

## Rail Strategy

### Alternative Transport Structures in Rail Freight Traffic



The continuous development of integrated production structures since the end of the 19th century is one of the most important strengths of the BASF's production network. As well as saving production costs, BASF's network also protects the environment by helping to reduce waste and cut emissions while reducing the consumption of resources and transportation to a minimum. As the worldwide No. 1 chemical company, BASF has a product portfolio which ranges from chemicals, plastics, performance products, agricultural products and fine chemicals to oil and gas. Besides the home market Europe, BASF operates 100 other production sites worldwide and thus ensures a flexible and reliable supply of customers in 170 countries of the world.

#### Scope of the project

Competition oriented rail strategy development.

#### Achievements

During the liberalization of the European rail networks, the BASF set itself the target to use the opportunity to develop competition to optimize their purchase/distribution logistics both qualitatively and quantitatively. The BASF's industrial rail company road should play a crucial role. The project target was firstly the exact definition of BASF's position in the rail freight traffic and then derived from this, to describe their dependency on the then monopolist DB Cargo by the build-up of own structures in the railroad freight traffic. TransCare developed a competition oriented rail strategy and supported BASF in its realization. As result, the rail share in freight traffic has increased, transparency and competition has been promoted and 20% cost savings in rail traffic was achieved.

#### CLIENT

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#### Our Services

- Analysis of inbound and outbound traffic flows of a number of BASF production sites (conventional and intermodal rail traffic)
- Development of a company oriented rail strategy
- Verification of economic realisation
- Evaluation of risks and chances compared to the status quo execution of rail traffic
- Recommendations for and support in the foundation of a private railway company