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Robert T. Opal
General Commerce Counsel

October 30, 2006

Via E-Filing

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

RE: Ex Parte No. 665 - Rail Transportation of Grain

Dear Mr. Williams:

Enclosed for filing in the above proceeding is the Statement of Douglas V. Martin, Senior Director - Wheat & Flour, Union Pacific Railroad Company.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Robert T. Opal".
Robert T. Opal

Contains Color Images

BEFORE THE
SURFACE TRANSPORTATION BOARD

EX PARTE NO. 665

RAIL TRANSPORTATION OF GRAIN

STATEMENT OF DOUGLAS V. MARTIN
SENIOR DIRECTOR - WHEAT & FLOUR
UNION PACIFIC RAILROAD COMPANY

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Attachment 1- Union Pacific Railroad Fact Sheet

Attachment 2 - Union Pacific Railroad System Map

My name is Douglas Martin. I am Senior Director - Wheat & Flour for Union Pacific Railroad Company ("UP"). I will cover three general areas in this statement. First, I will describe UP's grain traffic and how we can handle it. Second, I will describe the intense competition we face for grain traffic. Finally, I will make some observations on the October, 2006 GAO report as it relates to grain.

I.

DESCRIPTION OF UP GRAIN TRAFFIC

UP is currently the second largest grain carrying railroad in the United States. The UP system serves 23 states. In 2005, we handled approximately 368,000 carloads of grain, or approximately 1.3 billion bushels. In 2006, we have handled approximately 293,000 carloads through the end of September. Roughly 66% of this is corn, 24% wheat, 7% soybeans and the remainder other grains.

Attachment 1 to this statement is a fact sheet with information on UP's system, capital spending and grain business. Attachment 2 is a map showing UP's system. I am also providing several large UP system maps to Board members and to the Board's staff.

A. Where UP Grain Comes From and Goes To

Corn, wheat and soybeans make up the vast majority of UP grain shipments. Our corn and soybean traffic originates primarily in Illinois, Iowa, Minnesota, Missouri and Nebraska. Our wheat traffic originates primarily in Arizona, California, Colorado, Idaho, Kansas, Nebraska, Oklahoma, Oregon, Texas and Washington. Our network provides shippers with access to processor and ethanol markets in the Midwest and, through our interline connections, in the eastern US; feed (cattle, poultry, swine) and industrial

markets in California, Arizona, Colorado, Texas, Idaho, Utah and Arkansas; and export markets in Mexico, the Pacific Northwest and to the Gulf Coast. UP serves 935 grain shippers on its system. Approximately 100 of these currently participate in our unit train "shuttle" program (described in the next section).

B. How UP Grain Is Handled

At the time the Staggers Act was enacted (1980), UP's grain shipments were almost exclusively single-car or small multi-car shipments, which we refer to as "manifest" traffic. Historically, this traffic had been handled in boxcars with special grain doors although, by 1980, the transition to covered hopper cars was already well underway. Over the past 30 years, rail grain transportation has evolved to a much greater reliance on unit trains. This evolution in rail grain transportation was led by the grain markets' need to create a more productive and efficient transportation system to meet growing export demand and expanding domestic markets and to keep U.S. grain competitive in international markets. UP has supported this evolution by providing rate incentives for shippers and receivers who make the capital investments in track infrastructure, storage capacity, and faster loading/unloading systems needed to handle unit trains efficiently.

The productivity achieved with the transition to unit trains has been significant. Most of our unit grain trains are "shuttles," typically 100 car unit trains moving under arrangements which require a shipper to load the train in 15 hours and the receiver to unload the train in 15 hours. Shuttle trains are dedicated trains which stay together from trip to trip (i.e., they are not broken up once they are unloaded, but are moved intact back to an origin for another load). They are able to cycle back and forth between

origins and destinations very rapidly, which allows them to handle large amounts of grain quickly and efficiently. The shuttles carry 60% of all grain moved on the Union Pacific, however they consume only 38% of the rail cars used for grain. Much of this productivity gain has passed on to the agricultural markets through the rate incentives I've previously mentioned. Nevertheless, while unit train service has become the predominant means of moving rail grain, we still handle between 25 and 30% of grain shipments in our manifest network, which supports smaller shippers and receivers.

