

# SSUE 14 · WINTER 2009

## VTG wins top prize at the Rail Freight Group Awards



Proud winners of the RFG Awards 2009.

VTG recently picked up the Technical Development Award, for its aluminium JPA bogie cement wagons at the 2009 Rail Freight Group Awards.

The innovative aluminium bodied design, fitted with the lightweight track friendly bogies, gives the JPA wagon a tare weight of approximately 19.5 tonnes, a saving of eight to ten tonnes over some older steel bodied bogie powder tanks, and an estimated five tonnes over a steel wagon of the same modern design.

Rob Brook, MD, VTG Rail UK says: "When we started looking at introducing the next generation of bulk cement wagons to the UK market we knew we had an opportunity to do something different. We wanted to deliver a design that would increase efficiency to meet the needs of our customers and also something that would stand the test of time whilst reducing its impact on the environment."

Working closely with its suppliers and customers, VTG had to overcome a number of hurdles in the design and production process of the new wagons. The wagon had to be adapted to UK loading gauge restrictions and had to accommodate a completely different bogie with increased axle loads, as well as conforming to the new TSI approval system and the UK Railway Group Standards.

The wagon's construction minimises tare weight, enabling them to carry class leading payloads, and its loading and discharge systems permit maximum versatility coupled with best possible turnaround times.

Brook adds: "We are delighted to pick up the award for best Technical Development and are very pleased that the wagons have made such a big contribution to reducing road traffic. The award recognises our commitment to innovative solutions and reinforces our position as a market leader. We look forward to continuing this good work in the years to come."



#### New coal wagons delivered

VTG Rail UK successfully marked its entry into the UK coal market this year by supplying 89 new build Fabfnoos coal hoppers to freight operators First GBRf.

The high capacity wagons, capable of operating at speeds of up to 75mph, can carry payloads of more than 74 tonnes, putting them at the very forefront of coal wagon efficiency.

Rob Brook, Managing Director of VTG said: "As the UK's largest private wagon hire company we are always looking at opportunities to further expand our business and as such we are delighted to be working with First GBRf as we take our first steps in the coal sector. We have been providing innovative and bespoke vehicle packages for the movement of many different types of materials, from cement to petroleum, for many years and we are confident that our new coal wagons, which are the most efficient design in the marketplace, will allow us to extend our reputation for first class customer service and technical ability into a new market."

Having passed final testing at the manufacturers, the first rake of wagons, which carry both the VTG and First GBRf liveries, travelled straight to collieries in north Nottinghamshire to commence work transporting extra volumes of coal to power stations in the Trent Valley for EDF Energy.



VTG's Fabfnoos coal hoppers.

Customer John Smith, Managing Director at First GBRf said: "The wagons are cheaper to run than other designs and provide higher payloads per wagon length - a critical factor in the coal sector and for network capacity, since it allows greater payloads per train path. We are extremely pleased

with the wagons, which are helping us to secure a larger proportion of the UK coal market."

VTG is keen to build on the success of its first coal contract and has already secured its first follow on order from another customer, and has others in the pipeline.

### VTG working to reduce climate change



VTG has reached an agreement with its customer First GBRf to modify part of its brand new coal hopper fleet to allow it to be used for moving biomass to Drax Power Station. Working in conjunction with its key suppliers, Lloyds Register Rail and W.H Davis, a state of the art, automated roof system will be retrofitted to the wagons to ensure it remains in optimum condition during its journey from the Port of Tyne to Drax.

Drax Power Station in North Yorkshire is already the largest, cleanest and most efficient coal-fired power station in the country. It is now undertaking the largest biomass co-firing project in the world, in which renewable biomass will be burnt alongside coal to produce electricity.

The co-firing facility will enable the power station to receive, handle, store and process a variety of

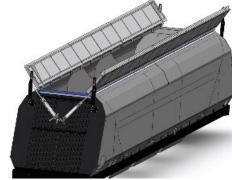
biomass materials before they are directly injected into Drax's coal-fired boilers where they are burnt alongside coal. Drax has a target to produce 12.5% of its output from renewable biomass materials by mid-2010. This would be the equivalent of 600 wind turbines and will save over two and a half million tonnes of CO<sub>2</sub> each year.

Biomass produces far less carbon dioxide and sulphur dioxide compared with fossil fuel counterparts such as coal. Therefore by burning biomass Drax will come closer to

meeting its target of reducing emissions of carbon dioxide by 17.5% by 2011, compared to 2006 levels.

