

## WEEKLY RAIL REVIEW

For the week ending SAT, January 31, 2004

By Dave Mears

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

(MON) A winter storm developed up through the U.S. Atlantic Seaboard states, impacting rail operations. CSX and Norfolk Southern advised their customers to expect delivery delays of at least 12 to 24 hours. Amtrak operated its Northeast Corridor services on a modified schedule and canceled some long-distance services operating over CSX and NS. Affected services returned to normal later in the week. (ffd: Amtrak, CSX Corp., NS Corp.)

(TUE) A 2,000 page environmental impact report stated that building a high-speed rail network in California would be less than half as expensive and more environmentally friendly than building or expanding highways and airports to meet the state's future travel demands. "Our conclusion is, and data shows, that high-speed train service is the best option," said Mehdi Morshed, Executive Director of the California High-Speed Rail Authority. The report documented that building such a network in the state would cost approximately \$33 billion to \$37 billion, whereas building new highway and airport capacity would have a combined cost of approximately \$82 billion. (ffd: Contra Costa Times)

(FRI) The Maryland Mass Transit Administration announced that it would temporarily shut down much of the south end of Baltimore, MD.'s light rail system starting February 28 for construction of a second track. An MTA spokesman said that the segments to be shut down would be between Camden Yards, Cromwell Station and BWI Airport. The spokesman added that the closed portions will reopen partially through October 1 and that, following completion of the project, 90 percent of Baltimore's light rail system will then be double-tracked. (ffd: MTA)

(FRI) Union Pacific announced plans to construct a large intermodal rail yard and terminal facility near Dallas, TX. A UP spokesman said that the new facility would be situated on a 350 acre site south of Dallas, on I-45 at Wintergreen Road south of I-20. (ffd: Dallas Morning News)

### STATS:

(THU) For the week ending January 24, U.S. carload rail traffic was up 7.9 percent from the comparable week last year, up 7.0 percent in the East and up 8.6 percent in the West. This week this year versus this week last year, notable traffic increases included non-grain farm products up 57.9 percent, crushed stone, sand and gravel up 29.6 percent and grain up 11.9 percent; notable traffic decreases included metallic ores down 7.3 percent and primary forest products down 6.8 percent. Also for the week ending January 24, U.S. intermodal rail traffic was up 8.0 percent, Canadian carload rail traffic was up 9.4 percent, Canadian intermodal rail traffic was down 2.0 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was down 10.9 percent and TFM's intermodal rail traffic was down 18.3 percent, all when ranked with the comparable week last year.

For the period January 1 through January 24, U.S. carload rail traffic was up 3.1 percent, U.S. intermodal rail traffic was up 5.3 percent, Canadian carload rail traffic was up 5.8 percent, Canadian intermodal rail traffic was down 0.4 percent, TFM's carload rail traffic was down 10.0 percent and TFM's intermodal rail traffic was down 21.1 percent, all when ranked with the comparable period last year. (ffd: AAR)

### STATS CONTINUED - 4TH QTR., 2003 RESULTS - PART 2:

(TUE) Burlington Northern Santa Fe reported fourth quarter operating income of \$477 million, up 9 percent from the \$436 million reported in the fourth quarter the previous year. Fourth quarter revenues were \$2.46 billion, up 8 percent from the \$2.27 billion reported in the fourth quarter the previous year. BNSF's fourth quarter operating ratio was 80.6 percent, compared with 80.8 percent in the fourth quarter the previous year. (ffd: BNSF Corp.)

(TUE) Canadian Pacific Railway reported fourth quarter operating income of C\$115 million, down from C\$120 million reported in the fourth quarter the previous year. Fourth quarter revenues were C\$964 million, up 1.5 percent from C\$950 million reported in the fourth quarter the previous year. CPR's fourth quarter operating ratio was 76.6 percent, compared with 75.0 percent in the fourth quarter the previous year. (ffd: CPR Corp.)

(TUE) CSX reported fourth quarter net income of \$123 million, down with \$137 million reported in the fourth quarter last year. Fourth quarter revenues were \$1.95 billion, down from \$2.06 billion reported in the fourth quarter last year. (ffd: CSX Corp.)

(WED) Canadian National reported fourth quarter net income of C\$224 million, up from C\$22 million reported in the fourth quarter the previous year, the previous year's quarterly results having included a C\$173 million after-tax charge. Fourth quarter revenues were C\$1.512 billion. CN's fourth quarter operating ratio was 66.1 percent, compared with 68.3 percent in the fourth quarter the previous year. (ffd: CN Corp.)

(WED) Norfolk Southern reported fourth quarter net income of \$52 million, down from \$129 million reported in the fourth quarter the previous year. An NS spokesman said that fourth quarter results were impacted by 2 significant charges, \$66 million for a voluntary separation program and \$53 million in recognition of a change in assessed value of selected telecommunications assets. Fourth quarter revenues were \$1.68 billion, up from \$1.58 billion reported in the fourth quarter the previous year. Further reflecting the special charges, NS's fourth quarter operating ratio was 86.6 percent, compared with 81.8 percent in the fourth

quarter the previous year. (ffd: NS Corp.)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(THU) Norfolk Southern filed to abandon approximately 9 miles of line between Toler, KY. and Peg, KY. (ffd: STB)

PERSONNEL CHANGES:

(WED) Kansas City Southern appointed Mark Osterberg VP and Controller. Mr. Osterberg was previously a consultant to various transportation companies. (ffd: KCS Corp.)

(THU) Attendant with its intended reorganization of its rail transportation group, rail manufacturer and supplier Bombardier Corporation appointed Wolfgang Toelsner COO of its North America, Total Transit Systems, Light Rail Vehicles, Locomotives and Freight, Propulsion and Control, Rail Control Solutions, Bogies and London Underground Department divisions. (ffd: Bombardier Corp.)

(FRI) Union Pacific announced the following appointments: Ike Evans as Vice Chairman; James Young as President; Robert Knight as EVP and CFO. (ffd: UP Corp.)

(FRI) RailPower Technologies Corp., the Canadian manufacturer of Green Kid and Green Goat hybrid locomotives, appointed Bill Hackett GM of its new subsidiary, RailPower Corp., which will be based in Erie, PA. (ffd: Railway Age)

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Weekly Rail Review 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 [weeklyrailreview@aol.com](mailto:weeklyrailreview@aol.com) to receive it, with my compliments.

HAVE A SAFE AND PROSPEROUS WEEK,  
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