It is important to understand that the transition to unit train service has provided significant benefits to farmers in the areas we serve:

First, the incentives we give to shippers who develop unit train facilities allow these shippers to offer higher prices to farmers for grain, and draw from a much wider area, than they otherwise could. This is a key reason that unit train loaders normally have a major effect on local shipping patterns wherever they are developed.

Second, unit train service allows us to move far more grain than we possibly could move any other way. From time to time, I've heard suggestions that we should assemble "unit" trains by picking up small cuts of cars from multiple on-line facilities which are unable to build complete trains. Consider what would happen if we attempted to provide "shuttle" unit train service this way. First of all, non-unit train facilities have limited track facilities. That means that much of the switching required to serve these facilities must take place on main line tracks. This would consume scarce main line track capacity, and prevent us from moving other trains, including trains carrying grain, each time a train stopped to pick up or deliver cars. Providing this kind of service would also significantly reduce our effective car supply. Car supply is a function not only of the

number of cars, but their velocity (i.e., the number of times cars can be loaded in a given period). Handling cars in this fashion would require, at a minimum:

- (i) gathering small number of cars from many elevators and consolidating them into a train;
- (ii) setting out cars which are not going to the same destination as the train at intermediate terminals for furtherance to their destinations (it is highly unlikely that all of the cars gathered by a train from multiple shippers would all be going to the same place);
- (iii) switching out cars at multiple destinations; and
- (iv) returning empty cars released at different times and picked up by different trains to the origins (more likely, we would give up any pretense of operating dedicated trains, and would instead build new trains from the general equipment pool for each cycle).

Of course, this is all very much like the way cars were handled in manifest service, before the evolution of unit trains. All of this additional handling would likely add at least two weeks to the cycle time for each car. This would destroy the high car velocity we now achieve with unit shuttle trains, which shuttle back and forth as complete trains as quickly as they can be loaded and unloaded. The net result would be that we would move much less grain from our service territory than we do now and at higher cost, which would inevitably cause higher rates for all our customers. None of this would benefit farmers or, for that matter, anyone else.

C. How UP Grain Is Priced

Our grain rates are generally structured to apply from defined geographic groups. All locations within a group, regardless of whether they are "solely served" or have access to multiple railroads, normally take the same rates to any given destination. It is rare for us to differentiate rates between individual origins or origin facilities in a group for any reason. A good example of such an origin group is the "Fremont NE Group",

sometimes called "Corn Group 3," which comprises a group of 9 stations. BNSF also serves two of the stations in this group (Fremont and Lincoln, NE) and KCS has access to Lincoln through a haulage arrangement. All of the UP grain facilities at these two stations are jointly accessed, either directly or by reciprocal switching. The remaining seven stations in the Fremont Group are solely served by UP. UP applies the same rates to all origins in this group. The reason is that the larger grain markets will not permit us to set higher rates for the "solely-served" locations. If we did so, grain would simply flow away from these locations and we would lose the traffic. I will have more to say about this and other competitive constraints we have in pricing grain traffic in Section II, below.

Most of our grain rates are published in public price documents, and are available on UP's website. Our experience is that most grain customers desire price transparency to accommodate their methods of doing business. We have also found that our customers desire a reasonable amount of stability in our pricing, to allow the market to trade grain for future delivery (a "deferred position") with some predictability in rail transportation costs. We have tried to meet this need by minimizing the number of rate increases during the marketing year and providing customers with notice of rate increases well before they are made. There are some exceptions but, in most cases, UP provides customers with 60-90 days notice of planned rate increases, and we try to limit increases (other than fuel surcharge changes) to one per marketing year. This practice is in sharp contrast to barge rates. As a comparison, Union Pacific's published export rates on corn from Iowa to the U.S. Gulf increased once by 5.5% in the

2005/2006 crop year, while barge rates off the Mid-Mississippi River fluctuated daily between 230% and 800% of the base tariff -- a short term price swing of nearly 250%.

D. How Cars Are Supplied And Allocated

UP currently has a fleet of 23,750 large covered hopper cars. Approximately 16,000 of these cars are used for grain service, with the balance used for other bulk products. UP's "system" cars (i.e., cars owned or leased by UP with UP system reporting marks) account for about 60% of the covered hoppers UP uses for grain. The remaining 40% are private cars supplied by shippers or receivers. Grain cars are allocated using 4 different systems: grain shuttles, guaranteed freight programs, vouchers, and general distribution.

