

ONLINE

WINTER Edition 2020 ISSUE 36.



VTG Rail works with Aggregate Industries to increase wagon efficiency

VTG Rail and AI work to enhance rail freight's business case with higher capacity wagons

VTG Rail UK is working with Aggregate Industries (AI) to supply 62 high-capacity HYA hopper wagons, which will be deployed primarily in the East Midlands and North Kent. Servicing AI's depots in London and Sheffield, they will operate in sets of 20 delivering 14% additional payload per train.

The HYA wagons are repurposed coal wagons and have been converted to an efficient aggregate wagon through shortening.

The enhanced wagon fleet displaces a less efficient, lower capacity hopper wagon type and runs on track-friendly TF25 bogies, meaning reduced maintenance downtime as well as lower noise and track wear.

The wagons are constructed in corrosion resistant materials and are fitted with enhanced door seal arrangements that can accommodate the transport of marine sands, in addition to other aggregate types.

Inside this issue:



Supporting rail's digital revolution

VTG Rail is proud to support AMRC's work to create the wagon assets of tomorrow.

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Q&A Catch-up

Maria Connolly explains how her Service Delivery team has adapted to life during lockdown.

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Movember madness

VTG Rail team help raise £2000 for Movember.

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Welcome

Colin Denman, Managing Director, VTG Rail.

Hello and a very warm welcome to the Winter 2020 edition of 'ONLINE', our regular company newsletter.

As 2020 draws to a close, it gives us the opportunity to look back on what has been one of the most challenging years of our times. I have been extremely impressed by the way the team at VTG Rail have quickly and effectively adapted to the new way of working. It has not been easy but they have worked tirelessly with our customers and suppliers to maintain an excellent service.

Although very difficult, this year has also been an exciting time for the wider rail freight sector, in particular for wagon development and provision. I am very pleased to have joined the board of the newly formed Rail Wagon Association (page 4), which will become an important new voice in the sector through providing an expert focus on wagon development. It is important that the wagon sector has a louder voice in the national debate and I'll be working closely with its chair, Rob Brook, to help advance the case for rail freight.

In this issue, we are delighted to announce a new 62-wagon deal with Aggregate Industries, a company VTG has a long history of working effectively with. The repurposed hopper wagons we are providing are able to deliver a 14% increase in payload, helping enhance the overall business case for rail freight.

With the government's announcement of further support for building projects in the UK, we can expect that through 2021 demand for these services will only increase. VTG Rail will play a key role in helping supply the construction sector the innovative wagons that our customers will need. Speaking of innovation, in this issue I am also very pleased to announce the successful implementation of a new wheelset management partnership with LUR Ltd, a joint venture between Italian wheelset manufacturer Lucchini and Unipart Rail. LUR, based in Manchester, is supplying all the wheelsets for VTG Rail and will play a key role going forwards, working with us to continue to innovate and drive the growing demand for new and exciting advancements in the rail freight sector.

In November, we raised more than £2,000 for the Movember Foundation, the well known charity that supports men's health issues and works to combat cancer and provide mental health support. Read all about it on page 8.

Finally, I hope you enjoy the newsletter. If you have any questions about any of the topics raised inside, please don't hesitate to let us know. Our contact details are below.

Have a great festive break, from everyone at VTG Rail, and I look forward to seeing everyone in 2021.

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They are discharged via pneumatically operated doors utilising the locomotive air supply, which removes the need for mechanical devices or shoreside air supplies that the current outgoing wagons needed.

Leading construction materials supplier Aggregate Industries and VTG Rail have built up a long-established relationship. Al has some 200 sites and 3,700 staff across the UK. Al is at the frontline of the construction and infrastructure industries, producing and supplying an array of vital construction materials including aggregate, asphalt, ready-mix concrete and precast concrete products.

Simon Blake, General Manager - Midlands Rail, Aggregate Industries, said: "We are delighted to be working with VTG Rail to switch more construction goods onto rail. Aggregate Industries has a clear vision to play a significant role in the reduction of carbon emissions in the construction sector and rail will play a key role in helping us achieve those goals. Al's business plan is to decarbonise and sustainably source construction materials. Rail is central to many of Al's supply chains and is exhibiting annual growth. The repurposed wagons have transitioned into service over the course of 2020 and fit well within a strategically and diverse wagon fleet of owned, freight operator owned and lessor-sourced."

