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**PERSPECTIVES AND OBJECTIVES OF FREIGHT TRAFFIC ON
CZECH RAILWAYS**

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Railway freight traffic is a service for the national economy, which influences it very significantly. Railway freight traffic is a business matter of network performance, which can be a kind of an individual wagon consignment, integral freight trains or small deliveries (express goods), in domestic and international transport. Customers assess the railway freight offer from different standpoints, which are price and quality.

Railway freight traffic of the Czech Railways offers to its customers and keeps up following service:

1. Truck consignment /consignments which are big at least as one truck/ according to customer's choice from:
 - preferential trains,
 - through dispatch trains,
 - ordinary consignments.
2. Big containers organised by operators. This transport category is considered by the Czech Railways to be predetermined for further development in the future.
3. Road vehicles with a driver (ROLA), but only on determined lines: Lovosice - Dresden, and České Budějovice - Villach. The operator of these lines is the Bohemiakombi Company. There are other ones possible, it depends on the operators' orders.

The most significant groups of goods, transported by the Czech Railways are solid fuels, goods of oil, ores, metallurgical and engineering goods, building material, wood, agricultural goods and foods. In 1997 there were two exceptional circumstances (a strike in February 1997 and floods in July 1997) which influenced the development of transport in

a very negative way. There were delays in deliveries but gradually they were compensated. It took several months to plants, which suffered from the floods to recover.

The quantity of freight traffic performance is connected very closely with the Czech economy. On base of obtained information about the trends in 1997 and early in 1998 we can expect further trends in demands of freight traffic.

In transport of solid fuels a transition to external carriers is going on. If we compare annual reports in 1997 and in 1998 we can see that wagonload of 3.6 mil. tons was transferred from the Czech Railways to external carriers. We can expect that in 1998 about 11 mil. tons will be transported, in other words from the point of view of the Czech Railways, the loss in 1998 compared with the year 1997 is about 2 million tons. In fact, this reflects a long-term inhibition to mine. That is why in the year 1998 the decrease in the capacity of freight traffic in comparison with the year 1997 will be as a minimum another 0.7 mil. tons. This prognosis of the Czech Railways corroborates also the development of loading solid fuels, particularly brown coal.

The transport of oil products in 1998 is supposed to stop the present bulk decrease of transport, which is a result of penetrating of foreign companies in the Czech market. These companies provide the transport of oil products themselves by road means of transport. The stopping of the present bulk decrease is also corroborated with undergoing negotiations with the main customers (Kaučuk Kralupy and Chemopetrol Litvínov).

The transport of ores and metallurgical products suffered from the floods in July 1997. In 1998 according to the statement of the Ministry of Industry an import of ores on the level of preceding years is presumed. As far as the dispatch of metallurgical products from the production is concerned, a part of customers announced to carry them by means of road transport.

The Czech Railways provide the transportation of engineering products for a lot of smaller customers. On the basis of research in 1998 neither a significant revivification nor a considerable decline of the bulk transport is expected

Referring to the sales difficulties of raw wood abroad a decline of export of this commodity is expected.

The transportation of building material is expected to keep the same quantity as in the preceding year although this year a decline in building industry is foreseen in the Czech Republic.

As far as the transportation of agricultural products and foods, the range of products has been narrowed. The main part of this transport has been represented with grain crops. In 1998 a decline of the bulk transport of crop-plants is expected.

Regarding the Czech Railways offer the bulk of transportation of other goods is increasing. But their share of the whole quantity cannot compensate the real decline in the transportation mainly of solid fuel.

Apart from the transportation of individual substrates mentioned above, the following transportation will be provided:

- the transport of big containers - in 1998 an increase of bulk transport is expected, especially as a result of an expected increase of exports of goods to SNS and due to the transition from the road transport to the railway transport providing imports to SNS,

- the carriage of means of transport with a driver - in 1998 we can expect a demand of the same level as it was in 1997,
- loading for export - the decisive commodities on the railways are metallurgical products, solid fuels and chemical products. Referring to manufacturers' sales difficulties of metallurgical products and solid fuels in foreign markets, in the year 1998 a drop of bulk transport is expected.
- Import - in 1998 the rise of import is expected.
- Transit - the main commodities for transit are coal, paper and wood, especially in the direction north - south. In 1998 a slight rise in bulk transit is expected.
- Loading for the domestic market - the development of the loading for home market is influenced very much by the development of the loading and transportation of solid fuels. Regarding the expected drop of these commodities - provided with the Czech Railways - a drop of domestic load is also expected.

The decline of goods railway transport is caused mainly with domestic traffic, where the difference between the assessed year and the previous one is about 7-8% million tons less. Also a considerable fall in export in comparison with the year 1996 was also recorded. In spite of this the whole international transportation showed a slight increase - as a result of the rise of transit transportation and also in the range of import of goods.

The aims of the Czech Railways freight traffic for the year 1998 take into account the analysis of the present stage, expected trends of development and economical situation of the Czech Railways. They concentrate on the main customers and the small ones as well. For the year 1998 these aims are divided into following areas:

- a) the most significant customers
- b) small customers
- c) combined transport
- d) supplementary services, encouraging recruitment of new customers and a maintenance of the current ones
- e) a support of export of goods
- f) freight transport sales management
- g) programme of sales managers training.

