Reliable solutions for transport logistics

Hupac Intermodal SA

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The Rhine valley line is the main line for intermodal traffic in Europe. **Around 50% of the trade between Northern Europe and Italy via Switzerland** is normally performed by intermodal transport on this axis.

At present, the freight railways can manage only 25% of the normal volumes on the re-routings via Germany, France and Austria.
The European system of rail logistics is about to collapse

<table>
<thead>
<tr>
<th>Rhine railway line in normal case</th>
<th>Rhine valley line after Rastatt disruption</th>
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<tbody>
<tr>
<td>Transit via Rastatt</td>
<td></td>
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<tr>
<td>Intermodal trains</td>
<td>120 per day</td>
</tr>
<tr>
<td>Conventional trains</td>
<td>80 per day</td>
</tr>
<tr>
<td>Shipments in intermodal transport</td>
<td>70,000 per month</td>
</tr>
</tbody>
</table>
Facts and figures

737,000 road shipments
110 trains per day
440 employees
5,500 owned wagons
8 Intermodal Terminals
CHF 470 million turnover
CHF 53.4 million Cash flow

Figures 2016
Challenges for reliable Intermodal solutions

- Great initiative of EU Commission with regulation 913/2010. Unfortunately reality is far away. It’s time to action, not on national but on international level!
- National railway particularities: e.g. homologated ECTS Level 2 missing, lack of mono-language corridors.
- Patchwork of corridor parameters (2,000 t with single locomotive, 750 m, P400)
- Administrative burdens (documentation like last century)
- Shortening of train-sequence-intervals to better use limited rail infrastructure
Day to day operational challenges

- Rastatt incident reveals the weakness of the rail system
- Insufficient international coordination of construction sites (lack of alternative routes), or if extended transit-time and lack of drivers.
- General lack of locomotive drivers (ageing of drivers)
- Lack of reserves is costing a fortune (cancelation of next train to restart)
- Resulting in overall lack of rail performance
- Plan (ordering train-paths in April for next year) vs. market reality.
- Time-gains along the routes are wasted again at the borders (no harmonization).
- Missing visibility of transport chain → ETA
Competitiveness of road will increase

**Production costs**
- Low fuel prices: impact minus 5-7%

**Innovations**
- Enormous productivity boost: potentially up to minus 25%

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**Vehicle Technology**
- Gigaliners \(^1\)
  - (≥ 60 tons, 157 m\(^3\) volume)

- Self-driving trucks
  - Platooning (2020), Autonomous (2025)

- Fuel-efficient engine technologies

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**IT Innovations**
- Connectivity platforms and marketplaces for clients, freight forwarders, carriers

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Prototypes exist | Industrial maturity achieved | Deployed / in production
How logistics can profit from digitalization

End2end visibility
  ➔ digitalization integrates all participants and processes via one IT-workflow and creates transparency about the whole supply chain

Reliability in delivery performance
  ➔ via digitalization problems in the transportation flow can be predicted and countermeasures can be started with a time margin ahead

Reduction of waste
  ➔ digitalization helps to reduce transportation costs, better utilize assets, reduce administrational effort and investigations

Innovation Incubator
  ➔ digitalization forces companies to be more open to changes and innovations and to detect new business fields

Reduction of complexity
  ➔ digitalization will reduce costs of complexity via automation, standardization, transparency, availability of complete harmonized data
Strategy 2020: Hupac invests CHF 280 million

- **Terminals**: CHF 130 million
- **Rolling stock**: CHF 130 million
- **Digitalisation**: CHF 20 million
Hupac invests in digital transformation

- Tracking information and Estimated time of arrival (ETA)
- Booking system and gate automation (OCR)
- Customer online platform
- Intelligent wagons with sensors
- Capacity management
- SPEAK Data analytics (big data)

Hupac digital transformation

1. Focus on efficiency
2. Shared platforms and standards
3. Algorithms, machine-to-machine
4. Innovation and new approaches
Hupac invests in terminal capacity

- Warsaw Brwinow:
  - 127,000 sqm
  - 3 reach stackers

- Basel Nord:
  - 120,000 qm
  - 3 gantry cranes

- Brescia Piacenza Milano SM:
  - 240,000 sqm
  - 6 gantry cranes

- Milano SM:
  - 110,000 sqm
  - 3 gantry cranes

- Placenza:
  - 100,000 sqm
  - 3 gantry cranes
Hupac invests in multi-systems locomotives
Hupac invests in most modern wagons
Intermodal benefits at a glance

- 10% weight advantage (44 t regulation)
- Spare assets and driver capacity
- Fixed transport schedules
- Multiple daily departures
- Buffering possibility (forward stock concepts)
- Predictable costs
- High level of safety
Unlimited by borders: nothing is impossible

We shape the future of intermodal transport!
Thank you for your attention.

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