

# RAILROAD WEEK IN REVIEW

March 28, 2025

*The ASLRRA's Annual Business Development Award goes to railroads that show leadership and innovation with advancements in service, operations, and economic development that benefit their customers and communities. The common thread is building strong relationships with customers and other partners, driving growth one carload at a time, and leveraging their unique strengths to benefit their shippers and the communities they serve.” — ASLRRA Press Release, March 20, 2025*

*“Together with Patriot Rail and Patriot's investment in this new Denton site, we are creating a more sustainable supply chain while meeting the future needs of the marketplace.” — Coby Bullard, CPKC Senior Vice President, Sales & Marketing Merchandise, Energy and Business Development, March, 2025*

*The Institute for Supply Management Purchasing Managers' Index was below 50, indicating shrinking activity, for 26 consecutive months heading into 2025, before shifting to growth with two 50-plus readings in January and February. Now, tariffs and other policy uncertainties threaten to end the recovery just as it begins. It's still possible that a slowdown, if one occurs, will be short-lived. The manufacturing sector could prosper thanks to the shift in government focus even as other parts of the economy struggle.” — Barron's, March 24*

**Three railroads have won** the coveted ASLRRA 2025 Business Development Award for 2025. The railroads are West Virginia's Belpre Industrial Parkersburg Railroad (BIP), Watco's South Kansas & Oklahoma, and the North Shore Railroad Group's Union County Industrial in Pennsylvania. The Belpre was featured in *Trains* not that long ago, the SKOL is an original Watco property that has grown steadily over the years, and the UCIR has established an enviable footprint on the Lewisburg area.

These three properties have one thing in common: they have built on Peter Drucker's first principle of business — creating customers. Each is on a former Class I line segment that had been given up for dead, spinning it off to a short line where they thought there might be some salvageable business. The common thread among all three is that the Class I sales presence dried up and there was nobody out there calling on potential customers to see what they needed to build their respective businesses. The short lines brought these lines back to life by filling in the void.

The ASLRRA credits the Belpre line with convincing a company that has not had rail shipping experience to become a rail customer. The short line coordinated service with

other railroads and created transload facilities to offer a flexible, scalable shipping option and the project becomes even more complicated. The result is a new line of business in transporting inbound non-hazardous wastewater from eastern Pennsylvania to southeastern Ohio. BIP made sure their customer, a newcomer to rail shipping, understood how it all works and is comfortable with each step of the process.

As for SKOL, once again the shortline won new carloads by supporting a key customer's growth opportunity. Far from being a new customer, Bartlett Grain had worked with SKOL for over 30 years. But it was the recent completion of a \$375 million soybean processing plant that has brought significant growth to SKOL, Bartlett and the rural communities in southeast Kansas.

The massive project comprises multiple storage silos, a processing plant, and a siding off SKOL's main line. The siding offers access to a two-mile double loop track around the plant and five storage tracks that can manage multiple unit trains at once. SKOL's team recommended the facility site just off the railroad's main line and worked alongside Bartlett during the design and construction of necessary rail infrastructure.

To handle the anticipated increase in traffic, SKOL had to make significant improvements to its rail line — upgrades to bridges, turnouts, rail and sidings, e.g. Partnerships with three Class I railroads – CPKC, BNSF and UP – were necessary, including building a unit-train-capable interchange for UP.

The new plant has resulted in an 85 percent year-over-year increase to Bartlett's traffic in the fourth quarter of 2024 with SKOL's rail traffic expected to increase by 40 percent. Bartlett's new facility has brought 70 new jobs to the area and SKOL has had to hire six new team members with plans to hire another six to eight individuals in 2025. See what calling on the customer can accomplish?

The UCIR gets the prize for identifying a company in need of space for a new feed mill, finding that space, and creating a new business line for themselves and Norfolk Southern. Taking advantage of the fact that short line employees often live and work in the communities their railroads serve can give them an upper hand when it comes to being familiar with an area and understanding how it might fit the needs of a potential shipper.

It was this short line advantage the UCIR could use to attract Country View Family Farms (CVFF) to New Columbia, Pennsylvania to build a feed mill to service its hog production business. Members of UCIR's marketing department identified a parcel of land in their area that would be perfect for CVFF, but it was being farmed at the time and not for sale.

Taking a chance, UCIR introduced the landowner to CVFF and together all three parties were able to agree to a plan that met everyone's needs. It only took a year for CVFF to complete construction of a 176-foot-tall mill tower on a 3,582-square-foot base, a 56-foot-tall pelleting annex with a 2,016-square-foot base and four 150-foot-tall grain silos to be served by a new 8,250-foot loop track to accommodate 115-car unit trains coming in with run-through NS power.

Locating the CVFF facility in New Columbia has provided economic value across the region, as the facility sources much of its grain from local farms and produces enough hog feed to meet the needs of about 60 percent of the company's contracted hog producers, most of which are within 50 miles of the site.

The new facility also brought 50 new jobs to the area while helping maintain 231 existing jobs statewide and supporting 30 full-time truck drivers who deliver feed to nearby farmers. And the farm that had been working the land where CVFF built its plant? It is not gone - the land in the middle of the new loop track is still farmable and being used for that purpose. Yet another win for not only the short line but also the surrounding communities, adding to demand for the services of area farmers and truckers.

**Patriot Rail's** new multi-commodity transload facility has been sited on CPKC in Denton, Texas. The facility will offer reliable, competitive transload services and logistics solutions to customers in the DFW metropolitan area. Tom Tisa is Patriot Rail's Chief Commercial Officer. Until recently Tisa had a similar position at CSX, where he was a CN transplant, having most effectively managed that railroad's feeder-line relationships for many years.

Regarding the DFW site, Tisa says, "This project is an example of a strong partnership to develop solutions for companies shipping to and from Texas while supporting CPKC's strategic long term growth goals." To which CPKC's Colby Bullard, CPKC's SVP for Sales & Marketing Merchandise, Energy and Business Development, adds, "Together with Patriot Rail and Patriot's investment in this new Denton site, we are creating a more sustainable supply chain while meeting the future needs of the marketplace." The facility is currently scheduled to be under construction later this year. Commodities such as lumber, cement, fly ash, steel, and consumer appliances will transload at the location.

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