There are three main tools which the Czech Railways can use in their contacts with major customers, they are an offer, logistics and putting straight dispatcher trains according to the customer's needs and wish, when the transportation is performed - round the Czech Republic, from the Czech Republic and to the Czech Republic. This aim offers a possibility to carry at customers' tariffs in order the Czech Republic could compete with external carriers and to reduce the expected transit of the lucrative transportation from the Czech Republic to those external ones.

The objectives of the Czech Railways concerning small customers are to offer a technology of a segregate train formation which takes the advantage of the network of preferential trains, is more reliable, has a firm schedule and guaranteed delivery time. This aim includes a possibility to carry the goods at customers' tariffs on negotiated conditions. This enables the Czech Railways to compete also with road hauliers.

Combined transport is concerned by the Czech Railways to be a potential developing area of enterprise. In case it will not be supported /especially the combined transport/ at least partially by extra-plants resources /e.g. from the state budget/, it is impossible to use prices which are usual for equivalent consignments in through freight traffic.

Combined transport will be organised in the following way:

- a) combined transport (ROLA - road vehicles on railways). This traffic system is organised by operators, but it is not considered to be perspective in the future.
- b) Non- conducted transport (big containers, exchanged superstructures, ACTS). Operators are responsible for organising this kind of transport. This system is considered to be perspective thanks to an increasing number of system trains. Combined transport is based on marshalling public yards owned by operators and partially of private railway sidings. These marshalling yards are not supposed to be run by the Czech Railways in the future, although they used to be their property in the past.

The Czech Railways are going to offer and enlarge their supplementary services such as customs representation, customs storehouses, forwarding activities, logistic service, loading and unloading of goods for hauliers. These services are very popular, first of all for their specific character. Besides this they encourage the interest in rail transport. The centralisation of materials handling into fewer places will enable services of higher quality to be done. In order to support the increase of railways freight utilisation, the Czech Railways' objective is not to rise the charge for wagon staying during its handling, when it is unloaded, on railway sidings or on spur tracks. To support a utilisation of direct dispatching trains there is an intention to retain a 10% discount.

The Czech Railways' objective in the field of export goods promotion is their co-operation with a customer with foreign railways authorities to maintain common business policy, making the dispatch of deliveries and cross-borderline transportation easier, in logistics of international through forwarding trains and enlarging through forwarding trains capacity for operators of combined transport to the Union of Independent States and to harbours in the north Germany. 5 senior sales managers in the transport department of the central office, 38 regional managers of sales operating head offices and 7 sales representatives of the Czech Railways abroad are responsible for sales organisation of freight rail transport of the Czech Railways a complex service of customers, advisory service, special price arrangements for individual customers, solving logistics needs in the whole forwarding process etc. Common and simple operations ordered by customers are handled at railway stations. Sales managers' basic tools are:

- a) personal contacts and individual logistics care of client's order implementation
- b) customers' tariffs
- c) agreements upon closing future forwarding contracts
- d) other agreements with extra services arrangements

Special care will be given mainly to bulk substrate transport and to international forwarding. Sales managers' activities of freight traffic are going to be supported by advising services which will be organised at sales-operating head offices.

A retraining programme for sales managers will be a long-term complex one /4 - 5 years/. It will be focused on marketing, logistics, sales and negotiation with a customer. It will be realized as training courses and a few managers will take part in study visits. This programme will be focused on young and perspective employees of the Czech Railways.

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Résumé

VYHLÍDKY A CÍLE NÁKLADNÍ DOPRAVY NA ČESKÝCH DRAHÁCH

Bohumil ŘEZNÍČEK, Pavel ŠARADÍN

Článek popisuje současnou nabídku Českých drah v oblasti nákladní přepravy a hodnotí trendy k rozvoji této oblasti. Popisuje se zde také nová organizace prodeje služeb a aplikace marketingových nástrojů k dosažení cílů společnosti.

Summary

PERSPECTIVES AND OBJECTIVES OF FREIGHT TRAFFIC ON CZECH RAILWAYS

Bohumil ŘEZNÍČEK, Pavel ŠARADÍN

The article describes current Czech Railways services supply in freight transport and evaluates development trends in freight transport. It also deals with new organisation of transport services sale and application of marketing tools to achieve company objections.

Zusammenfassung

PERSPEKTIVEN UND ZIELE DES FRACHTTRANSPORT AUF DEN TSCHJECHISCHEN BAHNEN

Bohumil ŘEZNÍČEK, Pavel ŠARADÍN

Der Artikel beschreibt das gleichzeitige Dienstleistungsangebot der Tschechischen Bahn im Gütertransport und bewertet die Entwicklungstrends im Transport der einzelnen Produkte.

Man beschreibt die neue Organisation des Transportdienstleistungsverkaufs und die Ausnutzung der Marketinginstrumente für Betriebszielerreichung.

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