

JUNE  
2017



# Shared Track



## Ron Batory Retires

By: Stephen McGinnis, Communications Coordinator

ON APRIL 1, 2017 Conrail President and COO Ronald Batory retired with more than 46 years of field and system experience in the railroad industry. A career professional, Batory served in various administrative and operating management positions of considerable responsibility. He spent the first 23 years of his career working for both eastern and western Class 1 railroads in addition to serving a court appointed Trustee's successful oversight of regional railroad bankruptcy.

In 1994 he was appointed President of The Belt Railway Company of Chicago, a multi-owned switching and terminal subsidiary of the then nine competing Class 1 carriers. His leadership success in serving their needs in the Chicago Gateway led to CSX and Norfolk Southern Corporation later recruiting him to Consolidated Rail Corporation in preparation of the STB approved partitioning of eastern carriers and establishing what is now commonly known as the Shared Assets Areas. Accomplishing the unique task of providing a plane of equality for joint competition later favored him in being appointed to his position of President & Chief Operating Officer for the entire corporate entity.

Tim Tierney, who succeeded Batory as President and COO, had worked with him from the start of Conrail Shared Assets and praised him for providing the leadership and direction in transforming Conrail from a Class 1 carrier to the Switching and Terminal carrier we are today. "His commitment to Conrail, its people and his passion for our industry has made all of us better in the work that we do," said Tierney.

To show their appreciation, Conrail's management team gathered to celebrate Batory's illustrious career and wish him well in the next chapter of his life. Conrail's senior management each took a moment to share with all in attendance the role Batory played in their careers and in their personal lives.

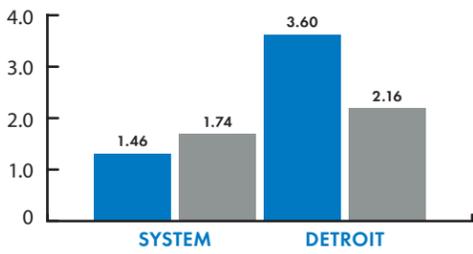
A recurring sentiment that was shared by all was Batory's emphasis on the importance of every Conrail employee and their families. He wanted employees to have the opportunity to spend time with and enjoy their families. How he believed in open communication and treating people well to maintain a happy and healthy workforce.

Once again we would like to congratulate Mr. Batory on his well-deserved retirement and we wish you the best in the next chapter of life.

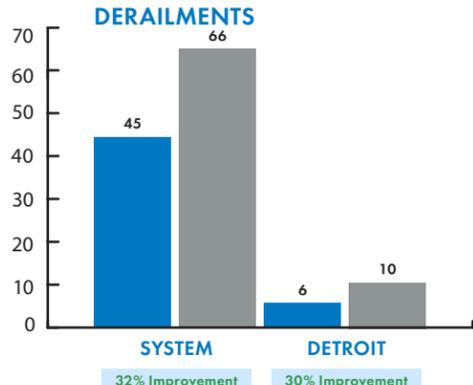
# Detroit Shared Assets Area

## DETROIT SAFETY AND PERFORMANCE METRICS

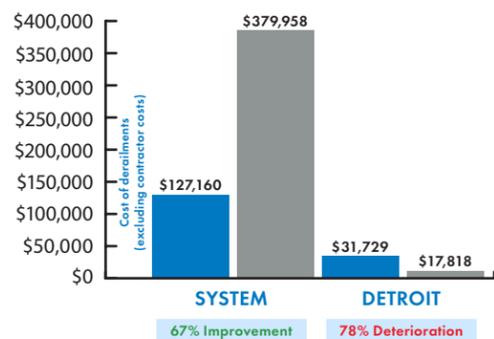
■ May 2017 YTD ■ May 2016 YTD  
EMPLOYEE INJURY RATE



