

VTG-CORUS CONTRACT

The Corus fleet of covered coil carriers, now under the ownership of VTG Rail UK Ltd, has been converted to achieve even greater logistical efficiency

For many years Corus have used the efficiencies of rail to transport steel coils from their plants in South Wales throughout the UK. Their fleet of 66 JSA wagons were originally open boxes carrying iron ore between Hunterston and Ravenscraig. They were known as 'tippler' wagons as they went into large cylindrical rigs that inverted the wagons to unload them. After the closure of Ravenscraig they stood idle until their conversion by Marcroft Engineering in 1995, enabling them to carry the finished product rather than the raw material. Since then the wagons have had a new lease of life and have proved to be one of the best wagons available in terms of payload and efficiency.

When leaving the rolling mill much of the steel coil is unprotected and needs to be covered to ensure it is kept dry and arrives in good condition with no oxidization. Ian Shaw, VTG UK's Bulk Fleet Manager comments, "Each JSA wagon carries up to 5 steel coils weighing up to 32 tons – significantly more than could be transported by lorry. To ensure they arrive at their destination in good condition, telescopic hoods, which move on rollers, were designed. To ensure optimum loading capacity these can be opened from each end of the wagon."

After a period of discussion between the two companies it was agreed that a transfer of wagon ownership would be mutually beneficial. Ian explains, "Corus originally owned the fleet. But as legislation became increasingly onerous it was agreed that they would sell the wagons



to VTG and hire them back. This gave Corus the benefit of allowing specialists to handle their rail wagon requirements whilst leaving them free to concentrate on their core business, the production of steel for the UK and world markets.

Although the wagons worked well after their original conversion, the steel hoods had proved heavy to operate and some times damaged the roller mechanism. Ian adds, "When reviewing performance during our negotiations with Corus, we agreed to replace the steel hoods with aluminium alternatives. The lighter hoods have had the effect of reducing operational wear and tear and are quicker and easier to operate." Wagon conversions, at Marcroft Engineering, took place between March and September 2003 at the rate of three per week.

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ISO 9001:2000 ACCREDITATION

VTG's Worcester team has recently been awarded ISO 9000:2000

"The main reason for achieving accreditation is to assist in helping us to provide our customers with a first class service. It is a quality hallmark for business operations that will increasingly be required by a company's client base as trade becomes more global." So comments VTG UK's Managing Director, John Jagger.



Jean Burgess, QA Co-coordinator and Nigel Day Fleet Engineer accept the first year operation audit certificate.

The award, which has been conferred by AJA (Anglo Japanese American) Registrars, is an internationally recognised business quality standard. In order to achieve certification, a company must document its practices in a Quality Manual, which defines Operating Procedures, Objectives and Policy for achieving them. It normally covers operations such as management responsibilities, resource management, measurement, analysis and methods for improvement. The process involves interviews and discussions with staff and selective reviews of identified systems documentation. Once completed the documents are assessed to ensure they meet the criteria of the standard and include all elements of the company's operations.

This stage is then followed by a 'surveillance' period. This verifies that the company is actually complying with the procedures and that the Quality Manual is a live document and not just collecting dust on a shelf.

The whole process has taken 15 months and has been led by Quality Consultant Peter Coombs. Peter explains, "The accelerating pace of change in business, places increasing demands on a company's organisation. Internal priorities and rapidly changing market environments continually compress the time available to managers, The Quality Management System, which involves notating and refining procedures, may seem daunting but the initial effort does have major pay offs. Once embedded in a company's culture the process makes the business more efficient and profitable."

Building on Success

Ten new excavator carriers boost successful infrastructure programme.

VTG Rail UK Ltd is making a contribution to the job of improving the UK's rail infrastructure. As early as 2001, twenty wagons were hired by Network Rail to carry heavy equipment, such as tracked excavators and bulldozers. The wagons provide operational flexibility allowing heavy plant to be delivered right to the maintenance and engineering sites. Once at the location, the vehicles can be driven on and off the wagons using ramps and platforms carried on board.

So successful have they been in performing their role that ten new wagons have been ordered, built at W H Davis' facility based at Shirebrook near Mansfield and are now operational.