#### **Benefits of Biomass**

- Reduced emissions less carbon dioxide and sulphur dioxide emissions.
- · Better economy development of an energy crop market is good for UK forestry, farming and the countryside, creating more jobs.
- · Renewable electricity it makes an important contribution towards meeting the UK's renewable energy target.



### VTG sponsored team goes VTG's annual from strength to strength



Despite an early season disappointment, falling at the first hurdle in The FA Cup, the girls at Coventry City Football Club are showing no signs of slowing down in the league judging by an amazing 16-1 victory in their last match at Leominster.

Sporting their eye-catching, VTG sponsored, pink kit, in aid of Breast Cancer Campaign, the girls inflicted their heaviest ever defeat and are hoping to build on this landslide victory. The girls are currently second in the league due to an impressive unbeaten run of 23 games (including all eight of this season's matches), and are

looking forward to pushing on in the second half of the season.

The team is also still in the Birmingham FA County Cup and has progressed into the third round with a 2-1 victory against Cottage Farm, a team based in Tamworth. The girls' next match is at Fairfield, near Bromsgrove.

At the moment, the club is midway through organising their end of season tour in the Isle of Wight with a couple of matches scheduled against the local opposition. After all of their hard work it will give them a much needed chance to let their hair down after a long season.

For more information about Coventry City Girls, please visit:

http://www.covcitygirlsfc.co.uk/site

For more information about the Breast Cancer Campaign go to:

http://www.breastcancercampaign.org/

### golf day



Yellow Ball winners (from left): Darren Thompson, Paul Davies, Ben Andrew and Simon Blake

VTG Rail UK held its annual golf day for clients and suppliers on Thursday 2 July 2009 at Morley Hayes Golf course in Derbyshire.

Excellent sunny weather and a good turn out resulted in fierce competition in all categories, with prizes awarded for best 18 hole individual (Stableford), the 'Yellow Ball' winning team, 'Nearest the Pin' and the 'Longest Drive'.

Representing VTG were Ian Shaw, Jean Burgess, Rob Brook, Brian White and Paul Davies who had a great round scoring 40 on his 40th birthday to win the Stableford competition. In second and third place were Richard Gibney from Lloyd's Register Rail and Ben Andrew from First GBRf respectively.

Also doing well from VTG was Ian Shaw who hit a great\* (\*lucky) shot on the 158 yard 6th hole, to win first place in the 'Nearest the Pin' competition. VTG were also part of the winning Yellow Ball team who scored 35 points, which included Paul Davies, Simon Blake from Aggregate Industries, Ben Andrew and Darren Thompson from PD Ports.

Picking up the Longest Drive prize was John Carpenter from Lafarge Aggregates (UK) with a "massive" drive (according to John it was well over 300 yards!). Alan Freemantle from Mendip Rail, who scored a very respectable 20 points, received a special gift for his long service to 'corporate events' to mark his retirement this

The winners were presented with prizes at a celebratory three course dinner in the club house by Rob Brook, VTG Rail UK's Managing Director.

#### A day at the races

Despite heavy downpours, VTG's Ian Shaw, Paul Lugg, Jean Burgess and their seven quests enjoyed an exciting and very enjoyable evening at Warwick Racecourse on Monday 15 June, 2009. The event, which was Warwick's only evening fixture on this year's calendar, was held in the "1707" glass fronted restaurant, opposite the finish line, with its private balcony where the guests could go to cheer their horses home.

VTG's table was also chosen to nominate the 'best-turned out horse' in the penultimate race for which the groom received a prize of £50.

The Champagne Lanson Handicap, which was the last race of the evening, was the most successful with 'Ocean Transit' romping home. This made a perfect end to the evening, particularly for those guests whose background in the shipping industry had led them to back the horse to win at 16-1!

The evening proved to be a winner in more ways than one, and this event will definitely be one to revisit in the future.



From left: Ashley Stower, Yvonne Reardon, Sara Runciman, Godon Cox, Jean Burgess, Paul Lugg, the Groom of their chosen horse and Ian Shaw.



### Rewarding efficiency and performance in rail freight

VTG renews its sponsorship of Rail Freight Excellence at the 2009 Rail Business Awards.

Now in its twelfth year the HSBC Rail Business Awards is one of the biggest events of the rail calendar. Launched at the Awards last year was the inaugural Rail Freight Excellence award. Sponsored by VTG the award recognises overall freight business excellence.

VTG's Managing Director Rob Brook, comments: "It's great that there is now an award designed specifically for companies in the rail freight sector. They make a massive contribution to the economy, as well as to the environment, by significantly reducing the volume of freight traffic on our overcrowded roads."