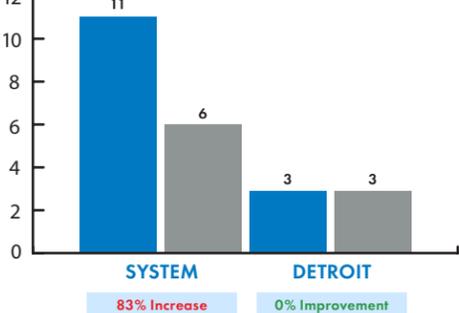
DERAILMENTS



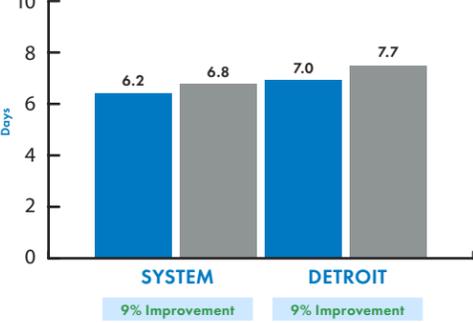
DERAILMENT COST



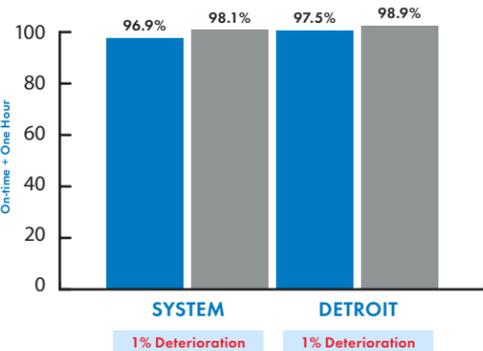
GRADE CROSSING ACCIDENTS



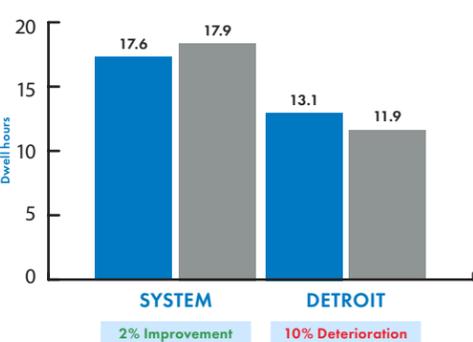
CAR CYCLE TIME



ON TIME DEPARTURES



YARD DWELL TIME



# AJM Packaging

By: Kory Johnson, Detroit Terminal Superintendent

AJM PACKAGING CORPORATION manufactures and supplies private label and branded paper products. It offers paper plates, cups, bowls and bags. The company serves mass discount grocery, drug retailers and wholesalers. They also serve products to various food service and fast food industries as well as distributors and re-distributors.

“We receive about five railcars a week from Conrail. We are an open gate customer, so we get our cars when they get to the yard. Every day is a bit different depending on our customers’ needs. We are very reactive to our customers. We typically don’t have a lot of stock on hand and are very flexible in our manufacturing, shipping and receiving,” said Rob Grimaldi, AJM Shipping and Receiving Manager.

AJM manufactures their products at their Detroit facility and ships them throughout the country. They also operate seven strategically located plants across the US. “The railroad helps our production immensely, it’s extremely important. We rely on it to balance out our truck delivery schedule and vendor releases. Rail service allows us to plan more efficiently,” added Grimaldi.

“All of our products going outbound we do by truck, but we rely on both truck and rail for our inbound products, I’m very happy with the service I receive from Conrail. I’ve worked closely with Kory Johnson for a number of years. He always does whatever he can to help. I know that if he says something will get done, I won’t have to worry about it and can focus my attention on other issues.”

“The Trainmasters in Detroit are great representatives for Conrail, they stick to their word, and that means a lot. It is much easier to meet our customers’ demands when our demands are met,” added Grimaldi.

# FCA Invests in Sterling Heights

By: Scott Cyrus, Senior Trainmaster

FIAT CHRYSLER AUTOMOBILES is retooling its Sterling Heights Assembly Plant so it can build the next-generation Ram 1500 pickup truck once they stop producing the Chrysler 200 vehicle. The automaker’s decision to move the Ram to the Sterling Heights plant likely secures thousands of jobs there for years to come.