The wagons can carry plant of up to 15 tonnes in weight and are used by infrastructure companies, mainly in the Southern Region. Also key to the wagons success is that they can

deliver the payload to remotely located sites where frequently there is no access by road. Prior to becoming operational, extensive loading trials were undertaken with Balfour Beatty, EWSR, and Gamble Plant in order to optimize the load restraining system.

With a design commissioned by VTG from Lloyds Register Rail and with a load restraint system developed by Spanset Ltd, the new wagons have replaced an older and slower fleet. The new wagons can travel at sixty mph as opposed to the old wagons sedate 25mph and can carry a heavier payload.

The low deck transporters are now helping to speed the UK's infrastructure improvement work. They performed a key role modifying the Ipswich tunnel. The tunnel is located on the main freight rail route from Felixstowe, which handles around 40% of freight containers bound for the UK. Since the work on the tunnel, larger 9' 6" freight boxes are able to pass through it offering a competitive alternative to road transport and reducing congestion. The tunnel closed on the 11th July and reopened, on schedule, on 5th September. Ian Shaw, VTG UK's Bulk Fleet Manager comments, "Once again this demonstrates VTG's capacity to tackle age-old operating restrictions by the provision of purpose designed new wagons. I am confident we will see more opportunities to supply specialised rail vehicles in the years ahead."

The new wagons went into service in June 2004



NEW CONTRACT WITH GBRf

A contract has recently been concluded for the hire of twenty-one VTG Rail 102 tonne (JNA) open box wagons. Hired by GB Railfreight and operating from the Whitemoor depot in March, Cambridgeshire they are used to move new and recycled ballast.



The vehicles had recently finished a 5 year deployment, delivering new track ballast from quarries to local distribution centres and "virtual quarries" throughout the UK. Ian Shaw, VTG Rail's Bulk Fleet Manager, comments "These wagons performed well under intensive use and have proven to be the best means of transporting this commodity throughout the country in an efficient and reliable manner.

In a groundbreaking agreement with Network Rail, GBRf has become the operator and manager of the infrastructure company's depot. It is the first train operator to run not only all aspects of a local distribution centre for infrastructure materials but also all commercial activities. "We are in overall control at the Whitemoor depot", explained GBRf Managing Director, John Smith. "Our agreement with Network Rail allows us to take advantage of any business opportunities presented at the depot," he said.

Under the deal, GBRf will operate the yard, load and unload the wagons and with partners M Dickerson Ltd, manage the stockpiles of ballast. Recycling ballast is an important operation at the depot. Used aggregate is brought in for cleaning, sorting and grading prior to re-entering the supply chain, saving thousands of tonnes of newly quarried stone.

VTG - A PAN EUROPEAN RESOURCE

A small, but very significant freight contract, has recently illustrated VTG's pan - European capability to meet customer's needs.

The contract, with UK based Ineos Fluor Ltd, is for the hire of three wagons to carry R22 refrigerant from the company's plant in Runcorn through the channel tunnel to southern Germany. The product is used in the manufacture of non-stick, Teflon coated, kitchenware.

No suitable wagons were available within the UK but three wagons that 'fitted the bill' were available at VTG Hamburg. Originally carrying LPG, modifications including in-transit locking valves, and changes to the outlet were completed at Alstom in Saltzgitter near Hanover prior to the wagons being delivered through the tunnel to the UK.

Paul Lugg, VTG's Tank Fleet Manager says, "This contract demonstrates the flexibility of service we can provide to our customers through our large European fleet of wagons and points to how the industry may grow. We are keen to find more opportunities to utilise our continental fleet to develop more cross channel traffic."

NEW WEB SITE

For the latest VTG Rail UK news and comprehensive service information, visit our new web site at www.vtg-rail.co.uk

VTG COVERED HOPPER WAGONS

A new lease of life has been given to twenty-six 'PolyBulk' wagons from VTG Rail's covered hopper fleet. Having stood in long-term storage in Glasgow and Cornwall over the last few years, the wagons have now undergone a full maintenance revision along with structural improvements and a total repaint at Marcroft Engineering, Stoke-on-Trent.

Now, re-registered and with unlimited certification, they are re-entering service on a new three-year hire contract with freight operator EWSR. This new role involves moving limestone, used in steel processing, from Shap in Cumbria to Scunthorpe.

