

WEEKLY RAIL RECAP

For the week ending SAT, January 25, 2003

By Dave Mears

(NOTE: The expression "ffd" at the end of a news item means "for further details" and usually represents what I believe to be the most helpful news resource if a reader wants more information on a particular item.)

THE WEEK'S TOP NEWS (in chronological order):

(SUN) The New York City subway system suffered an on-duty employee fatality. The employee, a subway train conductor whose name was not immediately released, was reportedly leaning out of her train's window at the A Line's Aqueduct-North Conduit Avenue Station when she was struck in the head by a fence post at the end of the station platform. (ffd: New York Times)

(MON) A Norfolk Southern freight train derailed 29 cars at Rocky Ridge, OH. There were no injuries in the derailment, the cause of which was still under investigation at press time. The derailment forced the temporary rerouting of some Norfolk Southern and Amtrak trains. (ffd: Canton Repository)

(WED) On CNN's "Moneyline" program this date, a poll was presented that revealed that 84 percent of those responding favored an annual federal appropriation of at least \$2 billion to Amtrak to sustain and improve intercity passenger rail services. CNN noted that the poll was not scientific and reflected only the opinions of those Internet users who chose to participate in the poll. (ffd: CNN)

(THU) In a speech at Chemical Week Magazine's Transportation and Distribution Conference in New Orleans, LA., Basell North America President Chuck Platz criticized U.S. railroads for exercising "monopoly power" over captive shippers. Mr. Platz went on to say that chemical industry leaders and "captive shipper officials" believe that a dialogue will lead to solutions, but added that he believes the federal government will also need to play a role because "the Staggers Act helped foster the current rail-shipper environment." (ffd: Progressive Railroadng)

(THU) A Canadian Pacific freight train derailed 27 cars near White River, Ontario. There were no injuries in the derailment, the cause of which was still under investigation at press time. The derailment forced the detouring of some CPR trains onto CN's line from Thunder Bay to Sudbury, ON. (ffd: Railpace)

(THU) Officials of Washington, DC.'s Metro subway system said that, pending full board approval, they will install a public toilet in the Huntington station for a one year trial use. The toilet will be a self-cleaning, single-stall unit. Officials added that Huntington Station, which is on the system's Yellow Line, was selected because many passengers using the station have had a long bus or train ride. (ffd: wire services)

(FRI) Amtrak announced that it would close its Chicago Reservations Center effective December 31, 2003, due to increased use of its Internet site and its voice-response-actuated system having reduced manual call volume. Amtrak said that its excess capacity now roughly equals capacity at the Chicago center, whereas closing one of its other 2 centers, in Philadelphia, PA. or Riverside, Ca., would leave it with inadequate capacity. (ffd: Amtrak)

(FRI) The U.S. Customs Service was reported to be considering new rules that would require Canadian transport companies to file cargo data with customs officials prior to the cargo being loaded. The proposed new rules would require Canadian truckers and railways to electronically submit loading data up to 24 hours before the load crosses the Canada-U.S. border. A spokesman for the Railway Association of Canada, Bruce Burrows, said that the rules couldn't be met because rail shippers can't always plan that far in advance. (ffd: Toronto Globe and Mail)

(FRI) VIA Rail Canada announced that it would operate special gourmet trains on 3 Fridays during the Montreal, PQ. High Lights Festival. The trains, which will operate between Toronto, ON. and Montreal on February 14, 21 and 28, will feature meals in the dining car prepared by a chef from the acclaimed Institute de Tourisme et d'Hotellerie du Quebec. (ffd: VIA Rail Canada)

STATS:

(THU) For the week ending January 18, U. S. carload rail traffic was down 1.9 percent from the comparable week last year.

This week this year versus this week last year, notable traffic increases included non-grain farm products up 42.3 percent, metallic ores up 41.8 percent and metals up 17.2 percent; notable traffic decreases included nonmetallic minerals down 11.7 percent, coal down 10.1 percent and grain down 6.4 percent. Also for the week ending January 18, U.S. intermodal rail traffic was up 12.4 percent, Canadian carload rail traffic was down 2.5 percent, Canadian intermodal rail traffic was up 13.0 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 32.8 percent and TFM's intermodal rail traffic was up 50.5 percent, all when ranked with the comparable week last year.