“This is now the largest one-time corporate investment in the city’s history, and once again validates Sterling Heights as an epicenter of economic development activity in the Metro Detroit region,” Sterling Heights Mayor Michael Taylor said.

The decision to move the Ram to Sterling Heights gives that plant, which opened in 1953 to build jet engines, yet another lifeline. Originally Chrysler planned on closing the plant, but FCA

spent about \$1 billion to retool and build the midsize Chrysler 200.

This marks nearly \$3 billion FCA has invested in Sterling Heights since 2011. FCA announced it will create 700 new jobs at the Sterling Heights Assembly Plant when the Ram 1500 production begins.

“The city is very excited to learn the \$1.48 billion investment at SHAP will be accompanied by 700 new jobs in the city,” said Mayor Taylor. “The economic impact from these new well-paying jobs, not to mention thousands of jobs preserved at both Sterling Stamping and SHAP, equates to millions of dollars in the local and regional economy. We are grateful for FCA’s long-term commitment to Sterling Heights.”

Sterling Heights continues to see manufacturing and tech investment in its industrial corridor, aptly named the

Sterling Innovation District. The industrial vacancy rate in Sterling Heights is currently under 1 percent. The city expects this positive development momentum to continue for at least the next few years.

We are optimistic that the new facility will increase volumes with the increase in demand and interest for the next generation Dodge Ram Pickup truck. Expectations are high for this new vehicle. The new FCA facility will increase the amount of railcars they receive from approximately 10 a day to 16, and will only require one switch a day as opposed to two. This will improve car cycle and dwell time and is a safer and more efficient operation.

It’s great to see companies investing in Sterling Heights infrastructure, but even better knowing they are willing to invest in the people.

# Philadelphia/Mount Laurel

RECEIVING YARD  
TRACKS 1-9

## Paulsboro Marine Terminal

By: Stephen McGinnis, Communications Coordinator

ON MARCH 2, 2017 the Paulsboro Marine Terminal (PMT) in Paulsboro, New Jersey, officially opened, welcoming the first vessel and signaling the commencement of cargo operations. The recent completion of Phase One of the Paulsboro Marine Terminal project is the first new general cargo marine terminal to be constructed along the Delaware River in more than 50 years.

Funded largely through South Jersey Port Corporation (SJPC) bonds issued in 2009, the Paulsboro Marine Terminal stands as one of the most significant and prudent investments by and for the people of New Jersey in growing southern New Jersey's economy and its vital role in international trade and commerce.

The PMT berth(s) have dock-side rail – augmented by millions of dollars in regional rail upgrades and improved rail access through three Class 1 railroads from the southern New Jersey peninsula to the heartland of the United States and Canada. The rail components of the project were in part funded through a federal TIGER III grant and a NJDOT Rail Freight Assistance grant.

With operations of the PMT the key to its success, the SJPC entered into a terminal operator agreement with Holt Logistics, who is the terminal operator and principal employer supporting hundreds of jobs at the terminal.

“It really is the state of the art for rail operations here,” said Leo Holt, president of Holt Logistics, during the opening ceremony. “With the loop track and center loading track, we can do two trains simultaneously. The railroad can pull out a train and stage it while we are busy working on loading others. It is the first of its kind in the region.”

“The way we are able to service the port will not only help the customers, it will also cut down on dwell time, car cycle time, and increase the amount of cars we can handle in and out of South Jersey,” said Bob Conley, South Jersey Terminal Superintendent.

A 50-acre dockside parcel at PMT has been dedicated to the import of steel slabs

**“The way we are able to service the port will not only help the customers, it will also cut down on dwell time, car cycle time, and increase the amount of cars we can handle in and out of South Jersey.”**

*– South Jersey Terminal Superintendent Bob Conley*

for NLMK USA, one of the leading suppliers of steel products in the US. NLMK USA will use PMT as a prime port to import steel slabs for rail shipment for distribution throughout North America.

The opening of the PMT marks the completion of Phase One and the beginning of a continued expansion to grow water-borne cargo business. Phase Two will extend the wharf to 2,200 feet to accommodate up to four ships, a 500-foot barge berth, and upland improvements to accommodate future cargo customer needs.