VTG Rail's Sales and Marketing Director, Ian Shaw, added: "We are delighted to continue our long-standing relationship with Aggregate Industries and helping it to

enhance the efficiency of its rail freight operation. With the ability to increase the payload carried in the same length of train by around 14%, the higher-capacity wagons are perfect for increasing rail's business case for companies in the construction sector who are looking to decarbonise their transport operations."

Aggregate Industries' parent company LafargeHolcim recently became the first construction materials company to sign the Net Zero Pledge, and it has recently launched concrete and asphalt solutions which can be specified to net-zero without compromising on quality.

Contact the VTG Rail team

If you would like to discuss anything in the newsletter, the work of VTG Rail or to speak with a member of the team, please contact us anytime at:

sales-uk@vtg.com | www.vtg.com/uk | 0121 421 9180

VTG Rail Ltd, 2 Parklands, Parklands Business Park, Rubery, Birmingham, B45 9PZ.

VTG Rail and LUR announce new wheelset management partnership

VTG Rail is delighted to announce a new 10-year wheelset management partnership with LUR Ltd, for the complete provision of rail freight wagon wheelsets. LUR will supply around 200-300 wheelsets each month for VTG Rail, as well as handle all maintenance and overhaul work.

Nigel Day, Engineering Director, VTG Rail UK, said: "I was very impressed with the LUR bid and their innovative approach to working with us. There was a very detailed tender process involved and we felt that LUR really understood our needs from the start. They listened and went beyond what we needed to provide an alternative bid centred around innovation. They exceeded our expectations to provide new methods, new axle designs, and have become a real partner for the future."

The new agreement began in January and the complete mobilisation and full switchover is due to be completed sometime in March 2021. LUR is sole supplier and is opening a new facility in Manchester to deliver on the new partnership.

Phil Chilton, Managing Director of Lucchini Unipart Rail (LUR) Ltd, said: "It was fantastic news when we won the VTG contract. It has created a consistent level of work for LUR in the coming years, which we can build upon to deliver the innovations we outlined and agreed with VTG to create mutual value for both

organisations. We had been working to understand VTG's needs for a number of years. We fully understood their longer term aspirations, investment requirements and their need to support and service their customers. We mirrored these needs so that we could become a partner in their customer strategy to help VTG grow their business and through that success we would also be successful."

Day went on to say: "Lucchini have a great culture of innovation that impressed us and fitted in perfectly with the future vision of VTG Rail. Digitalisation is key to our business and to the future of rail freight wagon technology. We're driving Wheelset-Centric Maintenance, which is a future focus for us, and we know we have the right partnership with LUR to carry that forwards."

The manufacturing of wheelsets takes place at Lucchini's factory in Northern Italy and they are assembled in Manchester.

LUR Ltd is a joint venture between Lucchini RS Group of Italy and Unipart Rail Ltd, combining the wheel & axle machining and wheelset & gearbox overhaul capabilities in Manchester with the bogie overhaul & wheelset trading activities in Doncaster.

Find out more about the work of LUR here.

UK NEWS

The digital transformation of rail maintenance

VTG Rail has been proud to support the work of the University of Sheffield Advanced Manufacturing Research Centre (AMRC), as it creates a lighthouse demonstrator of the latest digital rail technology to optimise the efficiency of assets.

The Maintenance 4.0 cell is being developed by engineers at the AMRC's Factory 2050 facility, where visitors can get a hands-on look at the possibilities and benefits of how these technologies work to deliver operational gains within maintenance, repair and overhaul.

Richard Gardiner, sector lead for rail at the University of Sheffield AMRC, said: "The UK's rail network is undergoing the biggest programme of modernisation since Victorian times. Tens of billions of pounds are being invested in infrastructure.



Richard Gardiner, AMRC rail sector lead, and the new Maintenance 4.0 demonstrator.



Augmented reality is one technology deployed in the demonstrator to drive digital capabilities.

"It's crucial we build our knowledge in the sector and nurture relationships with rail SMEs and OEMs to further technologies that can improve operational efficiencies."