For the period January 1 through January 18, U.S. carload rail traffic was up 1.9 percent, U.S. intermodal rail traffic was up 10.6 percent, Canadian carload rail traffic was down 2.3 percent, Canadian intermodal rail traffic was up 28.2 percent, TFM's carload rail traffic was up 17.2 percent and TFM's intermodal rail traffic was up 34.6 percent, all when ranked with the comparable period last year. (ffd: AAR)

STATS CONTINUED - 4TH QTR., 2002 RESULTS - PART 1:

(TUE) Burlington Northern Santa Fe reported fourth quarter net income of \$202 million, compared with \$177 million in the fourth quarter last year. BNSF further reported fourth quarter revenues of \$2.30 billion, unchanged from the fourth quarter last year. BNSF's fourth quarter operating ratio was 80.8 percent, slightly worsened from the 79.4 percent in the fourth quarter last year. In reporting results, BNSF noted having taken a special workforce reduction related charge in the fourth quarter last year. (ffd: BNSF Corp.)

(TUE) (Note: Figures quoted are in Canadian dollars.) Canadian National reported fourth quarter net income of \$22 million, compared with \$296 million in the fourth quarter last year. CN further reported fourth quarter revenues of \$1.55 billion, compared with \$1.53 billion in the fourth quarter last year. CN's fourth quarter operating ratio was 68.3 percent, slightly worsened from 66.1 percent in the fourth quarter last year. In reporting results, CN noted higher expenses for the full year attributable to "weakness in Canadian grain and coal revenues, inclusion of a full year of expenses attributable to the operations of Wisconsin Central, higher expenses associated with the movement of merchandise traffic, special charges associated with workforce reduction and a change in the company's estimated liability for U.S. personal injury and other claims." (ffd: CN Corp.)

(WED) Union Pacific reported fourth quarter net income of \$378 million, compared with \$275 million in the fourth quarter last year. CN further reported fourth quarter revenues of \$3.17 billion, compared with \$3.00 billion in the fourth quarter last year. UP's fourth quarter operating ratio was 81.7 percent, slightly worsened from 81.3 percent in the fourth quarter last year. In reporting results, UP noted that it would abolish approximately 1,000 positions this year, mainly through attrition, and that it expected it would need approximately 200 fewer locomotive engineers this year as a result of introducing locomotive remote control technology in its rail yards. (ffd: UP Corp.)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(TUE) The North Carolina & Virginia Railroad filed to lease, from Norfolk Southern, and operate approximately 4 miles of line between Chesapeake, VA. and Butts, VA. (ffd: STB)

(WED) The State of New Hampshire filed to acquire, from the Maine Central Railroad, approximately 9 miles of line between Whitefield, NH. and Gilman, VT. (ffd: STB)

CHANGING PEOPLE AND PLACES:

(WED) Kansas City Southern appointed Ronald Russ EVP & CFO. Mr. Russ was previously KCS's SVP & CFO and was earlier Wisconsin Central's EVP & CFO. (ffd: KCS Corp.)

(WED) The Bush Administration announced that it will nominate Michael Schwartz as Chairman and Neutral Member of the Railroad Retirement Board. Mr. Schwartz was previously the director of the Illinois State Department of Central Management Services. If approved by the U.S. Senate, Mr. Schwartz will replace Cheryl Thomas, whose term has expired. (ffd: UTU News)

(THU) Regional and shortline conglomerate RailAmerica announced the retirement of Jack Conser as RailAmerica's SVP-Transportation. Mr. Conser, who had been with RailAmerica since 1992, started his career in 1961 with the Reading Railroad. (ffd: Railpace)

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Weekly Rail Recap is edited from public news sources and published weekly, usually on Sunday or Monday, to the rail and transit industries and those interested in them. Send an e-mail to djmservices@aol.com to receive it, with my compliments.

HAVE A SAFE AND PROSPEROUS WEEK,
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