



TRANSPORTATION

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Deutsche Bahn faces private inter-city train rival

A consortium of rail operators from the US, Canada and Germany has launched train services between Hamburg and Cologne. Germany's first privately-run inter-city line poses a challenge to monopoly operator Deutsche Bahn.

New German rail operator Hamburg-Köln-Express (HKX) opened business on Monday, planning to provide train services three times a day between the northern German port city of Hamburg and Cologne, a major city in the industrial region of North Rhine-Westphalia.

The service is a private endeavor funded by United States rail operator Railroad Development Corporation, German firm Locomore and Canadian financial investor Michael Schabas.

HKX sets out to challenge German state-owned rail operator Deutsche Bahn in the lucrative long-distance travel market, reviving privately-run train services in this segment after a previous inter-city line between Rostock and Leipzig folded several years ago.

Originally, the train service was scheduled to start operating in 2010, but was held up by what HKX Chief Executive Eva Kreienkamp said were problems on the part of Deutsche Bahn grid operator DB Netz in providing network space.

The problems were now "overcome," she told a news conference after the first train's maiden voyage on Monday, adding that DB Netz was "collaborating very well" at the moment.

Low-cost rail carrier

HKX markets its service with the slogan "As fast as the IC," while offering tickets at much lower prices than those of Deutsche Bahn on the same inter-city line. However, bookings and reservations can only be made via the Internet.

According to Daniel Krimphoff, rail expert at Münster University, the service between Hamburg and Cologne was a perfect platform from which to start a private rail business.

"Passenger numbers are extremely high there, and there is no competition from high-speed train services. Competing with such services would certainly spell the end of any private rail business due to the exorbitant costs", Krimphoff told dpa news agency.

Deutsche Bahn said it would watch the emergence of a new competitor carefully, but added that it was convinced of its own product.

"We are offering better comfort, which doesn't necessarily cost more", a company spokesman told dpa, referring to a number of Deutsche Bahn bonus and discount programs.

Private competition is not new to Deutsche Bahn, as private operators already run a considerable number of regional and local train services, mostly in and around German cities.

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