

European Market Entry Support for MTR

Service Area	Corporate Strategy, New Business Development	Sector	Transport
Client	MTR Corporation (Hong Kong)	Date	2004-2005

The Project

MTR is the successful, vertically integrated, operator of the Hong Kong Metro. With their home market business maturing, MTR were seeking opportunities elsewhere and decided that mainland China and Europe should be areas of focus. An international strategic review had been undertaken that convinced the Board that Europe should be part of the core strategy, however further work was needed before the expansion strategy could be realised.



Our Role

Maddox Consulting were retained to work with this major corporation to aid their diversification into the European market. We undertook a variety of projects to validate and refine the entry strategy, identify business opportunities, and then pursue specific opportunities. These

included the following discrete assignments:

- We validated, refined and consolidated the corporate strategy for Europe and the UK, as first developed by McKinsey, leveraging our in-depth commercial and technical knowledge of the rail sector.
- We set up and accompanied the CEO to meetings with senior members of the UK rail sector to introduce MTR and intentions, and gauge likely reactions.
- We identified a prospective UK joint venture partner, and supported negotiations and finalisation of the agreement. We then assisted the JV to develop a bid for a major UK mainline passenger rail franchise, providing technical support and acting as team leader to ensure both parties worked well together for the first time and developed a high quality, joint proposal.
- We assessed the landscape of business opportunities in Continental Europe that would best fit MTR's capabilities and competitive positioning. We then identified a pipeline of specific opportunities to pursue in a number of different countries, and formulated related action and business development plans. In further projects, we provided bid support for a light rail concession in Scandinavia and a prospective light rail acquisition in Germany.
- We worked directly for the CEO, COO and their senior team, and helped with the transition to a UK/European based team.



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The Outcome

Maddox's involvement was key to validating the practicality of the overall strategy and thus building consensus for it. Our commercial implementation support allowed MTR to fulfil the strategy, and has subsequently led to them establishing a successful and growing European business.