?

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Could you give us an example of successful commercial cooperation?

Sure. For Arcelor, we ship around 150,000 tonnes of steel rolls from Fos-Marseille to their assembly line in Barcelona every year. This is an end-to-end service from their plant in Marseille to Barcelona, where the rolls are cut up the next day.

“AS RAIL EXPERTS, WE’VE BUILT A WIN-WIN RELATIONSHIP WITH FREIGHT”
RFC SAFETY FIRST

Fret SNCF employees ensure that shipments will safely reach their destinations before leaving the rail-connected terminal at the yard where customers store their wagons. A pivotal link in the safety chain, Recognition of Fitness for Carriage (RFC) engages Fret SNCF’s responsibility when it clears a train for departure. Customers are responsible for their shipments.

1 INSPECTIONS

Nothing—neither the bogies nor the brakes, floors, doors or shipments—escapes the watchful eyes of employees in charge of RFC. When freight wagons arrive, employees trained as “inspectors” visually check every one for visible defects.

2 TWO MINUTES PER FREIGHT CAR

They inspect both sides of each wagon from the ground up. The estimated time required is two minutes per wagon. To successfully carry out their task, employees refer to the GCU (General Contract of Use) for wagons, a European rail company regulation that lists possible points of damage on freight wagons and their shipments.

3 TRACEABILITY

If employees spot something wrong, they affix a colour label to the wagon that determines what to do next. Then they send the information via Nomade, the individual mobile tool remotely connected to the Fret SNCF’s information system. The goal: ensure traceability of anomalies and inform the wagon’s owner as soon as possible that it has been taken out of service or must undergo repair.

4 LABEL 0

This label means the wagon is in compliance, but not the shipment.

5 LABEL K

This label indicates that an anomaly has been found that does not prevent the wagon from rolling but requires it to be taken out of service afterwards for repair (example: a damaged tank lining).

6 LABEL 1

This label signals an anomaly that prevents the wagon from leaving the repair yard and whether or not it can be moved (example: a broken flatbed or missing bolt).
Une nouvelle solution de tracking des trains


/A new train-tracking solution

A NEW WEB INTERFACE FOR COMBINED TRAINS allows us since January to track our customers’ goods in real time. Operational freight employees and customers can now monitor planned or current movements of trains in France over the following 24 hours on an interactive map. This advance, which will be rolled out across Europe before year’s end, will make Fret SNCF more proactive by coordinating international movements better. In the long term, other features are planned, such as sending messages automatically in the event of delays. The tool will be geared to other markets and their customers.