I've already described grain "shuttles" in Section I(B), above. Briefly, these are programs in which dedicated shuttle trains are provided to shippers and receivers, based on historical use, shipping capacity and customers' forecasts. A one-year commitment is required. The cars used for these trains are typically either "system" cars or private cars in the "guaranteed freight program" described below.

The "guaranteed freight program" ("GFP") applies to customers who agree to allow UP to use their private cars as part of UP's grain car fleet. Under this program, UP makes lease payments to these customers, and then is permitted to freely distribute these cars to its grain customers. This allows greater efficiency in car distribution, by eliminating the necessity to return empty private cars to the owner or lessee. The customers providing the cars are given a monthly car guarantee ("GFP allotment") equivalent to 1.3 times the number of cars they have supplied. Penalties apply if UP

fails to place cars on time, or if the customer fails to load the cars it orders. The customer holding GFP allotments may trade them in secondary markets. This type of market provides liquidity, by allowing customers holding GFP allotments to sell them, and allows customers in areas of greatest demand to obtain access to additional cars at market prices. UP does not participate in secondary markets -- the transactions in these markets typically involve grain customers and brokers.

The "voucher" program allocates cars to the market using an auction. UP offers approximately 7% of its available grain car supply to the market in weekly auctions for placement in half month periods up to 3 months in advance.¹ Like the GFP program, penalties apply if UP fails to place cars on time, or if the customer fails to load them. Also like the GFP program, vouchers may be traded in secondary markets. Again, UP does not participate in these markets.

"General distribution" is the final program, which allocates available freight cars based on a "round robin" method to customers who participate in this system. Unlike the other three programs, "general distribution" does not require any advance payment but also has no advance commitment by UP.

Private cars that are not in the GFP program are not "allocated" by UP. Rather, they remain in the service of the customers who supply them.

¹ The October, 2006 GAO report questions whether revenues generated at "railcar auctions" are reported as freight revenue or as miscellaneous revenue (GAO, pp 17-18). UP reports the net of voucher revenues earned, less penalties paid for failure to place voucher cars, as freight revenue in Annual Report R-1.

E. UP's Investment in the Grain Business

UP has made a strong commitment to provide customers with more rail capacity by investing over 20% of revenues in 2004-2005 into capital spending -- over \$5.6 billion. We anticipate spending another \$6 billion in 2006-2007. This capital spending includes acquisition of locomotives, building new mainline and terminal capacity and replacing existing track and infrastructure. Between 2005 and 2007, UP has spent or committed to spend over \$100 million in Iowa, Minnesota and Nebraska on infrastructure capacity and upgrades to support our agricultural business, including an ongoing program to upgrade Iowa grain lines to support 286,000 lb. gross weight traffic. The expenditures will provide new capacity to handle grain traffic and the increased shipments of ethanol and distiller dried grains without compromising the grain network. We have also purchased 1,800 new covered hopper rail cars for grain in the last 2 years and hope to add another 850 in 2007.

In short, we are committed to making the capital investments necessary to support our grain business so long as the returns from this business justify the investment.

II.

COMPETITION FOR UP GRAIN TRAFFIC

The "market" in which UP competes for grain traffic consists of the alternative combinations of supply and transportation available to the participants in the grain distribution chain. As I will show below, UP has no "market power" over the transportation of grain because there are many readily available alternatives to UP

service and source territory. An attempt by UP to set above-market prices would simply cause the product to be drawn to one or more of these alternatives.

A. Transportation Alternatives

All grain that is shipped starts its journey to market in a truck. That truck, once loaded, can be driven to many different places:

1. Direct Truck

A truck can be driven directly to market. The product may be moved to market by the farmer, it may be sold to a trucker who resells it at the market, or the buyer may arrange for the pickup of the product on the farm. Direct trucking from field to market or barge terminals is very common in our service territory. This is particularly so in areas near the Mississippi river system in the Midwest (Mississippi, Missouri, Illinois, Ohio and Arkansas Rivers) or the Columbia/Snake river system in the Pacific Northwest. Our experience is that rail service is usually not competitive with truck service in areas which are within roughly 100-150 miles of river ports.² Direct trucking of corn to ethanol facilities, soybeans to crushing plants and wheat to flour mills is also common.

