Best Practices of Slovenian Railways in intermodal transportation

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UIRR Conference
Portorož, 6 June 2008
Key facts of SŽ-Cargo

- SŽ-Cargo is the largest rail freight operator in Slovenia
- SŽ-Cargo is the largest exporter of services in Slovenia
- Positive business performance
- Growth of transport volume and revenues
- Increased productivity of resources
Key Strategic Elements of SŽ Cargo

- **PRODUCTS/SERVICES**
  - Type and scope of products and services
  - Value added
  - Structure and scope of necessary resources
  - Structure and intensity of competition

- **MARKET PRESENCE**
  - Utilization of natural position
  - Control of transport flows
  - Development of direct contacts with decision-makers on key markets

- **GEOGRAPHIC LOCATION**
  - Degree of internationalization
  - Elements and performance of internal systems and processes
Growing performance in freight traffic

Market development activities

- Positioning in key markets in SE Europe
- Developing an operative international sales network
- Developing new block train services
- Expanding the network of partner rail freight carriers in key markets
SŽ-Cargo is managing the traffic flows on two corridors

International scope of SŽ

- 93% of the traffic volume handled by Slovenian railways has its origin or destination in other countries
- 50% of the traffic volume cross Slovenia as transit traffic
- Managing the transit traffic is of vital importance for further growth of rail freight traffic
Growing importance of intermodal business

Intermodal = Growth

- Intermodal business is the fastest growing business of SŽ
- Share of the intermodal traffic (in tons) has increased from
  - 9 % (1999) to 19 % (2007)
  - Ro-La 9 % p.a.
  - Container 10 % p.a.
Ro-La and container segments drive the growth of the intermodal business

Ro-La vs. Container

- Share of the Ro-La business has fallen below the 50% mark
- Container traffic in Slovenia has been developing since 2002 impressively
- New connections in transit and inland traffic stimulate further growth of intermodal transportation
The intermodal network of Slovenian Railways

Diagram showing the network connections between various cities and terminals in Europe, including:
- Paris (FRA)
- Cologne (GER)
- Munich (GER)
- Graz (AUT)
- Sopron (HUN)
- Žilina (SVK)
- Dunajská Streda (SVK)
- Sajoszentpéter (HUN)
- Budapest (HUN)
- Bologna (ITA)
- Verona (ITA)
- Triest (ITA)
- Berceni (ROM)
- Oradea (ROM)
- Istanbul (TUR)
- Koper
- Ljubljana
- Celje
- Beograd (SCG)
- Spacva (CRO)
- Container Terminal
- Ro-LA Terminal
Reliable train services are a necessity for the development of intermodal transportation

- Intermodal shuttle and block train services
- Reliable, efficient and competitive service
- Venturing with intermodal operators
- Connection of the regional hubs in Italy, Germany, Hungary, Serbia and Turkey

SINGER Project Concept
Setting up is just a first step – how about optimizing?

Optimizing the network

- Reorganization of train services between Munich and Ljubljana
- Introducing shuttle train service between Koper and Ljubljana
- Introducing new train service between Ljubljana and Istanbul
- Investments in the CT Terminal in Ljubljana
Preferred geographic position supports the organization of effective train operations
Central and Eastern Europe are key markets for port traffic

<table>
<thead>
<tr>
<th>Port at a glance</th>
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<tbody>
<tr>
<td>📌 Regular train connections up to 35 trains/day from Koper and 28 trains to Koper</td>
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<tr>
<td>📌 25% of all trains ➤ intermodal</td>
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<tr>
<td>📌 66% of all trains ➤ company trains</td>
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<td>📌 55% of all trains ➤ direct international</td>
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<td>📌 Share of rail traffic ➤ 60%</td>
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<td>📌 Share of rail container traffic ➤ 50%</td>
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<td>📌 Additional services in hinterland terminals in Slovenia (Ljubljana)</td>
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<td>📌 Market potential CEE</td>
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There are more opportunities than constraints for traffic to grow in Northern Adriatic
Increasing the reliability of train operations
Investments in rail and port infrastructure

Rail capacity requirement

- 7 million tons by 2007
- 9 million tons before 2010
- 12 million tons before 2015
Increasing the reliability of train operations
Including the hinterland terminals in port traffic operation and expanding the network

**Gateway Slovenia**
- Warehousing
- Intermodal Terminal
- Car Terminal
- Direct Train Formation
- Additional Logistic Services

**Terminal Sežana**
- Trans-bording (SLO-I)
- Warehousing
- Direct Train Formation

**New market destinations in CEE and SE**
Wisdom is knowing what to do next, skill is knowing how to do it, and virtue is doing it (David Starr Jordan, 1851-1931)

- Quality of port services
- Quality of hinterland connections/services
- Managing the information flow
- Monitoring of the transport chain
- Quality of container shipper services

1. Destinations (port / terminals)
2. Number and regularity of connections
3. Range of services
4. Reliability of transportation
5. Safety of shipments
6. Tracking of consignments
7. Status of consignments
8. Open system (customer integration)
9. Connectivity of messages and systems
10. IT support
Thank you for your attention.