He went on to say: "We will create a platform that can be used by our rail partners to develop systems and de-risk the adoption of new digital tools and processes. The goal is to minimise barriers to digital adoption in rail maintenance by using readily available consumer software and off-the-shelf hardware, making the cell accessible to companies of all shapes, sizes, sectors and budget."

Maintenance 4.0 is funded by the High Value Manufacturing (HVM) Catapult and developed with support from technology company PTC, complex critical content experts GPSL, Wabtec, rail fastenings manufacturer Pandrol, and digital visualisation content creators, Bloc Digital.

More details can be found at the AMRC website: www.amrc.co.uk

VTG Rail supports relaunch of Private Wagon Federation as Rail Wagon Association

Rob Brook and Colin Denman have taken up leading roles in helping to further innovation and technological advancement of freight wagon design, with their positions as Chairman and Board member of the new Rail Wagon Association (RWA).

The Private Wagon Federation (PWF) has rebranded and incorporated to become the Rail Wagon Association Ltd, in order to better promote the development of the latest freight wagons and provide the sector with the critical focus it needs.

The RWA recently held its first general meeting, with member companies electing in the new board of directors: Colin Denman, VTG Rail; Guy Peasley, GBRf; Richard Allen, Ermewa, and Tim Gabb, Freightliner. They will be joining the senior team: Chairman, Rob Brook, VTG; Vice Chairman, Les Bryant, Davis Wagon Services and General Manager Steve Taylor. Unlike other trade

bodies operating in the freight sector, the RWA is dedicated to providing an expert eye and specific focus on the development and maintenance of rail freight wagons. With an expanded membership, however, RWA backing now includes a wider scope of companies covering: wagon users, suppliers and maintainers, with freight operating companies, support service providers and other key stakeholders from right across the sector.

Rob Brook, Chairman of the RWA, said: "Efficient wagons are critical to the success of the rail freight sector and further enhance the business case for modal switch. Meeting national environmental and sustainability targets will require a greater move toward rail and enabling that to happen hinges on having the right wagon assets available to operators.

"As more shippers come to realise the benefits of putting their goods onto rail,

the greater the need for fully optimised and enhanced wagon fleets. The digitalisation of wagons is critical to the future development of the sector and unlocks powerful new potential in providing shippers greater efficiency gains and crucial visibility of their goods in transit. Rail freight needs to engage and come together to embrace this powerful technology and RWA will play a key role in facilitating that change."

He went on to say: "Rail freight will also play a key role in helping to decarbonise the UK economy. RWA will be vital in providing the expert knowledge needed to support the case and in presenting the evidence of wagon development that will underpin the future benefits and cost effectiveness of the mode.

The rail freight sector is growing all the time, and with increasing interest from sectors traditionally reliant on road transport."

GROUP NEWS

Meeting the new quiet braking laws

VTG has fitted quieter composite brake blocks on its entire fleet in Germany, Switzerland and border regions, making the noisy screech of cast iron blocks a thing of the past.

The migration process, which took several years, concluded just in time to meet the switch to the new rail timetable on 13 December and the enactment of Germany's new Rail Noise Prevention Act, under which loud goods wagons are prohibited. VTG has converted nearly 30,000 wagons at a cost of millions of euros.

"Migrating to quiet brake blocks was a huge challenge in both financial and organizational terms," said Sven Wellbrock, Chief Operating Officer Europe and Chief Safety Officer at VTG AG.

"We are deeply grateful to our customers, without whose flexibility we could never have got this major job done. Together, we have made a crucial contribution to fostering greater acceptance of rail transportation in the population at large."

Dr. Heiko Fischer, CEO of VTG AG, added: "For the industry as a whole, migrating all rolling stock to quiet brake blocks is an important step toward future-proofing rail freight. Rail is critical to greater sustainability and fewer carbon emissions in the transportation sector. But we must all pull together in the same direction. As a company, we do this by continually investing in technological innovation and ground-breaking digitalization strategies. On top of these efforts, however, rail also needs political and administrative support. This medium can only put its strengths to good use if the right legal and regulatory conditions are in place – in every country and at the European level."

UK NEWS

VTG continues to support sweet Christmas tradition

VTG Rail was delighted to again sponsor the Rail Freight Group's (RFG) handmade Christmas chocolate boxes.

Under usual circumstances these would be handed out on the tables at the RFG Christmas Lunch. With the pandemic, and the inability to host the event this year, the decision was made to continue to support the chocolate boxes by sending them to table hosts and their quests.