2. Truck to Elevator

A truck can be driven from the field to an elevator, where it is unloaded. The product will eventually be sold to an exporter, processor or feeder (i.e., a receiver who uses the product in animal feed) and shipped to market either by truck or by rail.³

² The distance from the river system varies depending on, among other things, the available highway systems. For example, areas along interstate highways (like Interstate 80, a major east-west highway in Iowa) generate comparatively more truck traffic than other areas that may be the same distance from the river but are served by secondary roads.

³ In some cases, the product may be moved to another elevator before it is shipped to market. For example, many elevators that have lost rail service over the years have chosen to market themselves as storage facilities and then truck the grain either to market or to a rail-served facility. Rail-served elevators

Obviously, we would prefer that the vehicles coming from the farms be driven to UP-served elevators, otherwise, we will likely never see the product. However, there are normally plenty of alternate elevators on other railroads in the area to which the product could be driven to just as easily. And even if the product does go into a UP-served elevator, there is no assurance that it will ever be shipped out by UP. The elevator operator can easily choose to sell into a truck market (which may or may not be the same market that UP serves). There is extensive trucking of grain from elevator to market in our service territory, and this is true even of rail-served elevators.

B. Supply Alternatives

Grain is grown extensively in areas that we do not serve. This grain can satisfy both domestic and export demand just as easily as products from within our service territory. These sources compete with UP-served sources to supply the same end markets. For example, there are considerable corn and soybean production areas in the Midwest which UP does not serve (such as Indiana, Ohio and portions of Illinois). In many other areas, crops are located closer to competing rail carriers or to the river system than to UP lines. Similarly, there are major wheat producing areas such as North and South Dakota and Montana which UP does not serve directly, although we participate in interline traffic with Canadian Pacific Railroad ("CP") from their North Dakota origins.⁴ Finally, the areas from which most of our corn and soybean traffic originates are 150 miles or more from the river system (generally Central Iowa,

which do not have unit train loading capability may also choose to truck grain to a unit train loader, a practice that is common in our service territory.

⁴ These CP North Dakota origins include Minot, ND, discussed at pp. 21-22 of the October 2006 GAO Report. Contrary to the GAO Report, Minot is not served by only one Class I road. It is served by two - CP and BNSF. The CP-UP route from the Minot area to Portland OR via the Eastport ID gateway is a viable interline route and is heavily used.

Southwestern Minnesota). This is considered a "residual draw territory" in the export trade. What this term means is that exporters will not draw product from the "residual" area unless they are unable to fill their demand from areas close to the Mississippi river system, or if we are able by our pricing to overcome the disadvantage of our more distant origins. The Columbia/Snake river system has a similar effect in eastern Washington and Oregon and in western Idaho. As previously discussed, areas closer to these river systems are served mostly by truck.

C. Transportation/Supply Alternatives and Market Discipline

The transportation and supply options I have described are powerful constraints on railroad pricing. Any attempt by UP to set rates above competitive levels would set off a sequence of events causing grain to flow around and away from it. UP-served elevators would reduce their bids to area farmers and increase their use of trucks to reach markets (and they may shift to markets other than the ones they are now accessing via UP). Area farmers, reacting to the lower bids, would sell less product to UP-served elevators and sell more product to elevators on competing lines or directly to markets. The draw areas of the UP-served elevators would shrink while the draw areas of elevators on competing lines would expand. All of these actions would remove traffic from UP, thus punishing it for setting above-market rates. In the environment we face, UP does not have "market power."

III.

COMMENTS ON THE GAO REPORT

I have read the October 2006 GAO report. What concerns me is that, in places, the report seems to be suggesting that rail grain traffic may be becoming somewhat less competitive, or evidenced by growing "captivity" (i.e., shippers served by one railroad) and price increases. Nothing could be further from the truth.

