



## Rail Development Corp. enters French freight market

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PITTSBURGH, PA, USA – Railroad Development Corp. is looking to rescue carload freight in France. RDC will create a joint venture known as Régiorail with Belgian logistics company Eurorail.

Eurorail was an early entrant when France allowed competition in rail freight, and set up a carload hub at Lérrouville in northeast France. That hub is now handling 40,000 cars a year and sees four railroads exchanging traffic, including Belgian and Luxembourg Railways. Régiorail will help create more local rail freight service providers and look for ways to improve the country's carload freight network.

Ten years ago, state-owned railroad operator SNCF moved 800,000 carloads a year through 12 hump yards, some built as recently as the 1960s. Since then, SNCF's freight operation has lost money, mainly due to carload freight losses. Today, the French rail system handles 200,000 carloads annually.

The traffic losses stem from national reorganization plans, each plan trimming more carload freight service. The most recent plan was announced in September 2009, after a consultant's report claimed that carload freight in France was uncompetitive. Meanwhile, SNCF is concentrating on expanding trainload and intermodal freight, while new entrants are scrambling to save as much of the forgotten carload traffic as possible. Railways based in Belgium and Luxembourg set up subsidiaries in France to ensure their customers continue to receive service.

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