

## Press Release

# VTG leads innovation on pocket wagons: Connected rail assets for improved rail safety practices and digital efficiency

- **Double pocket wagon fleet to be equipped with Nexxiot Kingpin Monitor solution**
- **Maintenance-free sensor solution for keeping check on loading of road going semi-trailers on pocket wagons**

**Hamburg, June 3, 2021.** Rail freight workers must carefully monitor the loading and securing of semi-trailers put on pocket wagons as they can be vulnerable to adverse conditions such as high winds, steep inclines and misaligned kingpins, all of which can compromise safety if not carefully managed. Now Nexxiot and VTG take rail safety to the next level and extend their cooperation: VTG is pilot testing Nexxiot's Kingpin Monitor solution which is a complete maintenance-free sensor solution for keeping check on the loading of road going semi-trailers which are put on pocket wagons.

The sensor application is currently being tested on a total of 70 double pocket wagons under some of the harshest industrial conditions and for highly sensitive and demanding cargo requirements. Provided the results of the test series confirm that the technology creates significant value for these types of assets in the supply chain, a full rollout for all double pocket wagons is planned to start in November 2021 and will be completed by 2022. With this, VTG demonstrates its commitment to having the safest and most secure pocket wagons in the industry, which is testament to the innovation mindset of the company. Dr Hanno Schell, VTG's Head of Technical Innovation states: "The Kingpin sensor adds to our digital efficiency and safety practices. We believe this will become standard in the market. As an innovation leader, VTG feels that quality and accountability are highly valued by our customers. We therefore take every advance to enable better services and more trust in rail cargo."

The Kingpin sensor piloted between VTG and Nexxiot detects whether the kingpin is engaged and whether the hitch status is open or locked. There are two displays on the sensor set itself and one of these is each placed at either side of the railcar. All collected and transmitted data by Nexxiot will be collated in VTG's platform. This ensures both instant confirmation feedback for in field operators and also transparency for controllers and decision makers in the management offices. This also means that automated checks can be made at any point in the journey. The data can be used to confirm and trigger essential events, and business processes can be linked to these checks to ensure sound connection and engagement of these safety enhancing components. Data can also be used to investigate should an event take place.

Stefan Kalmund, CEO of Nexxiot, states: "If more goods are to be shifted from road to rail in the future, then it must be ensured that this also happens in a safe manner. With the Kingpin sensor, we are delivering a cutting-edge digital solution for preventing accidents and supporting employees in their

processes. We provide continuous feedback on the status of the hitch both during loading and throughout the journey, using real-time communication and providing alarm messages in case the locking status changes. I am convinced that this innovation together with VTG will lay the foundation for a significant change in the industry.”

The rail freight industry has taken a proactive approach when it comes to sensor technology and digital transformation. As such, the new sensor solution is an additional safety measure and at the same time an important aid for customers and loading staff. It offers more security for employees on site, especially in the dark. Crane drivers and ground staff are well versed in handling trailers. However, when visibility is poor, they often have to carry out the inspection with flashlights and rely on an acoustic signal that the pin emits when it is correctly inserted into the support frame. The sensor provides certainty here, because an LED light on the control module signals that the pin is correctly positioned. A second LED indicates that the locking latch is engaged.

This development provides further evidence that VTG sets the benchmark in the way it champions the benefits of digital assets and data driven value for its customers. VTG Connect, a cloud service supported by Nexxiot technology, along with a range of associated sensors is defining new possibilities as it continues to mature. Safety is always one of the most important considerations as errors can be so costly on multiple levels. Sensors like the Nexxiot Kingpin sensor represent major advances for the industry. As part of the innovation project “Status-oriented and predictive maintenance by VTG Rail Europe”, the European Union is promoting the use of sensors to digitize rail freight transport. The project is therefore co-financed by the European Climate, Infrastructure and Environment Executive Agency (CINEA) of the European Union.

*The contents of this publication are the sole responsibility of VTG AG and Nexxiot and do not necessarily reflect the opinion of the European Union.*

#### **About VTG:**

Headquartered in Hamburg, VTG Aktiengesellschaft is a global asset owner and logistics company with a strong focus on rail. Besides hiring out rail freight wagons and tank containers, it also provides multimodal logistical services and integrated digital solutions. The company’s fleet includes around 94,000 rail freight wagons – mostly tank wagons, intermodal wagons, standard freight wagons and sliding-wall wagons – as well as about 9,000 tank containers.

This diversified service portfolio gives VTG’s customers a robust platform for international freight transportation, based on which the company develops made-to-measure logistical solutions for any and every industry. Over many years, VTG has accumulated granular expertise across the entire transport chain – expertise that is now flanked by smart technology. The Group likewise combines a wealth of experience with a specialized knowledge of the transportation of liquid and sensitive goods in particular. Its customers include a plethora of leading companies representing the chemicals, petroleum, automotive and paper industries, agriculture and virtually every other sector besides.

VTG posted revenue of EUR 1,218 million and an operating profit (EBITDA) of EUR 492 million in the 2020 financial year. The Hamburg-based company’s subsidiaries and affiliates give it a sizable footprint in Europe, North America, Russia and Asia. Effective December 31, 2020, VTG employed around 2,100 people worldwide.

#### **About Nexxiot:**

Nexxiot AG from Zurich, Switzerland, is a driver of the digital logistics of tomorrow. The company’s goal is to enable a five percent reduction in global CO2 cargo emissions by increasing cargo transport efficiency and eliminating

waste caused by empty runs and inefficient routes. To achieve this, the company empowers its clients to leverage the power of their data with cutting-edge technology. Therefore, Nexxiot provides an integrated solution to track, find and protect cargo from over 160 countries around the globe and across 450 network roaming partners to ensure trust, security, and efficiency. Data from more than 2.5 billion travelled miles is stored in Nexxiot's dedicated logistics cloud. Employees from over 19 countries contribute to the success of the company. In addition to its headquarters in Switzerland, Nexxiot operates in Germany, the USA and is pursuing a global growth strategy. For more information, visit [www.nexxiot.com](http://www.nexxiot.com)

**Press Contact VTG AG:**

Dr. René Abel

Head of Corporate Communications

Phone: +49 (0) 40 23 54-1341

Mail: [Rene.Abel@vtg.com](mailto:Rene.Abel@vtg.com)

**Press Contact Nexxiot AG:**

Kevin Hohmann

Phone: +49 (0)30 20 61 41 30 50

Mail: [kevin.hohmann@nexxiot.com](mailto:kevin.hohmann@nexxiot.com)