A. Competition and "Captivity"

From UP's perspective, rail transportation of grain is far more competitive than it ever was. It is certainly more competitive than it was prior to the Staggers Act, an era which many of those complaining about "competition" seem to have forgotten. In those days, grain rates were rigid, and largely unresponsive to competitive conditions. Some of the reasons included ICC minimum rate regulation, ICC policies protecting other modes from rail competition (so-called "modal advantage") and the existence of long-standing ICC rate "prescriptions" governing rail rate structures, some of which dated from pre-World War II days.⁵ Further, most rates were made through "rate bureaus." These were railroad cartels in which the railroads in defined territories would collectively agree on their rates under a grant of antitrust immunity.⁶ The results were rate structures with rates set high enough to protect the least efficient railroad. The rates marched ever upward in response to frequent, collectively-made general increases.

⁵ See, for example, Rate Structure Investigation - Grain and Grain Products, 1 I.C.C.2d 167 (1984) which finally vacated Western and Southern territory grain rate prescription dating from the 1930's and 1940's, respectively.

⁶ See Western Traffic Assoc. - Agreement, 276 I.C.C. 183 (1949) for a flavor of how rate bureau cartels operated. Getting a rate change through a rate bureau involved a byzantine, quasi-legislative process that could take months.

The entire process created high rate levels and discouraged individual initiative. It certainly wasn't an arcadia of competition. It wasn't an arcadia of anything else either. Both shippers and railroads lost under this heavily regulated, bureaucratic system. By the 1970's, most of the railroads in grain country were financially weak or bankrupt, providing poor service with bad safety records, and there were serious questions whether the rail industry could survive as a private enterprise.

Changes since the Staggers Act have made rail transportation of grain far more competitive. Minimum rate regulation, protection of "modal advantage" and rate prescriptions of years past have vanished into the ashcan of history. So have the rate bureau cartels, and their collective general rate increases. Today, we make our own rates based on our own independent evaluations of the market just like other businesses price their goods and services. The only time another railroad is involved in these decisions is when we are dealing with interline traffic with that road. In setting our rates, we have to be ever mindful of the many transportation and supply alternatives which our customers (and their customers) have.

And those transportation and supply options have increased. One important way that has occurred is through railroad mergers. Mergers have not reduced competition for grain, as some have argued. They have actually increased grain shippers' ability to access multiple markets. A good example is the 1995 UP-CNW merger. Prior to the merger, CNW (a major midwestern grain road) preferred to concentrate on markets in which its cars would stay on line, such as CNW-served processors and barge terminals. This made it difficult for CNW-served grain shippers to compete in other rail markets such as the West Coast, Arkansas and Mexico. As a result of the UP-CNW merger,

shippers on the former CNW system now have access to rail markets throughout the UP network and its connecting lines. Conversely, receivers on UP gained access to suppliers on the former CNW. Changes like this from railroad mergers - both UP's mergers and those of other railroads - increased the supply alternatives in the end markets for grain. That, in turn, increased the competitive options which discipline each railroad's pricing and services. The result is more competition not less. Talking about increasing "captivity" in markets like these reflects a fundamental misunderstanding of how grain markets work.

B. Pricing

I want to turn now to GAO's observations on railroad grain pricing. GAO states, first, that rail grain prices in the period 1985-2004 initially declined but then increased 9% (GAO, p.9). Note that this is an increase in nominal dollars (i.e., not adjusted for inflation), which GAO itself admits (Id., p. 9, n6). If this "9% increase" is restated in "real" dollars (adjusted for inflation), the "increase" completely vanishes and becomes a decrease. GAO's report actually shows this. Figure 4 of the report (p. 14) shows that railroad grain rates lagged significantly behind the GDP price index, and would have had to increase by over 40% between 1985 and 2004 just to keep up with the price index.

More importantly, even "real" increases in rail rates say nothing about the competitiveness of the transportation market. Pricing throughout the grain marketing and distribution system is very sensitive to supply and demand. Large price increases throughout this system are common, and say nothing about the presence of "market power." For example, as I've already discussed, during the 2005-2006 crop season,

barge rates repeatedly fluctuated between 230% and 800% of base tariffs - a swing of nearly 250%. This does not indicate the presence of "market power" in barge transportation. And grain prices themselves fluctuate widely in the course of a year. To give just one recent example, on August 1, 2006, the price for corn delivered Chicago (Chicago Board of Trade) was \$2.15 per bushel. By late October 2006, that price had risen to \$3.27 per bushel, an increase of 52% in just under 2 months. This does not indicate the presence of "market power" by grain sellers. Rail rates are an island of relative stability in this system. However, with increasing demands for rail service across the board, increasing costs and constrained rail capacity in recent years, rail rates should be rising rather than falling, and they must increase to justify large scale investment in additional capacity that is necessary on UP. Rail rate increases don't show a market failure, any more than price increases in other segments of the grain marketing and distribution system. It is a competitive market at work. These increases are also reflective of the fact that the prices available in the broader grain markets have also increased due to increases in international demand for agricultural products.

