

# ONLINE

SUMMER Edition 2020

ISSUE 35.



## The new Ecofret2® rolls off the production line

An Ecofret2 triple set delivered to Loram UK for testing.  
Thanks to Les Bryant at Davis Wagon Services for the photos.

**VTG Rail and GB Railfreight (GBRf) have signed a new contract for the leasing of an additional 52 Ecofret2® triple-platform wagons.**

The enhanced deal follows an initial announcement that GBRf would lease 32 Ecofret2 triple wagon sets, which will enter service in 2021. All of the new wagons will be manufactured by WH Davis, with operations and maintenance being managed by VTG Rail's teams in Birmingham and Peterborough.

The award-winning Ecofret wagons set new levels of efficiency in rail freight and will boost the service offering to GBRf's customers, including increased TEU available per train due to the optimal length of the vehicles. GBRf already operates a fleet of around 1,400 wagons and 149 locomotives.

GBRf has been working with VTG for more than 10 years, and the deal highlights both companies' commitment to excellent customer service, ongoing investment in the market and continued support for UK plc.

John Smith, MD of GBRf, said: "I am delighted that we are continuing our relationship with VTG. Over the years, time and again we have been very pleased with the wagons and the improved levels of performance and capacity we can therefore offer our customers. VTG is leading the way in containerised transport and adding even more Ecofrets to our fleet is part of our continued growth plan."

*Continued on page 2.*

## Inside this issue:



### New video targets rail freight benefits

VTG wagons star alongside Cappagh Group in new HS2 rail freight video.

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### VTG Rail wins top industry award

VTG is delighted to announce it has won RFG's Rail Freight Project of the Year award.

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### Animal Magic

The lockdown has been a challenging time for everyone but luckily our pets were on hand to help.

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# Welcome

Rob Brook, Head of Rail UK, VTG.

Welcome to the Summer 2020 edition of ONLINE.

**So much has happened since the past issue that it is almost too much to put into one article. The world has changed in a very short space of time and I would like to take this opportunity to thank all of VTG Rail's staff, our suppliers and customers for their amazing support through this very tough time.**

It has been perhaps one of the most challenging times any of us have ever faced in our careers but I am proud of the way our team has stepped up to make a real difference for our customers.

Since the start of the Covid-19 pandemic, we have needed to follow strict government advice on keeping our employees safe, across different sites and job roles. Achieving this, while maintaining our commitments to our customers, has been challenging but we have ensured their wagon fleets remained constantly maintained and available for use.

For many, the biggest change was the sudden need to work from home and still provide the same level of outstanding customer service. I have been extremely impressed by the professionalism and maturity of the entire team at VTG. Many of our staff had to suddenly start working remotely while access to the office was heavily restricted. Our other external locations were tightly controlled and coordinated. I was especially impressed by the teams on the ground who have needed to implement social

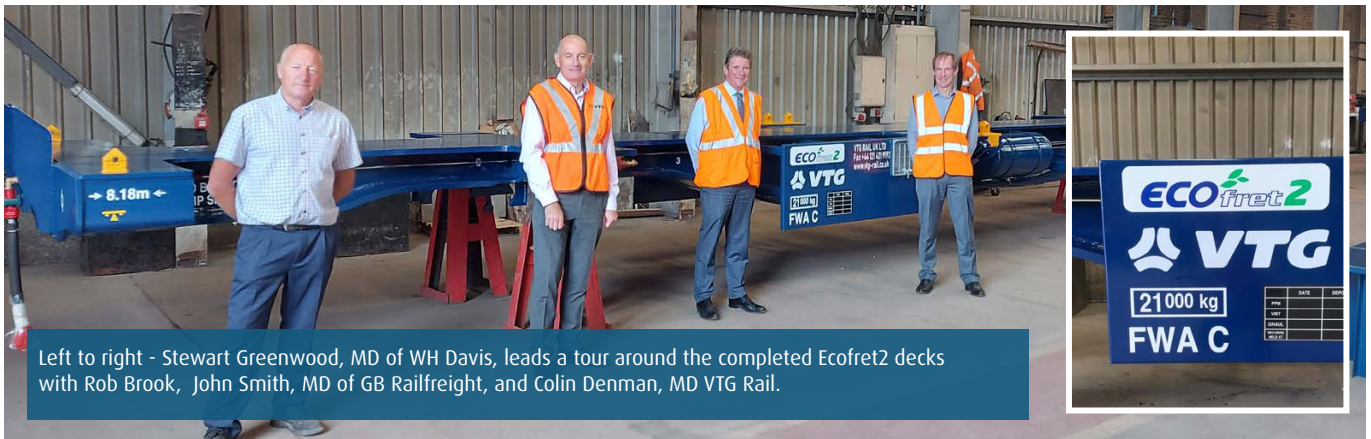
distancing measures that have made working effectively difficult at times. They have shown a diligence and flexibility that has come to underpin our approach to customer service.