The Rail Freight Excellence award provides rail freight companies with an opportunity to gain recognition for the services they

provide, distinct and separate from those who serve the passenger sector.

The Malcolm Group, a leading provider of logistics and construction services, can testify that, as winners of the first Rail Freight Excellence award, it is a cost effective way to promote your company's efforts and boost staff morale. Helen Ryan, The Malcolm Group's Marketing Manager, said: "Winning the Rail Freight Excellence Award at last year's HSBC Rail Business Awards was a great achievement for the Malcolm Group. The award itself is prestigious and as winners it has enhanced our stature within the rail freight industry."

With its unique wagon management services, sale and leaseback deals, innovative new builds and an impressive record

for modifying existing stock, VTG plays a major part in the rail freight world, which is why it decided to continue its sponsorship of the Freight Excellence award.

"We work closely with both end user customers and Freight Operating Companies in the UK market to supply wagons that increase efficiency and improve performance," said Brook. "Sponsoring an award category which shares this aim is a very good match for us. The rail freight industry plays a big part in the British economy and it is important that this contribution is recognised. The creation of a specific freight category at the awards is an excellent way to get this message across and we are very proud to be associated with it."



### The biggest change for wagon owners since privatisation

For several years the European Commission (EC) has been trying to fully liberalise European railways and remove the stranglehold that state railways have traditionally held over the rail network with the aim of introducing full competition within all aspects of railway services.

To allow new entrants to the market the EC had to separate the roles and responsibilities of the infrastructure manager from that of the train operators and Railway Undertakings (RUs). Since all the registration and safety control of rolling stock had previously been handled by the state RUs, or through the Private Wagon Registration Agreement with Network Rail in the UK, the EC needed to facilitate the entry of new rolling stock providers in order to fully liberalise the market.

In 2008 the EC issued an amended Interoperability Directive (2008 / 57/ EU) which defined a wagon 'Keeper' as "the person or entity that, being the owner of the vehicle or having the right to use it, exploits the vehicle as a means of transport, and is registered as such in the National Vehicle Register (NVR)". It then issued an amended Safety Directive (2008 / 110 / EU) that placed a duty on the Keeper to register an "Entity in Charge of Maintenance (ECM)" for each wagon in the NVR.

The ECM, which would probably be the Keeper or possibly the RU, will need to be certificated by an accredited body appointed by the National Safety Authority (NSA). The NSA in the UK is the Office of Rail Regulation (ORR), which will most likely also become the accredited body issuing ECM certificates. These directives, which are due to be implemented as regulations by the end of 2010, will offer assurances to the RUs that any wagon accepted for traffic from a registered ECM has been properly maintained, although the RU will still need to inspect the wagons in case they have been damaged or interfered with during loading, transit or discharge.

VTG, via the Private Wagon Federation, is working with the ORR and the European Rail Agency to define what will be necessary to enable its certification as an ECM. This will certainly include having a Safety Management System (SMS) that will define the maintenance policy for controlling the design of maintenance, management responsibilities of all activities including controlling suppliers and subcontractors, and the processes for reviewing the effectiveness of maintenance. Each wagon will have a detailed maintenance plan, its effectiveness being audited by various means including safety performance



Davis Wagon Services maintaining VTG wagons at Shotton.

monitoring. The ECM will also undergo regular audits to ensure it is working in accordance with its SMS to retain its registration in the NVR.

VTG welcomes this next step towards full liberalisation of the EU rail market, which it anticipates will attract more freight to rail over the coming years. Where existing 'end user' private wagon owners have concerns about how the advent of ECM regulation may impact upon them, VTG will be pleased to offer advice and proposals to assist them in finding the best way forward.

### VTG delivers hoppers for Mendip Rail



VTG recently delivered twenty of its brand new open hopper wagons for aggregates transporter, Mendip Rail. Designed to make the haulage of sand and other aggregates more efficient, the wagons form part of a long-term 'new for old' lease agreement. Under the terms of the deal the new wagons will replace Mendip's outdated 'Dagenham Sand' hopper fleet with brand new, high capacity, track-friendly vehicles painted in the company's distinctive silver livery.

The new 102 tonne gross laden weight wagons offer an increase in capacity, enabling Mendip Rail to move more material whilst using fewer trains, and therefore providing important cost savings through lower fuel usage.

The wagons have also specifically been designed to offer big improvements in terms of vehicle longevity. Given the moisture and salt content of this seadredged product, the hoppers contain a new lining material to improve corrosion resistance, and hence extend the life span of the vehicles.