The wagons, with a gross laden weight of 80 tonnes, are part of VTG Rail's internationally registered fleet. They have, in the past, carried china clay from Cornwall via the channel tunnel to Italy and limestone granules to all points in the UK from the Peak District. The term 'PolyBulk' refers to the wagons ability to carry many types of bulk load

including such commodities as grain, sand and wood chip.

Ian Shaw, VTG UK's Bulk Fleet Manager comments, "The new role for these wagons demonstrates just how flexible, robust and hard wearing rail freight rolling stock is. The wagons were originally manufactured by Fauvet-Girel in Douai, France in 1974/5 – thirty years ago. They are still performing efficiently keeping huge volumes of raw materials moving. I can't think of another mode of transport that could do that over such a period - certainly nothing on the roads - rail transport is extremely durable."



ALL CHANGE! for the start of a new era

It has been sometime since our last issue of OnLine and in the meantime a new revolution in the rail freight world has started. On the European level the much discussed Interoperability legislation under the so-called "second railway package" has started to be enacted. The first of many Technical Standards for Interoperability (TSI's for short) have been issued which will eventually replace many of the Railway Group Standards that we have come to know and love.

We may soon see UK Freight Operating Companies running through trains into the heart of Europe and of course European trains may come the other way. The first TSI's to be issued control the basic designs of freight wagons and relate to how train companies should exchange information with infrastructure owners and other train operating companies. New designs will soon need to be approved by Notified Bodies rather than Vehicle Acceptance Bodies and wagon owners will have to sign a standard, pan European, contract of use with all potential Freight Operating Companies that may want to use their wagons. This will replace nationally based registration for interoperable wagons.

Meanwhile, in the UK rail world we have the new Railways Bill going through Westminster that will abolish the Strategic Rail Authority (SRA) taking most of its responsibilities back into the Department of Transport. It will also transfer the Health and Safety Executive's rail safety responsibility to the Office of Rail Regulation, which will become the link to the European Rail Agency in safety matters. Network Rail will also have its duties and powers extended to cover some of the areas previously the prerogative of the SRA.

Quite a change in emphasis! As politicians tend to focus on passenger issues, we are all concerned that the commitment made to grow freight by rail is not lost in the blizzard of changes about to engulf us.

There are also changes happening in the VTG world. In order to concentrate its logistics services to the rail and tank container sectors, the European parent company of VTG Rail UK, previously known as VTG-Lehnering, has sold its interests in barges, road transport, static storage and chemical distribution to Triton private equity group.

Operating from its Hamburg base and led by Dr Heiko Fischer, as chairman of the executive board, the company now trades as VTG AG. Dr. Fischer will be responsible for the sales, communication and marketing functions, whilst continuing to serve as personnel director. Juergen Hüellen is responsible for technology and operations and Dr. Kai Kleeberg for finance. There are more changes imminent as TUI the parent company of VTG AG announced it was concentrating its resources solely on its core businesses of tourism and shipping and was therefore selling its shares in VTG AG to a new shareholder. Planned for completion in the second quarter of 2005, TUI will continue to provide, during the sales process all the investment support needed to keep VTG AG growing and capitalising on business opportunities.

We are fortunate that the UK team can still focus on the changes needed to meet our customers' evolving requirements- the most important business changes of all for VTG Rail UK.



**John Jagger, Managing Director
of VTG Rail UK Ltd**

VTG GOLF TOURNAMENT



A VTG golf tournament held in Shakespeare's Stratford-upon-Avon for customers and staff has confirmed that the VTG team at least will be sticking to their day jobs.

The beautiful Welcombe Golf course at Stratford-upon-Avon hosted the 2004 VTG Golf Day. Bacon rolls and coffee welcomed the golfers as they arrived to the sound of the first day of The Open from the clubhouse's TV!

Aiming to emulate the stars, some headed to the driving range to get a few shots in the bag before tackling the intimidating first tee shot. Despite the challenging dogleg drive, most managed to get away-for those that didn't, the Texas Scramble format meant it didn't matter! After an entertaining morning, the most consistent team of Les Ashman, Tim Robinson, Alan Ward and Rob Blackburn, ran out the overall winners.

With the weather turning in the afternoon, the Individual Stableford separated the men from the boys with the calm and focused David Legge winning the category. John Jagger claimed the Nearest to the Pin accolade with a pin point professional shot while Les Ashman was the powerhouse of the day winning the longest drive.

