

50 F Street, NW Suite 500 Washington, DC 20001 aslrra@aslrra.org www.aslrra.org

Contact:
Amy Krouse
akrouse@aslrra.org
(Cell) 312-371-6947
(Direct) 202-585-3438

## **ASLRRA 2024 Business Development Awardees Announced**

Indiana Rail Road, Indiana and Ohio Railway, and Mission Mountain Railroad to be Honored

washington – March 22, 2024 – The American Short Line and Regional Railroad Association (ASLRRA) has selected three short line railroads to honor for business development excellence, showcasing the heart of short line rail operations – commitment to solving customer problems, creating unique opportunities for growth, and ensuring the well-being of the communities that they serve. *Indiana Rail Road, Indiana and Ohio Railway, and Mission Mountain Railroad* each demonstrated innovative and successful business-building initiatives crafted to meet the needs of their customers, using the unique capabilities of their railroads. The awards will be presented at the ASLRRA Annual Conference and Exhibition on March 25, 2024 in Kansas City, Missouri.

"The Business Development Award honors the hallmarks of short line railroading – developing deep relationships with customers, seeking growth one carload at a time, and bringing the distinct capabilities of a short line to bear in executing solutions that benefit their customers and the communities they serve," said Chuck Baker, President, ASLRRA. "Our three awardees showcase short lines' ability to create and anticipate growth, move quickly to solve customer problems and, when necessary, reinvent themselves to save jobs and the local economy."

The 2024 Business Development Awardees are:

Indiana Rail Road (INRD) - Capitalizing on Market Conditions with a Strategic Build-out

In 2013, INRD established an "all-rail" option for trans-Pacific import and export freight moving to and from Indiana via west coast ports with the completion of a modern and user-friendly intermodal hub. Conversations with customers, and eastern seaboard port trends indicated an opportunity to replicate the west coast port capabilities to develop a coast-to-coast solution.

The INRD committed to a multi-year, \$6.5 million project build which would increase capacity for west-coast traffic and include new east-coast lanes at its Senate Avenue Terminal. Twelve acres of adjacent land, formerly an unsightly auto salvage yard, were cleared for the expansion, increasing 40-foot equivalent unit (FEU) capacity from 40,000 to 120,000. An additional six acres were procured to allow for an empty container and chassis depot, helping customers to improve fluidity of shipments and reduce handling costs.

After completion of the expansion, and the addition of the equipment depot, the Indiana Rail Road posted an 80% increase in volume in 2023. Intermodal volume doubled, export container volume tripled, and new jobs were created. The completed project established the Senate Avenue Terminal as the premier intermodal facility in Indiana, and it is the only dual-serviced intermodal facility in the Midwest.

## Indiana & Ohio Railway (IORY) – Supporting a Key Customer's Growth Opportunity

In March 2023, the Indiana & Ohio Railway, a subsidiary of Genesee & Wyoming (G&W), was approached with a challenge to solve for long standing customer North Star BlueScope Recycling, a full-service scrap metal recycler with processing facilities in Waterloo, Indiana, and Delta, Ohio.

The opportunity was driven by sister company North Star BlueScope Steel, who had increased steel coil output by 25%. The steel mill needed an increasing amount of inbound raw materials from BlueScope Recycling to service the demand.

North Star BlueScope Steel recognized the positive environmental impact and sustainability of moving freight by rail – even for short distances. The Ohio Rail Development Commission was enthusiastic about the project, as it would reduce congestion on Ohio 109 and around the mill, while also reducing emissions and truck accidents.

Although the mill had a working rail spur to offer, securing cars and a schedule to make this project work took creativity and coordination. The cars were located on another G&W railroad's property, and delivered by Class I interchange partner CSX. Three strings of seven cars are rotated two times per week, delivering 42 carloads from BlueScope recycling to BlueScope Steel.

The project was a win-win for the customer and the railroad. Three crew members were added, carloads from North Star BlueScope Recycling increased 63%, and 3,700 truckloads were eliminated from the surrounding highways. An additional seven-car string has been requested to support demand.

IORY anticipates a 25% increase in carloads in 2024 – which could remove a total of 4,625 truckloads from the road annually.

## Mission Mountain Railroad (MMT) - Reinventing a Railroad from the Ground Up

In 2023, the Mission Mountain Railroad (MMT) faced a harsh reality: adapt or potentially shut down. Prior to April 2020, the MMT operated 40 track miles in northern Montana. The 14-mile southern branch between Columbia Falls and Kalispell was returned to BNSF at the end of a lease agreement, along with most of the customer base, a new industrial park in Kalispell, and 80% of annual revenue. The team was reduced from 13 to three people who worked as-needed for the sole remaining customer on the company-owned 26-mile section, a transloading yard that sits adjacent to the Eureka depot, primarily handling lumber. In early 2023, the transload owner was also ready to leave the business. Rather than give up, the MMT team opted to figure out how to save their railroad, the terminal, and help their small town.

Using their strong relationship with both the BNSF, and the transloading customer, The MMT eyed the Canada to U.S. lumber market that was shipping by truck across a nearby international point-of-entry, converting traffic to rail and opening the U.S. markets in Texas and Arizona to Canadian lumber shippers. MMT leveraged the purchase of the transload operation to create a new local opportunity – the direct sales of lumber to contractors and builders. Short line ingenuity saved the Mission Mountain Railroad. Since October of 2023, the MMT has more than doubled their workforce, increased traffic by 50%, and increased revenues by 325%. By seizing an opportunity

with Canadian lumber, expanding their operations to include its former transload customer, building relationships, and adding jobs, they are helping build their small community of 1,400.

For more on ASLRRA's Business Development Awards and criteria, click here.

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About ASLRRA - The American Short Line and Regional Railroad Association (ASLRRA) is a non-profit trade association representing the interests of the nation's 603 short line and regional railroads and railroad supply company members in legislative and regulatory matters. Short lines operate 47,500 miles of track in 49 states, or approximately 29% of the national railroad network, touching in origination or termination one out of every five cars moving on the national railroad system, serving customers who otherwise would be cut off from the national railroad network. <a href="https://www.aslrra.org">www.aslrra.org</a>