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Forest companies benefit from deregulation of the railways

From the start of next year, the companies behind ScandFibre Logistics AB will be transporting 2.4 million tonnes of forest products by rail from Sweden to terminals that are convenient for European customers. Deregulation of freight traffic is increasingly allowing solutions to be created together with pan-European players instead of only with national operators, as used to be the case.

The transport and logistics services will be provided by the company ScandFibre Logistics, which is owned jointly by Billerud, Holmen, Korsnäs, Mondi Dynäs and Smurfit Kappa. The trains will depart from the Swedish mills every working day. At special hubs, the wagons will then be coupled to a block train for their onward journey down into continental Europe. Thanks to the unique volumes provided by this industry collaboration and the new pan-European players, the block train can drive down to customer terminals across Europe in just a few days.

“In addition to the clear benefits such as increased control over the goods and thus more reliable accuracy of delivery to the customer, there is also a green aspect to this,” explains Per Lindberg, President and CEO of Billerud. “This agreement strengthens our focus on rail as the leading transport option for our products for a relatively long time to come. We will also be offering companies that currently send goods to Sweden by lorry a more environmentally aware transport alternative.”

ScandFibre Logistics is one of Sweden's biggest rail freight customers. The company has signed agreements with four suppliers over six years to operate the rail-based logistics system named Rail 11.

“In the northbound direction, we offer a cost-effective freight service from much of Europe to recipients in Sweden. The short lead times and environmentally aware mode of transport should be of great interest to companies that have Sweden as a market,” says Mats Berlin, Managing Director of ScandFibre Logistics AB.

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Billerud is a packaging paper company. The company's business concept is to offer customers packaging material and solutions that promote and protect their products - packaging that is attractive, strong and made of renewable material. Billerud has a world-leading position within several product segments, both within paper for consumer packaging and for industrial applications. Production takes place at three integrated pulp and paper mills in Sweden and at one paper mill in the UK.

ScandFibre Logistics AB

The company provides and develops transport and logistics services for Swedish forest product companies. Its core business is to operate and further develop its own railway system Rail 11. Initially, Rail 11 will run the equivalent of around 30 block trains from Sweden to the Continent. The company is owned by Korsnäs AB, Billerud AB, Smurfit Kappa Kraftliner AB, Mondi Dynäs AB and Holmen AB, each holding 20%. www.scandfibre.se

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