When the pandemic first hit, we acted fast. On 27 March, we wrote to each of our customers and suppliers outlining exactly how Covid-19 was impacting VTG Rail and our response to it to keep our operations running as normally as possible. We established a 'UK Fleet Pandemic Panel (FPP)' to set up and remain in regular contact with customers and to review all aspects of business management, based on relevant factors, including latest government communications, supplier information and materials management.

In this issue, I am delighted to announce significant new leasing agreements with GB Railfreight (GBRf) and DCRail, where we have been helping support their growth.

I would like to welcome new starter Kelechi Nwaigwe, who has joined us as Engineering Administrator.

Finally, I am delighted to announce that VTG Rail and DCRail have jointly won the Rail Freight Project of the Year award at this year's RFG Awards. A lot of hard work went into the winning of this award and I want to thank everyone involved for making it happen.



Left to right - Stewart Greenwood, MD of WH Davis, leads a tour around the completed Ecofret2 decks with Rob Brook, John Smith, MD of GB Railfreight, and Colin Denman, MD VTG Rail.

*Continued from page 1.*

"As a business, our goal is to offer the best possible service to our customers and we are investing heavily in the wagons that will enable us to expand our operations, whilst also providing the extra freight capacity the industry really needs."

The announcement is also further evidence of the role GBRf and the rail freight industry as a whole will play to get the British economy back on its feet following the Covid-19 crisis. We will continue to do our bit to keep

the economy on track."

VTG's Rob Brook added: "VTG is thrilled to have been selected as the supplier of the next generation of container wagons for GBRf and looks forward to providing them with the highest levels of service, efficiency and reliability. Our long-standing relationship has seen the introduction of numerous new wagons, each helping to support their expansion for more than a decade. We appreciate the trust they have placed in VTG by choosing us as their partner for this new chapter in their ongoing success story.

"As a leader in innovation, VTG has made further significant investments in the Ecofret design ensuring that the new Ecofret2 wagon will bring even greater in-service benefits than its ground-breaking predecessor. With its improved loading flexibility and brand new, track friendly bogie design, this new wagon builds on the efficiency benefits provided by the original Ecofret since its introduction seven years ago, and will help GBRf continue to meet the growing demands of the Intermodal market."

# Ecofret2 represents the start of a new era in intermodal freight

**Back in January, VTG Rail UK signed the landmark deal with WH Davis to build 84 new Ecofret2® triple container wagons.**

Now incorporating a brand new, track-friendly bogie with enhanced dynamic ride performance and additional mounting points for increased loading flexibility, Ecofret2 is the latest innovation in maritime container transport.

VTG's Ian Shaw said: "The first Ecofret was a huge success for us. It won industry awards for its innovation and we had an incredible response from our customers who instantly saw its value. We have not rested on our laurels however and have been continually driving forward to meet the changing needs of rail operators and their customers. The Ecofret2 represents another step change in efficiency for the intermodal sector."