GAO goes on to suggest that so-called "captive" shippers (i.e., shippers served by only one railroad) may pay more than shippers served by multiple railroad (GAO, p 21). That notion is simply wrong as to UP's grain business. As I previously discussed, our grain rates are normally established from origin groups, and do not differentiate between "solely-served" and "multiple-served" locations within these groups. There's a good reason for that. All of these locations face a competitive market for grain transportation. Recall what I said earlier - all grain that is shipped starts its journey to market in a truck. The rail shipper (typically an elevator) is not the source of the traffic -

in many respects, it is effectively functioning as a transloader. The actual producer (the farmer) has plenty of competitive options for marketing its product. So, for that matter, has the elevator (see pp. 11-12). The way we compete for grain traffic is to get the traffic to move from the farm to a UP-served facility, and then move out by rail. If we were to set higher prices for "solely-served" facilities than for competing "multiple-served" facilities in the same area, it would simply cause grain to flow away from the "solely served" facility, or cause the facility to ship by truck either to market or to a facility on another railroad - a self defeating strategy.

IV.

CONCLUSION

UP is only one player in a much larger grain production and distribution system. As a participant in this international system our actions must be consistent with the larger market if we, and our customers, are to fully benefit, over the long term, in the opportunities that this market provides. As such, we have attempted to structure the three key elements of our participation in the market - car availability, service structure and price to market - in a way which permits our customers to maximize their market opportunities and options. At the same time, this approach allows UP to justify the capital investment that is absolutely essential if UP is to continue to function in a responsive manner as a player in this system.

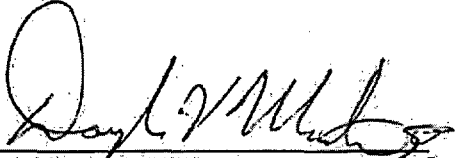
The opportunity to improve yields to the local farmer is best served by a productive, efficient transportation system. This includes service such as that provided by UP's shuttle train and unit train networks as well as our continuing commitment to single, or small multiple car services, where appropriate for the market. This network

allows UP to provide cost effective transportation to the maximum number of grain customers and permits them to effectively compete in both domestic and international markets. It also permits the grain business to better compete with other portions of UP's business portfolio for scarce investment capital. As we have shown, UP has long been committed to maintaining a productive, competitive grain gathering and handling network. However, recent improvements in rail operating productivity and in the price structure for agricultural commodities along with strong demand for grains and grain products have come together to also make this line of business relatively more attractive for investment than it has been in the past. These developments, if permitted to continue, will provide a solid foundation for moving forward with an important portion of our business to the benefit of both UP and its customers.

VERIFICATION

I, Douglas V. Martin, declare and certify under penalty of perjury that the foregoing statement is true and correct to the best of my knowledge and belief.

October 30, 2006
Dated


Douglas V. Martin

Union Pacific Railroad - Fact Sheet

Main Line Track 27,301 miles
Branch Line Track 5,125 miles
Yards, Sidings, and other Main Lines 20,241 miles
Total 52,667 miles

Locomotives 8,226
Freight Cars 106,743

Annual Payroll \$4.4 billion
Annual Purchases \$5.2 billion

Union Pacific Railroad Serves:

- 23 states
- Every Major West Coast and Gulf Coast Port
- Four Major Eastern Gateways – Chicago, St. Louis, Memphis, and New Orleans
- All Six Major Gateways to Mexico

2006 Additions:

- 3,140 Train, Engine, and Yard Employees Hired
- 283 Locomotives
- 2,700 Freight Cars

Capital Spending

	2004	2005	2006	2007
Capital Spending	\$2.4 billion	\$2.86 billion	\$2.8 billion (est)	\$3.2 billion (est)
Capital Spending As a Percent of Revenue	20%	21%	NA	NA
Return on Invested Capital (STB)	4.5%	6.3%	NA	NA

