

31 August 2016

GB Railfreight invests in new wagons to service Sibelco contract extension in UK

GB Railfreight (GBRf) today (31 August 2016) confirmed that it has invested in new wagons in order to service a contract extension with Sibelco Europe in UK. The extension will see the operator provide freight services for Sibelco's silica sand product for a further five years, until December 2022.

GBRf is leasing 41 new 101.6 tonne hopper wagons from Nacco Leasing for a minimum of five years, with the option to extend. Built by Poland-based Greenbrier, the investment in these assets allows GB Railfreight to deliver a more efficient service for Sibelco by:

- Almost doubling carry load (from 36 tonnes per wagon to 70 tonnes).
- Operating on more efficient and track-friendly bogies.
- Assisting staff in carrying out easier and more effective maintenance responsibilities.

The contract extension is scheduled to come into force in August 2017, when the freight operator will see the new-build aggregate sand wagons enter service. It means that GBRf will continue to transport silica sand from Sibelco's quarry in Kings Lynn, Norfolk, to Guardian Industries' UK plant in Goole, Yorkshire, and Ardagh Group's UK glass sites in Barnsley and Doncaster.

The deal highlights the operator's commitment to deliver for its clients and to further expand into the aggregates market. Investment in assets is vital if freight is to remain competitive, especially in potential core commodity markets such as aggregates.

John Smith, Managing Director of GB Railfreight, said:

"GB Railfreight recognises the challenges that the freight industry currently faces and that, in order to create sustainable growth, modern and innovative solutions are needed for our customers."

“This contract extension with Sibelco is a primary example of close working between ourselves and the customer to better understand what is needed to improve services. In this case, it was agreed that we would invest in new-build hopper wagons to increase capacity and efficiency.

“I am delighted that Sibelco has agreed to work with us for another five years, and we will continue to evaluate how we can boost our offering and ensure rail freight remains competitive.”

Andrew Smith, UK Logistics Manager of Sibelco Europe, said:

“We are delighted to have finalised this supply agreement and contract extension with GB Railfreight, who we have worked successfully with since 2014. The glass industry is incredibly important to Sibelco and maintaining the high quality of our product and service is critical, these new wagons will enable us to supply our customers with confidence for the future.”