Meet the team: Colin Denman



Managing Director, VTG Rail UK.

I joined VTG in November 2019, at a time of intense pressure on the rail freight sector. There had been a significant shift away from traditional coal haulage and toward intermodal and construction traffic.

The decarbonisation of transport was starting to climb up the agenda but no-

one had even heard of Coronavirus. It was a very strange time to be developing in a new role and it was not as I expected because of the obvious disruption that really began from February onwards. As I took over day-to-day leadership of the business from Rob we were in lockdown with the team working from home. The way the team responded to this challenge was immense and I am very proud of the way they continued to provide excellent support for all of our customers and suppliers.

This has been a time for consolidation. It has obviously been more difficult to get to meet people face to face to strengthen our relationships, learn more about how we can support our customers as they grow and convey new strategies with key suppliers. However I see from the work the VTG team is undertaking daily we are closely focused on our customers.

There is no doubt it's an exciting time to be working in the rail industry with huge opportunities for innovation and the application of new technology to wagons. With sensors and devices monitoring the wagon operation, data will be available on most aspects of the wagon performance leading to transformation in rail freight we know today. Combining this data with other performance information from the network will undoubtedly unlock further potential for the rail sector.

Decarbonisation is a factor we are all acutely concerned about and the potential impact rail can have on this right now is clear. This message must be conveyed outside of the rail industry to a wider audience and feed into the national carbon reduction debate at a consumer level where in my opinion the benefits of rail are not widely appreciated.

Looking at the end to end efficiency of the overall flow of goods is something VTG Group is addressing with modular wagons, innovative loading and unloading infrastructure. This will in turn provide more applications for rail freight as industry evaluates the most efficient methods for moving freight and goods to the end user. VTG Rail will play a key role with its customers to enable this.

I am a Mechanical Engineering studying this at the University of Liverpool and recently was accepted as a Chartered Engineer with the Institute of Mechanical Engineers.

Broadening my business skills with an MBA and a Diploma in Finance has enabled me to combine the practical engineering approach with promoting and marketing the business whilst keeping close focus on the financial aspects of the company. This year I was also accepted as a Fellow of the Chartered Institute of Marketing.

My career is varied from the automotive aftermarket to medical with additive manufacturing and interim management interspersed. I will draw on this broad experience from many different industries and working with some amazing leaders too and combine it with the huge rail freight expertise in the VTG team. I am certain as team we can enhance the value we deliver to our customers.

What brought me to VTG, well I first met Rob Brook at Abrasive Developments, a manufacturer of shot peening capital equipment where Rob recruited me as Sales & Marketing Director and we have kept in touch ever since.

For 14 fantastic years my family and I lived and worked in glorious county of Kerry in the Republic of Ireland where I led Promed, a privately owned medical sales, marketing and service business supplying GPs, hospitals and pharmacies. Promed was market leader and was recognised as the 'Great Places to Work' Best Small Workplace in Ireland in 2015 and 2017.

Back in the UK and after a spell in interim management I joined the transformational world of additive manufacturing and 3D printing, technology that already challenges the way we design and manufacture components and subassemblies and I am certain will have applications in the rail freight sector in the near future.

Going forwards with VTG, our ingenuity will continue to focus on bringing innovation and new services to our customers. Through Connect and traigo we will provide data that enables our customers to optimise their operations and we will create partnerships to help advance the benefits of rail freight to the wider economy. Collaboration with our suppliers and the wider industry will be key to growing the freight market for all players to benefit. We'll be expanding the use of our proactive maintenance app with our maintainers and introducing predictive maintenance technology that will help strengthen our systems and processes to deliver increased wagon availability and flexibility for our customers.

Colin is married with two children. When not steering the VTG ship he enjoys golf, tennis and mountain biking.

Contact Colin colin.denman@vtg.com www.vtg.com/uk

UK NEWS

Assisting the lobby work of the RFG

Rob Brook is continuing his long-term support of the Rail Freight Group (RFG) as a board member, joining several newly elected faces for 2021.