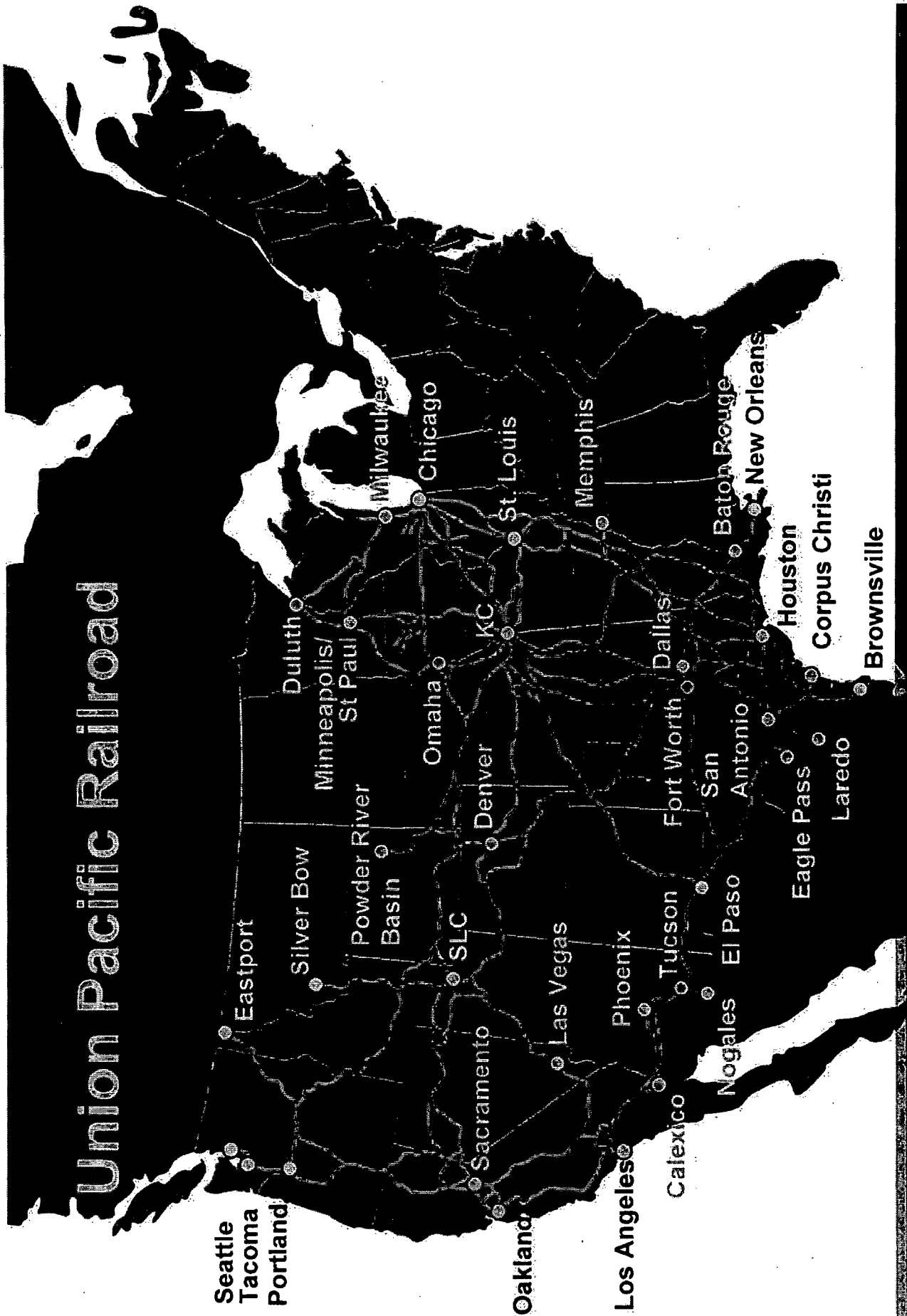
Agricultural Products Overview

	Grain	All Agriculture Products
2005 Volume (Carloads)	368,369	882,861
2006 Volume ytd Sept (Carloads)	292,558	685,748

Business Mix

Whole Grains	39%
Food/Refrigerated	22%
Grain Products	39%

Agriculture Hopper Cars	23,750
Refrigerated Cars	5,794



BUILDING AMERICA