



## Corridor

### Lifting the spirit – Whisky by rail

*Elgin – Aberdeen – Grangemouth*

#### Definition of a corridor

Corridors are characterised by a connection between a region of origin and a region of destination. In the ideal situation a balance of flows in both directions is obtained. In the framework of Food Port, a **green** corridor is considered in a broad way. In terms of “sustainability” it combines on the one hand environmental and climate criteria and on the other hand economic (cost-efficiency) criteria. Setting up a corridor which is green in the (narrow) sense of being environmentally friendly, but not price competitive, will not be sustainable and could not be developed on a structural basis.

#### Map



#### Description

Following the Whisky Logistics in 2011, HITRANS has decided to trial movements of bulk spirit by rail. The movement of bulk spirit from the North of Scotland has been entirely by road for many years. In Lifting the Spirit, bulk whisky is collected from 4 distillers in ISO tanks and brought to Elgin rail yard, from where they are lifted onto rail wagons for dispatch. They are conveyed to Central Scotland, lifted off and road hauled to storage, distribution and bottling plants.

This is an example of horizontal collaboration with a number of actors working in partnership maintaining commercial confidentiality but being indemnified against cost. Direct competitors are collaborating on logistics. The environmental benefits of the trial have been analysed by an academic partner.

#### General objectives

The modal shift trial to rail of bulk whisky generated important and new insights regarding:

- Performance and reliability;
- Cost;
- Feasibility;
- Carbon savings;
- Infrastructure optimisation.





## Process

HITRANS tendered for rail haulage and for container tank lease. Specialist consultancy was also required. Initially rail freight companies were invited to express interest and provide indicative costs before a preferred partner was selected. Road collection and delivery is managed by distillers through existing contractual relationships.

The true costs of the rail operation were established, and environmental benefits calculated. There will also be resilience, performance and road maintenance benefits. The environmental aspects of project have been audited by an academic partner.

The following actors have been involved in the trial: HITRANS (Project manager, funder); the Scotch Whisky Association (Trade body); Diageo, Pernod Ricard, Bacardi and Edrington (the 4 distillers); DB Schenker (Rail Freight Operator); JG Russell (Logistics Management Company); Network Rail (Infrastructure manager) and Moray Council, Highlands and Islands Enterprise, ERDF/Interreg North Sea Region Programme (as funders).

## Results

The first train has run on 13 September 2013 and was launched with a stakeholder event coinciding with the Food Port Partner Meeting at Elgin. The event was addressed by the Cabinet Secretary for Rural Affairs and the Environment Richard Lochhead.

The trains have been running once rather than twice a week as the volumes have been lower than anticipated.

## Lessons learned

1. Distillers were able to use rail for the first time in many years from this area. The project has allowed open participation by not discriminating in favour of any individual entity and not requiring long term guarantees of commitment which often deters experimentation.
2. Network Rail and freight operator DB Schenker learned about the ability of the rail network to move certain products on certain wagon types.
3. JG Russell was able to gain experience from the necessary collaboration with other logistics providers.
4. Although unusual for a public sector organisation, HITRANS has been able to encourage private sector to work collaboratively.
5. Small targeted infrastructure investments in rail facilities can have long term benefits.
6. Rail haulage can significantly reduce the carbon footprint of distillers' logistics costs.
7. In conducting the trial we will have developed a case to put to government for investment in rail freight.

## Case initiated by



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Full corridor report is available on [www.food-port.eu/downloads](http://www.food-port.eu/downloads)