

The **railcar spill containment market will witness promising growth - global sales estimated in excess of 4,100 units in 2018**, according to a new study by Fact.MR. The report envisages that the railcar track pans will remain sought-after in the railcar spill containment market, accounting for approximately 60% volume share in 2018. Additionally, difference volume growth between railcar track pans and track berms is expected to be marginal in 2018.

Track pans have traditionally reigned supreme in the [railcar spill containment market](#), in light of relatively more radical benefits associated with the use of track pans. Robust design for effective handling of hazardous chemicals' spillage, coupled with greater capacity and impact resistance, are key attributes of track pans that underpin its supremacy in the railcar spill containment market.

Track berms are also expected to gain significant momentum in the railcar spill containment market, although volume sales are estimated at half than those of track pans in 2018. Durable and lightweight materials employed for production of track berms, which facilitate transportation of materials between railroad sites, is a key attribute linked with track berms that add to their rising palpability. Another benefit of track berms over track pans is that these variants are portable, which enhances their usability in the railcar spill containment.

### **Top 6 Players Account for One-Third Market Share**

The railcar spill containment market is concentrated at the top, with top 6 players holding approximately one-third share, whereas the market represents a splintered nature at the bottom owing to occupancy of numerous SMEs worldwide. While acquisition of small players with innovative technologies remains top expansion strategy among leading players, collaboration with global leaders for strengthening manufacturing & distribution prevails as a key strategy among emerging market participants.

"Railcar spill containments systems have gained paramount importance as an integral part of high-quality railcar business activity. As focus on environment conservation continues to intensify worldwide, railcar operators and other market stakeholders are emphasizing adherence to regulations as a mandate," says a lead analyst at Fact.MR.

### **Perception toward Railcars as Feasible Alternative to Pipeline Crude Oil Shipments to Underpin Demand**

Although pipelines have emerged as preferred solution for crude oil transportation, they have their own share of challenges. This has resulted in demand for railcars as an effective alternative for transport of crude oil, particularly for markets with constrained access to oil wells via pipeline systems. While railcars have emerged as a feasible alternative to crude oil shipments, several industry experts perceive railcars as temporary fix to lack in pipeline capacity.

Sensing challenges entailed by such a temporary solution, stakeholders in the industry are concentrating their focus to ensure reduced environment footprint of railcars, along with retention of profitability and efficiency. Railcar spill containment systems form an imperative asset of crude oil-by-rail transport for mitigating associated challenges of environmental pollution.

Polyethylene and galvanized steel remain material of choice for production of railcar spill containment systems - collective global sales estimated at over 1700 units in 2018. However, demand for fiberglass composites is expected to increase at a faster rate.

The International Energy Agency has foreseen 2X growth in crude oil shipments by rail by 2020, driven in part by lack of pipeline capacity that compels oil producers to seek viable alternatives. This will create immense growth opportunity for the railcar spill containment market in the near future. Industry consolidation and capital discipline continue to play a pivotal role in sustained crude oil-by-rail transport, however ambiguities prevail as risks of regulations might cause delays in upgrades of

the railcar design & development.