All the new wagons will be built at WH Davis' Shirebrook site in the East Midlands. Les Bryant, Group Business Development Director, said: "WH Davis is extremely pleased and proud to have been awarded this prestigious contract by VTG Rail against stiff European competition. It will ensure the strong tradition of rail freight wagon building by WH Davis in the UK continues, and we look forward to working with our valued customer VTG Rail on this project."

*Pictured left to right: Jonathan Hamer, Finance Director of WH Davis; Stewart Greenwood, MD of WH Davis; Nigel Day, Engineering Director, VTG Rail UK and Rob Brook.*



**We hope you like the new Ecofret2 logo design. It won't be long before customers and suppliers will see it whizzing up and down the network on the new low-bogie wagons. The Ecofret logo was originally designed by Jack Pumphrey son of Mark Pumphrey, VTG's Asset Manager, back in 2012.**

## VTG supplies 100 new wagons to support DCRail

**VTG Rail UK is supplying the Cappagh Group of Companies with 100 box wagons for the movement of construction material.**

DCRail, the Cappagh Group's rail freight operating company, is now using the first batch of wagons to carry recycled aggregate.

The new wagons have been designed specifically to optimise the movement of aggregates and construction spoil, with a design that maximises durability with a minimum tare weight. The design allows more material to be carried by each train and further improves the environmental performance of rail transport. Design features in the new wagons include a high impact floor that reduces the risk of unloading damage and an integrated compact bogie braking system that

minimises maintenance down time.

The wagons are key to providing efficient rail services for DCRail customers including those that will use a new freight hub near Wembley in North London. With the capability to handle trains conveying over 2,200 tonnes of material, the new hub is set to become one of the most efficient rail terminals in the Capital.

The use of rail will reduce the environmental impact of construction supply chains with each train carrying the equivalent of 110 lorry loads.

Ian Shaw, Sales & Marketing Director, VTG Rail UK, said: "We are delighted to be working on this project and look forward to seeing all the new wagons in operation. These brand new, high-specification box wagons are optimised for the construction sector and are fitted with integrated brakes and track-friendly bogies. This means there is no vulnerable, and often less efficient, frame-mounted brake cylinders or rigging. This also helps us to implement our 'bogie exchange' maintenance regime which, using our float

of spare bogies, minimises wagon downtime and maximises availability for our customers. As with all new VTG wagons, this fleet is fitted with our Connect GPS tracking system, allowing their location and condition to be monitored in real time. This purpose-designed system gives VTG and its customers a number of significant advantages in areas such as maintenance planning and resource utilisation."

David Fletcher, Director - Rail, Cappagh Group, added: "This is a hugely exciting time for DCRail. The Cappagh aquamarine blue livery is being seen across the country and we are very pleased with the support provided by VTG on this project. The innovations in wagon design and expected high availability will allow DCRail to meet the demand for efficient rail solutions for the construction industry. Since the introduction of the first batch of wagons payload on DCRail services has already been increased by 15% and we look forward to further increasing the amount of freight moved by rail."

*More on page 6.*

## New video shows how HS2 will help fight carbon emissions by increasing space for rail freight

VTG Rail wagons recently featured in a new video from DCRail supporting the benefits of modal switch and rail freight's role in the future green economy. Congratulations to everyone involved for making such a great video.

[Watch it here.](#)



One freight train can carry enough material to build 30 houses

### GROUP NEWS

## VTG innovation project: testing new sensor tech

VTG is equipping a large proportion of its European wagon fleet with new digital sensor technology.

As part of an innovation project, it is testing the type of sensors that enable predictive and status-based rail freight wagon maintenance, enhancing overall reliability and cost effectiveness.

The first sensors are currently undergoing extensive testing that includes track-side monitoring for a number of safety-related wagon parts including the braking system, wheelsets and general wagon status. A total of seven different sensor model prototypes with various functions will be tested. Besides an empty-load sensor, these include vibration sensors on the wheel set, which allow wear to be detected earlier - a significant step toward condition-based and predictive wagon maintenance.