Pneumatically operated discharge doors, with independent control circuits and purpose designed edge seals, mean that the product is carried securely and allow unloading to be carried out in an effortless and controlled manner.

Ian Shaw, VTG's Bulk Fleet Sales Manager said: "Mendip Rail is one of VTG's largest and longest standing customers, and is responsible for moving between four and five million tonnes of quarried aggregates by rail from Somerset alone, giving huge environmental benefits relative to the road alternative. We are delighted to be strengthening this important business relationship by further expanding their wagon fleet in a crucial market sector."

The wagons will carry sand from Dagenham to depots in Acton, Brentford and Theale, where it will primarily be used by the construction industry, including readymix concrete suppliers. The sand is supplied loose, and along with imported coarser aggregates, is bagged on site for supply to local builders merchants and other trade customers.

Alan Taylor, from Mendip Rail said: "These purpose built wagons for the haulage of sea-dredged sand and gravels will provide a long-term solution to the safe transport of products with a high moisture content. They augment the extensive fleet of high capacity box wagons Mendip Rail already hired from VTG."



#### Pole position

#### Profile: Paul Lugg Position: Tank Fleet Sales Manager

Paul Lugg joined the wagon hire industry on 1 June 1977 as an Engineering Manager with the former Storage and Transport System Ltd (STS). One of the requirements at the time was the ability to speak fluent French as the majority of the company's new wagons were being built at Fauvet Girel in Arras, North Eastern France.

Paul had previously graduated with a degree in Engineering with French from Bath University in 1972, and had completed a five year apprenticeship with Rolls Royce in Bristol, working on the early engines for Concorde.

In 1973, he transferred to the MoD, working as a Project Engineer on high-powered diesel engines for military vehicles. This was followed a short period with Esso Engineering Europe before entering the world of rail freight.

Having been involved in building a number of wagons, including ammonia tanks for Ireland, CO<sub>2</sub> vehicles for Distillers and petrol wagons for Carless, Paul transferred to the commercial side of the business in the early 1980s.

In the days of STS, which was a part of the CAIB Group, the business was owned and managed by two wealthy Belgian families.

By the late 80's, Brambles Industries, the Australian industrial services company, had purchased the CAIB Group, and STS had acquired the Procor fleet of some 3,000 wagons. This much larger fleet was then split into two with Paul managing the

tank fleet, while an ex British Rail man, Mike Harvey, was brought in to manage the bulk wagon fleet.

Brambles European Rail division was bought by VTG-Lehnkering in 2002 and subsequent restructuring saw Paul taking the role of Tank Fleet Sales Manager, his role now being more focused on selling and less involved with the operational, day-to-day running and maintenance of the fleet.

Outside of the office, Paul has a passionate interest in motorsport, which he shares with his son, Alex. What started off with karting in 2003, has grown into a big part of both men's lives, with Paul providing both moral and mechanical support from the outset. In 2007 Alex narrowly missed winning the Fun Cup Scholarship, which would have provided a free



Paul Lugg and son Alex.

seasons racing but nonetheless he competed in the 2008 series with Team Nosound with Paul managing the team of three drivers and two mechanics. The team did well coming 7th in the Championship out of just over 30 teams competing.

In 2008, Paul and Alex raced again in the Fun Cup scoring a couple of podium positions and rounding off the season with a very impressive drive in the Dunlop Sport Maxx Production Cup. Alex has been invited by Thorney Motorsport to race in the Sport Maxx series next year and Paul is busy trying to raise sponsorship to help pay for it.

Anyone who may be able to assist with sponsorship, please contact Paul Lugg on 0121 421 9188 or email at:

paul.lugg@vtg.com

### Are you ready to take "The VTG Challenge"?

For your chance to win an iPod, VTG would like to see who can capture a picture of themselves reading a copy of OnLine in the most unusual place or situation. The picture below is of Dave Field taking five minutes out on the summit of Lobuche East (20,070ft) in the Himalayas. If you think you

can do better we want to hear from you!

Please send your pictures, details and location to Debbie Field at

**debbie.field@vtg.com**. The closing date for entries is 28 February, 2010. Standard competition rules apply.



Dave Field reading Online at the summit of Lobuche East in the Himalayas.



### Merry Christmas from VTG

VTG wishes all of its OnLine readers a very Merry Christmas and a prosperous New Year. This year's seasonal ecards will be supporting the following charities:

- The Warwickshire Air Ambulance
- · Acorns Children's Hospice in Birmingham
- · Help for Heroes
- The Foundation for Conductive Education in Moseley