Rob joins Neil Sime from Victa Railfreight; Andrew Harston from ABP; Simon Blake from Aggregate Industries; Liam Day from GBRf; Peter Frost from Kilbride Holdings; Mike Garratt from MDS Transmodal; Chris Geldard from Geldard Consulting; Peter Graham from Freightliner; John Hall from Davis Wagon Services; Geoff Lippitt from PD Ports; Ken Russell from John G. Russell; Chris Swan from Tarmac; David Turner from Malcolm Logistics; and Martin Woor from Hutchison Ports UK.

RFG Director-General, Maggie Simpson OBE, said: "I would like to welcome our

new Board members who will each add their personality and wide range of experience to the group. RFG's Board for the next 12 months will play a vital role in helping shape the direction of the Group and we look forward to working with them and utilising their diverse and extensive knowledge of the rail freight and supply chain sectors."

Meet the team: Sungket Patel



Technical Sales Coordinator, VTG Rail UK.

My name is Sunny and I am the new Technical Sales Coordinator. I am married, a father of three boys, a set of twins aged five and a little one aged just three. My wife and I are kept very busy keeping them entertained, especially during this year's lockdown!

I have been involved in Engineering Sales for the past decade, and my

background is in Automotive Engineering, which I achieved a degree in back in 2007/08. I have worked in manufacturing since starting off with a company manufacturing roller chain and sprockets, and other power transmission products, to my previous company that built Friction Welding machines and Robotics and Automation.

The rail industry is a new field for me and I am looking forward to learning more in this wonderful sector. I never really took notice of trains much before but now I am spotting certain types of trains and wagons. The other side to rail that I am proud to be a part of is its role in keeping the country moving during these lockdowns, and how it can be utilised even more in the future, as a green mode of transport.

Now that I have been with VTG for three months, I can see how important the rail industry is to many of you, and can see the enthusiasm for it which reflects really well on our company. Even through to our colleagues in Germany, who have been helpful and approachable. One of the main reasons that appealed to me about joining VTG UK is its vision and bright, positive perspective of the future. We are working in very interesting times and it is great to be a part of a team that is able to take changes in its stride. I look forward to making a positive contribution to this company and working with colleagues alike.

My interests and hobbies include: keeping fit, I especially like doing calisthenics (bodyweight exercises), taking the kids out

camping which unfortunately we haven't been able to do this year. Also, before the kids, I used to drive and maintain a 1990 VW Golf MK2 which I kept spending money on! I also like to do go-karting, and regularly practiced up until the lockdowns closed the local track. Additionally I like to cycle and run when its warm outside.

Five things I have learned about rail in the past three months

- **1.** I have started to notice small things about wagons that I didn't even notice before. Starting recognising what a 'box' wagon is, and hopper wagons. Noticing that number of axles which in turn relates to its bogie number.
- **2.** The rail industry is very safety conscious. Learnt from the way VTG handles its daily business. Also receiving daily .gov emails letting us know the importance of safety.
- **3.** Didn't even know that the rail industry only emits a small portion of the world's greenhouse gases. The main culprit is road traffic, which going forward I feel is very good for bringing more freight to rail.
- **4.** Quite surprised to find out that in the UK at least, wagons are maintained on sidings. I have a lot of respect to the guys that have to do that in the middle of winter!
- **5**. I was pleased to discover that it is possible to run rail wagons safely and reliably for much longer than similar road vehicles albeit sometimes via a repurposing exercise. This extended longevity can only be a good thing from a sustainability point of view.

Contact Sunny sungket.patel@vtg.com www.vtg.com/uk

GROUP NEWS

Developing the wagon of tomorrow

In September, VTG and DB Cargo unveiled an innovative flat wagon that was constructed as part of the m² project.

Having successfully completed test runs that were commenced in spring 2020, they are now working to get the model licensed.

"The m² project focuses squarely on the needs of the forwarding industry," says Dr. Heiko Fischer, CEO of VTG AG. "The new wagon can quickly and easily be adapted to specific transportation requirements. That makes rail freight more attractive and better able to compete with road haulage."

The m² solution is based on a set of modular building blocks that can align each wagon to the individual needs of each customer. Depending on the intended purpose, four-axle flat wagons can be configured with loading lengths from 34.7 ft to 74.3 ft.



Components such as bogies, wheelsets and brakes can likewise be tailored to serve each specific use. A broad selection of superstructures too, ensures that all kinds of goods can be carried

Catch-up Q&A with...