### UK NEWS

## VTG Rail local football team update

**VTG Rail is delighted to be continuing its support of local youth football team, The Rubery Red Star team as kit sponsors despite the lockdown ruining much of their season.**

At the time of the suspension of games the team were in third place in the league and were still in one of the cup competitions.

Unfortunately the remaining games could not take place and the decision was taken by the league to end the season, making all results and league positions null and void.

Club Secretary Richard Summers said: "We are intending to continue with the team next season which will be in the U18's category. This could be challenging as most of our team will still be aged 16-17, however we do hope to recruit a couple of older players who have been training with us. We do hope to train and play in the same location but as both sites are in

lockdown at the moment this has still to be confirmed.

Richard added: "I would like to thank VTG for its ongoing support. The guidelines from the FA mean we can only do fitness and drills in small groups. We're hoping the season re-starts soon."

The Rubery Red Star team are based at Crofton Park, Longbridge, and train at the local school. The club started playing last September and is part of the Central Warwickshire Youth Football League. It is fully affiliated with the Birmingham County FA.

## Welcome our latest new starter

### Kelechi Nwaigwe

#### Engineering Administrator

**I started work as the Engineering Administrator in March 2020, reporting to Nigel Day, bringing my experience to assist the Engineering department with administration, document control, internal auditing, quality assurance and reliability management.**

I was called to the Nigerian Bar in 2003 and worked in private law practice until 2008, when I left Nigeria for a Masters degree in Oil and Gas Law, at the University of Aberdeen.

I have fond memories of my experience working as both a solicitor and barrister in the Nigerian legal space. Navigating through legal drafting to contesting and arguing legal positions in the courts. The experience I gained still propels me today.

My relocating to the UK and starting afresh was a massive step in my life but determined to make success out of it, I first managed a private legal support business but unfortunately, a combination of factors

of relocating from London to the West Midlands to marry and start a family and the global economic crash at that time made it impossible to retain my London clientele.

I got interested in Administration by chance while working in the security industry. Then Ove Arup & Partners ushered me into the rail sector as a document controller delivering quality control on the HS2 project, an opportunity that I grabbed with both hands and moved up to lead a team of five Document Controllers.

When the phase 2B aspect of the HS2 project came to an abrupt end earlier this year, based on government review, VTG Rail came calling. And having spent nearly four months here with VTG as Engineering Administrator, I am glad that I took this opportunity because VTG is an innovative company with a strong family culture. Also, the opportunity to dive into auditing, quality assurance and reliability management system is an exciting prospect.

Visiting sites to learn about wagons and understanding the intricacies of managing a fleet has been an eye opener to me. I am excited to be part of the inherent potentials of VTG and looking forward to adding my little quota towards helping to push it into new frontiers.



My wife, Lolita and I are blessed with two children Amelia who is six and six-month old, Asher, who has made sure that we enjoy less sleep these days. I enjoy sporting activities such as running, football and keeping fit at the gym. In my house match days can be tricky because while I support Chelsea football club, my wife and daughter support Liverpool football club. That makes it two against one, but I have started to invest in some Chelsea memorabilia to get my son to support Chelsea football club when he grows up. I hope this works!

In my spare time, I volunteer with the Helping Hands Charity of my local church; delivering essential items to people in need, in the Solihull area.

