

WEEKLY RAIL RECAP

For the week ending SAT, April 27, 2002

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):

(MON) The U.S. Department of Transportation and Federal Railroad Administration announced that they had approved the second loan from the federal Railroad Rehabilitation and Improvement Financing Program. The loan, totaling \$12 million, will be to the Arkansas and Missouri Railroad. Although enacted in 1998, the RRIF program has been criticized for slow processing and approval of loans due to bureaucratic obstacles, which the American Short Line and Regional Railroad Association has been helping to overcome. (ffd: FRA, industry sources)

(MON) Burlington Northern Santa Fe announced two new initiatives with other railroads. First, BNSF and Norfolk Southern debuted what they called the "first ever, coast-to-coast guaranteed" intermodal rail service. The new service offers a 100 percent refund for intermodal rail shipments moving between San Bernardino, CA. and Harrisburg, PA. that do not meet the scheduled availability time for customer pickup. Second, BNSF and Kansas City Southern announced a "marketing alliance" to coordinate marketing and operating initiatives in several target markets. "The complementary, end-to-end nature of the BNSF and KCS networks makes this alliance the basis for a natural partnership," said BNSF CEO Matt Rose. (ffd: BNSF Corp.)

(MON) Kansas City Southern reopened Bossier Yard in Bossier City, LA. Switching that had been performed in Beaumont, TX. will be shifted back to Bossier Yard. A KCS spokesman said that the shift will provide better service to customers and also operating efficiencies. (ffd: KCS Corp.)

(MON) Union Pacific announced that it would transfer locomotive repair work from Pine Bluff, AR., distributing the work to UP facilities in Chicago, IL., Fort Worth, TX. and Houston, TX. A UP spokesman said that the shift resulted from the need to center locomotive repairs at locations where trains originate and terminate, rather than at the midpoint location at Pine Bluff. (ffd: UP Corp.)

(TUE) A Burlington Northern Santa Fe freight train collided with a Southern California Metrolink commuter train near Placentia, CA. The resulting crash killed 2 persons and injured 264 persons aboard the commuter train, 29 of whom were held overnight at area hospitals. On Wednesday, a National Transportation Safety Board investigator said that the event recorder on the locomotive of the BNSF train indicated that the BNSF engineer had passed through a caution signal and then a stop signal without reducing speed. (wire services)

(TUE) Amtrak's ridership on its Acela Express service between New York, NY. and Washington, DC. was reported to be neck-and-neck with ridership of the combined US Airways and Delta Air Lines shuttles. Amtrak reported that its March, 2002 Acela Express ridership was 219,917 persons or approximately 300 per train. The last available airline statistics reported to the U.S. Bureau of Transportation Statistics, which were for December, 2001, indicated 215,366 passenger boardings on the air shuttles. (ffd: Chicago Tribune)

(Editor's Note: Rail news for much of the remainder of the week was the release of 1st Qtr., 2002 business results, see below.)

STATS:

(THU) For the week ending April 20, U.S. carload rail traffic was down 3.9 percent from the comparable week last year, down 2.3 percent in the East and down 5.1 percent in the West. This week this year versus this week last year, notable traffic increases included motor vehicles and equipment up 21.9 percent and crushed stone, sand and gravel up 9.8 percent; notable traffic decreases included metallic ores down 19.8 percent, coke down 15.6 percent, grain down 13.5 percent and coal down 8.3 percent. Also for the week ending April 20, U.S. intermodal rail traffic was up 13.0 percent, Canadian carload rail traffic was down 1.8 percent, Canadian intermodal rail traffic was up 5.5 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 26.4 percent and TFM's intermodal rail traffic was up 50.9 percent, all when ranked with the comparable week last year.

For the period January 1 through April 20, U.S. carload rail traffic was down 3.6 percent, U.S. intermodal rail traffic was up 0.9 percent, Canadian carload rail traffic was down 4.1 percent, Canadian intermodal rail traffic was up 3.3 percent, TFM's carload rail traffic was down 2.7 percent and TFM's intermodal rail traffic was up 2.9 percent, all when ranked with the comparable period last year. (ffd: AAR)

STATS CONTINUED - 1ST QTR., 2002 RESULTS:

(MON) Canadian National reported net income of \$146 million for the first quarter this year, up from \$128 million for the first quarter last year. Revenues were \$960 million for the first quarter this year, up from \$889 million for the first quarter last year. CN's operating ratio was 73.1 percent in the first quarter this year, up from 72.5 percent in the first quarter last year. (ffd: CN Corp.)

(MON) CSX reported net income of \$25 million for the first quarter this year, up from \$20 million in the first quarter last year. Revenues were \$1.96 billion for the first quarter this year, down from \$2.03 billion for the first quarter last year. (ffd: CSX Corp.)

(TUE) Burlington Northern Santa Fe reported net income of \$172 million for the first quarter this year, up from \$134 million for the first quarter last year. Revenues were \$2.16 billion for the first quarter this year, down from \$2.29 billion for the first quarter last year. (ffd: BNSF Corp.)

(WED) Norfolk Southern reported net income of \$86 million for the first quarter this year, up from \$74 million for the first quarter last year. Revenues were \$1.50 billion for the first quarter this year, down from \$1.54 billion for the first quarter last year. NS's operating ratio was 84.2 percent in the first quarter this year, down from 86.7 percent in the first quarter last year. (ffd: NS Corp.)

(THU) Union Pacific reported net income of \$222 million for the first quarter this year, up from \$181 million for the first quarter last year. Revenues

were \$2.97 billion for the first quarter this year, up from \$2.94 billion for the first quarter last year. UP's operating ratio was 81.6 percent in the first quarter this year, down from 83.8 percent in the first quarter last year. (ffd: UP Corp.)

(FRI) Canadian Pacific Railway reported net income of \$136 million for the first quarter this year, up from \$35 million in the first quarter last year. Revenues were \$875 million for the first quarter this year, down from \$918 million for the first quarter last year. CPR's operating ratio was 79.9 percent in the first quarter this year, down from 83.4 percent in the first quarter last year. (ffd: CPR Corp.)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(THU) Dakota, Minnesota & Eastern's I&M Rail Link Railroad granted trackage rights to Canadian Pacific/Soo Line over approximately 500 miles of I&M Rail Link lines in Illinois, Iowa and Missouri. (ffd: STB)

CHANGING PEOPLE AND PLACES:

(FRI) Amtrak appointed David Gunn its president and CEO. Mr. Gunn, who started with the Santa Fe Railway in 1964, was head of Philadelphia, PA.'s SEPTA from 1979 through 1984, New York, NY.'s NYCTA from 1984 through 1990, Washington, DC.'s WMATA from 1991 through 1994 and Toronto, ON.'s Transit Commission from 1995 through 1999, and is credited with accomplishing notable improvements at all of these transit authorities. Amtrak also announced that its EVP-Operations, Stan Bagley, would serve as acting president and CEO from April 27 until Mr. Gunn's arrival at Amtrak, allowing the departure of George Warrington to his new position as head of New Jersey Transit. (ffd: Amtrak)

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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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