

## Supply Chain Ireland seminar highlights demand for further growth of rail and air freight

Oct 01, 2015



The growth potential of rail freight, and the air cargo business to and from the West were highlighted at the Supply Chain Ireland seminar an initiative of the Irish Exporters Association held at the McWilliam Park Hotel, Claremorris, County Mayo yesterday (30 September). Under the theme 'The Past, Present & Future of the Supply Chain in the West', expert speakers from businesses and individuals relating to improving and increasing efficiencies of the Supply Chain Network addressed the various benefits and challenges, exporting manufacturers experience during the course of their daily business.

In welcoming the attendees, Jarlath Sweeney, Group Editor, Fleet Transport who acted as Chairman, mentioned Claremorris' historical links as a crossroads within Connaught and due to its central location appropriately marketed by the local Chamber as being in the 'Heart of the West'. "A crossroads to all that is happening and about to happen in the region. I'm talking here about road transport, rail freight, sea crossings and air cargo, all vital components of the Supply

Chain Network,” he said. “The major manufacturing industries located in the West need an efficient and cost effective method of transporting and importing their goods to market, and in return import raw materials,” he added.

John O’Mahony, Chairman of the Joint Oireachtas Committee on Transport & Communications highlighted the potential of further growth in rail freight and its environmental benefits. “Currently Mayo is the largest producer of rail freight outside of Tara Mines with over 1,000 trains operating to and from Dublin and Waterford ports annually and growing. Currently, Mayo freight trains generate about €2m in carbon savings annually,” he said. He welcomed the Government’s decision to conduct a feasibility study to examine options for expanding freight transport on the railways under the Capital Investment Programme and before its mid-term review. On air cargo movements, Deputy O’Mahony said that the takeover of Aer Lingus by the IAG Group should open further routes for Ireland Airport West Knock for both passengers and possibly air freight.

Simon McKeever, CEO, Irish Exporters Association explained the workings of the organisation and mentioned that 18% – 40% of the top 250 Irish exporters are manufacturers in the Mid-West region. “We provide assistance to our members by leading, connecting and enabling . Our focus next year is to enhance our regional presence through events networking and training for our members.”

Declan Downes, Supply Chain Manager at Hollister ULC which soon celebrates 4 decades in Mayo, stated the challenges that face the health care product producer that serves over 90 countries, and employs 662 in Ballina. “While labour costs remain competitive, transport costs such as fuel and time are the biggest challenge. Not helped by the lack of quality roads on the N5 and N26,” he said, “As 66% of our raw materials come from overseas from as far as China and India, adds to the challenge.”

For the exporting company representatives present, Joe Cleary, from the Customs Division, Revenue explained about the changes ahead for the sector with the introduction of the Union Custom Code which will come into effect by Quarter 2, 2016.

Experienced rail freight expert Nick Gallop, representing the Western Development Commission as a consultant, gave a historical account of rail freight developments in Britain and how the industry has evolved and significantly grown with major supermarket chains taking the lead in moving goods by container the length and breadth of the country. “Many of which have rail links adjacent to their warehouses,” he stated. “Tesco alone saves 3,000 tonnes of carbon emission through rail freight, running 5 trains a day, with 35 to 38 boxes on board each train.”

“Rail has its place, it’s good and has great potential,” he added. “With the right partners, it can work for Ireland,” he emphasised. Nick is currently concluding a feasibility study on behalf of the Western Development Commission regarding the state of the rail industry in the West of Ireland.

The final speaker before the Q&A was Donal Healy, Sales & Marketing Manager, Ireland West Airport Knock who began his presentation by showing the initial work on the construction of Knock Airport over 30 years ago. He admitted that presently, revenue from air freight is small but with further investment in facilities and infrastructure, similar to that of Shannon, substantial growth potential can be achieved. “We have Ireland’s third largest runway,” he said.

The event concluded with a visit to Claremorris Railway Station where line refurbishment is ongoing.