## Ever wondered what the first bogie rail vehicle looked like?

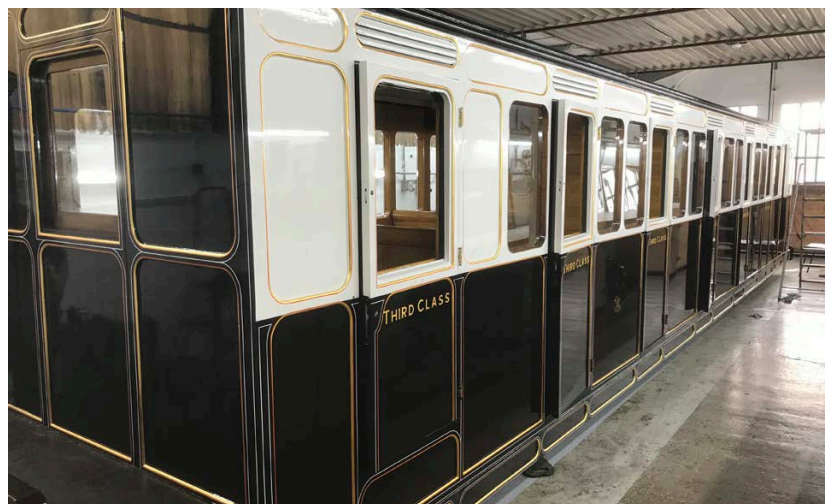
*By Matthew Harris, Fleet Controller, Peterborough.*

**The world's first bogie rail vehicle was built in 1872 and still exists today. The carriage was built by Brown & Marshalls and delivered to the Ffestiniog Railway where it has lived ever since.**

Just three years shy of turning 150 years old, carriage number 15 has been given a full refurbishment and repainted in her original livery. This carriage is not just a museum piece and is still used to strengthen trains when needed in the height of summer. Nearly all bogie vehicles that are out on the railway today can trace their design back to this vehicle.

*Outside his work for VTG Rail, Matthew often volunteers on the Ffestiniog and Welsh Highland Railways. He has clocked up more than 2,000 miles as a Fireman on the 13.5 mile line.*

[Read more here in the previous edition.](#)



# DCRail and VTG Rail collaborate to switch used ballast from road to rail

A recent project between DCRail and VTG Rail achieved significant success in encouraging new customers onto the rail network and away from the roads, helping develop new markets for environmentally friendly aggregates.

It brought together different partners and skill sets to deliver a number of key benefits for the customer, which included the establishment of three new loading points at Crewe, Carlisle Kingmoor and Westbury and three new unloading points at Leicester, Longport (Stoke-on-Trent) and Wembley (London). The Leicester unloading point [pictured right] was particularly interesting as it was established in only eight weeks and involved simply unloading material from an existing siding over the fence. Literally a 'pop up' freight depot that was the first rail freight traffic handled in the city for decades.

The project introduced three new-to-rail customers: Land Recovery, Cappagh Group and AR Aggregates where new wagons helped increase train payload by some 31%.

The first train ran on 1 May 2019 conveying the recycled aggregate from Carlisle to Boston, where the material was used by customers in the construction industry. Following the success of the Boston trains, further movements were developed from Kingmoor to Wembley for the Cappagh Group and to Leicester for AR Aggregates, both new rail depots and new customers for rail freight.

The materials delivered to Leicester were being processed for use in construction materials while the aggregates delivered to Wembley were used for the construction of a new rail freight facility to serve North West London.

Initially, a fleet of 90 tonne box wagons were used that were inefficient and equipped with old, non-track friendly, bogies. Working with VTG, however, a fleet of brand new, 101.6t GLW box wagons was secured that optimised payload through a light-weight, high strength design. They were also fitted with state of the art, low track force bogies that reduce noise and track wear, as well as providing enhanced availability due to much longer



Thanks to David Fletcher at DCRail for this great shot.

maintenance intervals.

The improved efficiency of the new wagons meant an increase in payload of 0.91 tonnes per metre of train length or, in other words, an additional 270 tonnes in a typical 300m train. The total order is for 100 wagons. The majority are now in service with the remainder to be delivered by the end of 2020.

Further work with the local Network Rail on a revised method of work using one locomotive, which allowed the average train payload to increase by 32%. This has significantly reduced the environmental impact of the rail operations.

