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## SHORT LINE RAILROADS SHARE GROWTH STRATEGIES WITH SURFACE TRANSPORTATION BOARD

The way short lines do business is the reason short lines grow business

WASHINGTON, September 16, 2024 – Today the American Short Line and Regional Railroad Association (ASLRRA), representing the nation's 600 Class II and III freight railroads, and five of its member railroads presented at the Surface Transportation Board (STB) hearing, *Growth in the Freight Rail Industry*, Docket No. EP 775. Over two days, the hearing will bring together Class I railroads, short lines, industry analysts, rail customers, rail suppliers, labor organizations, and other interested parties to provide an understanding of how the industry has grown and intends to grow in the future to reverse the trend of declining carload volume.

Sarah Yurasko, Senior Vice President, Law, and General Counsel, ASLRRA led the short line panel, providing an overview of the short line industry, and its unwavering commitment to growing business by being laser focused on carload growth – one carload and one customer at a time.

"Growth in the freight rail business is essential to short line railroads. Carload volume is the lifeblood of the short line industry. Short lines keenly focus on retaining and growing carload volume – and will partner with anyone to better serve a customer or build out a rail option for a new customer. Whether it is one carload of scrap a year that is hauled for a one-man scrap sorter, or several hundred carloads a week – there is NO customer that our industry will not

work to serve and grow business with. ASLRRA firmly believes that the way short lines do business is the reason short lines grow business so successfully," stated Yurasko.

ASLRRA member railroads commonly highlight four components as critical to short line freight rail growth and success:

- 1) A deep understanding of their customers their pain points, their growth strategies and the ability to provide efficient rail service that is responsive to their specific needs.
- 2) Investment in infrastructure always with private funds, but also often supported by state or federal funding. Short lines are willing to invest with the long term in mind and are eager and willing to work with public partners when the opportunity arises.
- 3) Working closely with local business development groups such as Chambers of Commerce and government groups such as Economic Development Agencies to develop rail-served commercial properties such as business and industrial parks.
- 4) Strong partnerships with the community and Class Is to develop and efficiently deliver the white-glove excellent customer service our customers depend upon.

Representatives from ASLRRA member short line railroads provided examples of these core strategies:

- Kennan H. Beard III, President and Chief Executive Officer, Sierra Northern Railway
- Shannon Drown, Vice President, Commercial and Industrial Development, R.J. Corman Railroad Company
- Henry Posner III, Chairman, Iowa Interstate Railroad
- Marlon Taylor, President, New York and Atlantic Railway
- Kimberly C. Thompson, Vice President, Sales and Marketing, Genesee and Wyoming Railroad Services, Inc.

"ASLRRA was pleased to participate in the hearing, and the examples shared are replicated across the nation, day in and day out on more than 600 short line railroads," said Chuck Baker, President, ASLRRA. "Short lines are a critical piece of the freight rail network and are unrelenting in their pursuit of growth – one carload, one customer, one market at a time."

For more information on award-winning short line success stories, visit <u>aslrra.org</u>. For the oral testimony submitted for the record for ASLRRA and the five railroads, click <u>here</u>. For ASLRRA's written comments submitted on August 16, 2024 in advance of the hearing, click <u>here</u>.

**About ASLRRA** - The American Short Line and Regional Railroad Association (ASLRRA) is a non-profit trade association representing the interests of the nation's 600 short line and regional railroads and railroad supply company members in legislative and regulatory matters. Short lines operate 50,000 route miles of track in 48 states, or approximately 30% 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>