Weary customers and hosts rounded off a perfect day with a well earned dinner and night's sleep at the Welcombe Hotel.



SHIRLEY VIZOR - VTG's PUBLIC FACE



Combining reception duties with general administration and the role of PA to Managing Director, John Jagger, Shirley Vizor is the first person to greet visitors at VTG's Worcester offices and is the epitome of 'multi-tasking'.

The role comes naturally to some one who has single handedly raised two children, held a series of important jobs and still found the vitality and commitment, as a mature student to complete a degree at Worcester University!

Her combined degree in Business Management and History reflects Shirley's passion for history. Shirley comments, "I recently realised

the ambition of a lifetime by visiting Egypt, traveling down the Nile, visiting the Temples of Luxor and the Valley of the Kings."

Joining the company in 2004, Shirley is enjoying meeting clients and working within VTG's friendly atmosphere. Shirley is a sports enthusiast, with Badminton being her favourite pastime but has recently taken up golf. She maintains that her role in arranging this year's VTG golf tournament will in no way give her an unfair advantage on the greens!

Shirley lives in Droitwich with her two children Sophie and Andrew.

STAFF PROFILE



Tank Fleet Manager Paul Lugg has been in the rail business since 1977. But, before his career evolved around trains, planes were his first job interest.

Paul worked for Rolls Royce at Filton in the early 1970's, just when the Concorde project was literally taking off. He was one of the engineering team working on the mighty Olympus jet engine that was to power the plane. Whilst there, he studied at Bath University for a joint degree in Engineering and French.

After a brief spell as a project engineer working on military vehicles for the MOD, Paul joined the then Storage and Transport System Ltd, London part of the CAIB group. He was Engineering Manager responsible for new builds and major modifications and soon took on the commercial responsibilities of client contact and contract negotiation.

In 1988, CAIB bought the Procor wagon fleet, which increased the fleet from 700 to 3000. That was when it was decided to split the management responsibility between tank and bulk wagons, with Paul taking on the management of the tank wagon fleet.

Paul has a son Alex who has recently come to live with him in Worcester and shares his father's interest in clay pigeon shooting and motor sport. As well as trains and planes, boats, of a sort, are also among Paul's interests-he has a jet ski, which he runs on the lakes at Cirencester and Tamworth.

Russ Campbell - Profile

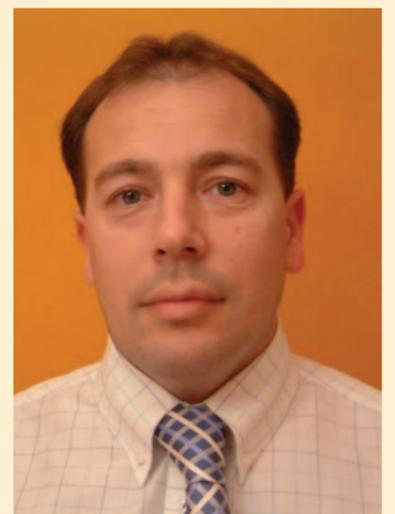
Russ joined VTG Rail UK Ltd in October 2003 as "Fleet Conformance Engineer" responsible for ensuring the continued well being of the wagon fleet. As such Russ's responsibilities take him the length and breadth of the UK visiting maintenance sites and workshops whilst he makes sure that the condition of the vehicles under his jurisdiction, and the maintenance carried out on them, meets the high standards of VTG Rail. His formal qualification as a Lead Auditor helps Russ carry out these activities in a structured and consistent manner.

Prior to joining the company Russ gained significant experience in the Rail Freight industry working for train operators and vehicle maintainers as well as for Network Rail. Russ comments "I think my

wide range of experience helps me to appreciate the industry from all viewpoints and hopefully this allows me to operate as efficiently as possible".

A married man, Russ lives in his native Derbyshire with his wife Dawn, a practice manager, and their daughter Megan aged 15 months. When not travelling around the country looking at railway wagons, Russ enjoys nothing more than cycling, walking and following his favorite football team Derby County.

Russ adds "I'm enjoying the role of Fleet Conformance Engineer with VTG Rail immensely. It's a varied and challenging job but full of opportunities. There's certainly never a dull moment!"



Russ Campbell



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