*The project was such a success it won 'Rail Freight Project of the Year' at the Rail Freight Group awards. Details below.*

## UK NEWS

## VTG Rail and DCRail win top freight award

**VTG Rail and DCRail have been named joint winners of the Rail Freight Project of the Year at the Rail Freight Group (RFG) Awards 2020, for their work collaborating to switch used ballast from road to rail.**

Award judges commented that the project 'showed great levels of innovation and cooperation' and had clearly fulfilled one of the main overall aims of Rail Freight Group, which is to encourage the increas-

ing shift of traffic from road to rail.

Accepting the award on behalf of VTG Rail, Rob Brook, Head of Rail at VTG, said: "We are absolutely delighted that DCRail chose to work with us to help deliver this significant new-to-rail flow.

"There is no doubt that modal shift will be key in helping meet the UK's challenging decarbonisation targets, so let's hope we see many more projects like this one. I'd like to thank the entire VTG team for the great job they do, to DCRail for being a fantastic partner and to the RFG for hosting these absolutely marvelous awards."

David Fletcher, Director of Rail for the Cappagh Group, added: "We are really pleased that DCRail has won this award with VTG.

By working with our customers and industry partners we have been able to develop a new market for rail freight and deliver recycled aggregates in a sustainable manner to urban locations. Thank you to VTG, Network Rail and all at DCRail in making this project a success. Thank you also to the RFG for making sure the event still went ahead in these challenging times."

Held on 10 September in the rail freight industry's first ever online awards event, the RFG Awards celebrate outstanding achievements and commitment from right across the UK's rail freight sector.

VTG would like to say a huge thank you to everyone who helped make the awards happen.

# Rail freight is proving to be the backbone of the supply chain

By Dr Heiko Fischer, CEO, VTG.

These are troubling times. Covid-19 has the world tightly in its grip and the measures being taken to slow the spread of the pandemic have more or less shut down our public and economic lives.

One of today's most significant challenges is maintaining the flow of goods that cross our borders. Indeed, the more



stringent border checks, traffic jams causing bottlenecks stretching back for miles and stricter quarantine regulations mean that this cannot be guaranteed with transportation by truck alone. Quite the opposite – without rail freight transportation, providing the economy, industry and the general public with food, hygiene products and other essential goods would be nigh on impossible. In this way, rail freight transportation's public and private stakeholders are making substantial

contributions to crisis management each and every day. Our employees are going above and beyond – some are working from home but most are on the front line in our workshops, in the control centers or, of course, on our locomotives. I am hugely grateful for their commitment.

Digitalization has prepared the groundwork in recent years and is now crucial for maintaining our high levels of performance.

I urge you not to forget the significant role rail freight transportation and the private rail logistics companies are playing in safeguarding the supply of goods across the UK and Europe, even after the pandemic. We can survive this crisis and rise from it even stronger, but we can only do so if we work together. I wish you all the very best. Take care, keep safe and stay healthy.

## THE CORONA CRISIS UNDERLINES THE BENEFITS OF RAIL FREIGHT TRANSPORTATION

Rail freight transportation continues to play to its strengths, even in times of crisis – especially when more and more alternative means of transport are coming to a standstill.



One train has a much higher load capacity than one truck. **ONE FREIGHT TRAIN**, therefore, can replace up to **52 TRUCKS**. Efficiency at its best.



When a train reaches a border, in most cases, the wagons are coupled to a completely different locomotive with a new driver. This means the **RISK OF CORONAVIRUS TRANSMISSION** is kept as **LOW** as possible.



**The RAILWAY IS NOT AFFECTED BY TRAFFIC JAMS.** Mile-long traffic jams have become commonplace at the now more heavily controlled borders, ultimately leading to massive delays in delivery.



The railway is the **SAFEST MODE OF FREIGHT TRANSPORTATION** (especially for hazardous materials), plus it's **CLIMATE AND ENVIRONMENTALLY FRIENDLY**. A fully-loaded freight train emits up to five times less CO<sub>2</sub> than a truck.