Maria Connolly, Service Delivery Manager, VTG Rail UK.

Maria Connolly heads up the Service Delivery team at VTG Rail. She tells ONLINE how her team have been coping throughout the lockdown.



How has work changed this year?

It's fair to say that 2020 has had its challenges! One of the biggest being that we have had to adjust to working from home. Although not a totally new concept for VTG, it has been for the Service Delivery team.

The Service Delivery team consists of five Fleet Controllers: Martyn Catlin; Matthew Harris; Kevin York; Maria Baugh; and Janet Sheppard, along with Adam Mooney, Performance and Reporting Analyst / UK IT support. At the beginning of the pandemic Adam played an integral role in assisting the whole UK team with setting up their home work stations.

One of the obvious downsides of working from home is that we do not have the daily face-to-face interaction and general office banter. However, the whole team have adapted very quickly and demonstrated agility and resilience with the various changes and challenges that have been thrown at them.

In order to keep the team connected, and to support them whilst working remotely, we have implemented weekly team meetings, as well as regular calls with the wider VTG team. These meetings have a dual purpose and not only cover an operational agenda but also to serve as an opportunity to boost mental health and wellbeing amid the current enforced change and uncertainty. They allow the team to share their experiences, to discuss problems and to communicate on a social level.

How has VTG adapted its fleet maintenance?

Initially, we were concerned that our running maintenance and support contractors might experience resourcing issues due to Covid-19. Therefore VTG developed and implemented a robust Pandemic Plan to adjust maintenance when and where required. This was based on an enhanced inspection regime that incorporates all safety critical elements to keep wagons running safely with minimal resource, while meeting our stringent safety standards. These are in line with regulatory obligations and VTG's own policies and procedures and, as a team, with Engineering support, we made sure this was managed and monitored correctly.

Although the Pandemic Plan was developed, we also continued to work closely with our customers, ensuring that they continued to receive the service and flexibility that they are used to from working with the VTG team, therefore allowing them to operate and fulfil their commitments during these challenging times.

What has changed in your role?

Apart from leading a team thrown into a remote working situation (and all the juggling that it brought with it), it has been very much business as usual.

What are the positives?

We have successfully demonstrated that we can operate effectively from home, which could lead to more flexible ways of working post pandemic. That said, I'm looking forward to seeing everyone face to face! 2020 has shown me that I work with a great bunch of people who are always willing to go the extra mile no matter how difficult things get and I'm proud to have them on my team.













The Usual Suspects: Martyn Catlin, Matthew Harris, Kevin York, Maria Baugh and Janet Sheppard, and Adam Mooney.

VTG embraces the month of men's health

VTG has raised more then £2,000 for charity, supporting the Movember Foundation and its work to raise awareness and support the national debate surrounding men's health issues.

Despite lockdown, it was felt that the mustached silliness had to continue this year and particularly as the team had not met for any fundraising events recently.

As many of you may remember, some of the VTG Rail team participated in the Movember challenge in 2014 and managed to raise more than £1,000 for charity. Despite the uncertain times, many of the team decided to support the Movember Foundation again and did amazing work not only to smash their fundraising target but to hit it with 11 days still to spare.

The Movember Foundation does amazing work every year to support and improve the lives of men and their families affected by prostate cancer, testicular cancer and mental health issues.

Since 2003, Movember has funded more than 1,250 men's health projects around the world, challenging the status quo, shaking up men's health research and transforming the way health services reach out to and continue to support men.

A huge thank you to everyone who donated. Further details on the outstanding work of the Movember Foundation can be found at: uk.movember.com



WHEELSETS BOX WAGON HIRE BULK TANK INTERMODAL WINNING **RAIL FREIGHT HOPPER** FLEET MAINTENANCE VTG AGGREGATES CONSTRUCTION **BOGIES**

A little something for your coffee break.

Words can be found forwards or backwards, horizontally, vertically or diagonally.

Send us your news

Do you have a news item you would like us to include in the next edition of ONLINE?

We always welcome input for the newsletter and would love to hear from you.

Whether you are a member of VTG Rail staff, an existing customer or have worked with us as a project partner, please feel free to get in touch anytime to share your news.

Please email James Falkner at james@railfreightpr.com to let us know and we'll be happy to consider it for publication in the next issue.