## VTG Group reports stable results in first half of 2020

Despite the huge global impact of the Coronavirus pandemic, VTG ended the first half of the 2020 financial year with solid results. Both revenue and Ebitda are roughly on a par with the previous year's levels. Group revenue of €605.8m was 1.1% up on the same period a year ago (€599.3m).

The results are largely due to a very stable wagon hire business and the repair shops owned by the VTG Group. Throughout the crisis, they have kept the wagon

fleet operational without interruption. The transport volume in the logistics units was slightly down, above all due to Covid-19-related production outages.

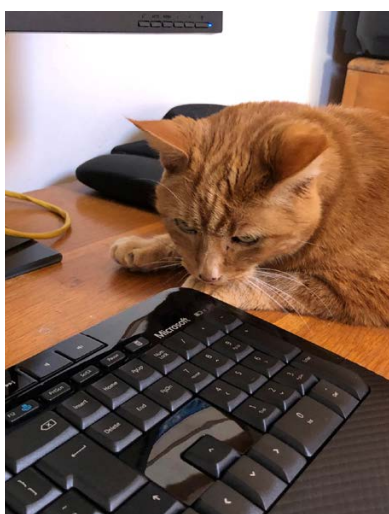
Despite this dip, the logistics divisions were able to underscore their critical importance to the smooth-running of European supply chains.

Group Ebitda of €245.8m in the first half of 2020 was more or less unchanged from the previous year, edging down by just 0.5% on €247m. Compared to the same period a year ago, fleet capacity utilization nevertheless fell by 2.2 percentage points to 90.8% from 93.0%.

Dr. Heiko Fischer, Chairman of the Executive Board of VTG AG, said that despite expecting tougher second half results in 2020, there was a lot to be positive about. "The

crisis surrounding Covid-19 was the main factor shaping the first half year at VTG. At the beginning of March, almost all of the VTG Group's offices switched in a very short time to mobile working, keeping business operations running smoothly. Where this strategy was not possible, in the repair shops and for engine drivers for example, our staff applied strict hygiene measures and exhibited tremendous personal dedication to keep operations running."

He went on to say: "The way we have rigorously focused our wagon fleet on the future needs of the freight industry, ground-breaking digitalization, our forward-looking policy of internationalization and the ability to secure attractive, long-term funding will all benefit us at the long end of this phase."



## VTG Rail pets become new lockdown legends

VTG Rail hired in a specialist group of feathered and furry consultants this summer, specialising in raising morale throughout the national lockdown.

Tasked with purring and not barking during the important bits, the new team significantly added value to catch-up calls, boosting overall team performance.

### UK NEWS

## Golf Day cancelled but 2021 date set

The health and safety of staff and colleagues has of course been our top priority during the pandemic. Unfortunately this meant cancelling the annual VTG Rail Golf Day, which should have taken place on Thursday 2 July.

Over the past two decades it has become a memorable fixture in the rail freight calendar, bringing together players from all parts of the industry.

On a more positive note, the 2021 VTG Golf Day has been booked and will take place on the Thursday 1 July at the Warwickshire Golf & Country Club, so please save the date.

## Multimodal Event rescheduled to 2021

As a consequence of the ongoing impact of the Covid-19 pandemic, Multimodal 2020, which was originally scheduled to take place on 16-18 June 2020, then rescheduled to 4-6 November, will now take place on 23 March 2021.

The VTG Rail sales team is set to attend and will be again joining the Rail Freight Group pavilion alongside other RFG members.

## Just hitched!

A huge congratulations to Nigel Day, our Engineering Director, who got married to Lisa on Wednesday 12 August in Cornwall.

Best of luck from all his colleagues and we wish them both a wonderful future together.

## 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](mailto:james@railfreightpr.com) to let us know and we'll be only too happy to consider it for publication in the next issue.