Steel cargo is offloaded from a vessel and loaded onto railcars for transport at the Port of Paulsboro.

# Connections

## Mount Laurel/Philadelphia

### Injury-free Years of Service

- Carlos Dasilva, Customer Service Representative, 5 years of service
- Alicia Bilson, Analyst Service Design Profile, 10 years of service

### Retirements

- Ronald Batory, 46 years of service
- Linda Mayover, 37 years of service
- Anthony DiArenzo, 43 years of service

## Detroit

### Injury-free Years of Service

- Robert Regulski, Block Operator, 5 years of service
- Andre Chalk, Conductor, 5 years of service
- Codee Bennett, Conductor, 5 years of service
- Kenneth Woolridge, Conductor, 5 years of service
- Frank Palazzolo, Trainmaster, 5 years of service
- Le'mon Davis, Conductor, 5 years of service
- Andrew O'Connor, Conductor, 5 years of service
- Kelly Novakowski, Block Operator, 5 years of service
- William Ayars, Asst Trainmaster, 5 years of service
- Shalon Wilson, Asst Trainmaster, 5 years of service
- Scot Ottusch, Block Operator, 10 years of service
- Benjamin Ciotti, Block Operator, 10 years of service

### First Anniversary

- Michelle Harris, Block Operator
- Nathan Dreifus, Block Operator

### Retirements

- Brian McBain, 41 years of service
- Robert Otlewski, 42 years of service

"I am very vigilant with our Critical Rules, I'm constantly aware of my surroundings."

— John Bowles, Conductor,  
five years injury-free



## South Jersey

### Injury-free Years of Service

- Matthew Middleton, Laborer, 5 years of service
- John Dimatteo, Conductor, 5 years of service
- Jonathan Schulak, Supervisor Car Department, 5 years of service
- David Florian, Conductor, 5 years of service
- James Bowman, Engineer, 5 years of service
- Christopher Herff, Conductor, 5 years of service
- John Gatto, Welder Foreman, 5 years of service
- James Sheldrake, Conductor, 5 years of service
- Samir Vaughan, Conductor, 10 years of service
- Joy White, Yardmaster, 10 years of service



### Retirements

- Steven Buda, 29 years of service
- Daniel Kostar, 44 years of Service
- Edward Acko, 29 years of service

"I keep a cautious eye out for hidden or emerging issues with our locomotives that could cause safety issues or service interruptions."

— Paul Henry, Machinist,  
10 years injury-free

## North Jersey

### Injury-free Years of Service

- Charles Cabrejos, Engineer, 5 years of service
- Richard Richter, Engineer, 5 years of service
- Jesse Reilly, Yardmaster Trainee, 5 years of service
- Gary Bertonazzi, Yardmaster Trainee, 5 years of service
- Paul Derosa, Manager Auto Terminal, 5 years of service
- Josh Pryslak, Electrician, 5 years of service
- Ryan Messina, Laborer, 5 years of service
- Luis Cortes, Carman, 5 years of service
- Eric Ferreira, Foreman, 5 years of service
- Richard Mccall, Project Engineer, 5 years of service
- Nicholas Nordhoff, Asst. C&S Supervisor, 10 years of service
- Ian Black, Asst. C&S Supervisor, 10 years of service
- Donald D'Angelo, Maintainer, 10 years of service
- Kevin Gabriel, Engineer, 10 years of service
- Christopher Harris, Engineer, 10 years of service
- Hayvert Hagwood, Yardmaster, 30 years of service

### First Anniversary

- Abdul-Wahid Bashir, C&S Maintainer
- Rinor Marku, Stevedore
- Hany Mena, Stevedore
- Taylor Smith, Electronic Technician

### Retirement

- Judy Stranahan, 26 years of service

"I apply the same principles on the railroad that I apply as a basketball coach. I put together a scouting report for the work needed to be done, materials needed and the necessary manpower. I have a job briefing with my guys and then we organize and execute the day's work in the safest and most professional manner possible."

— Dennis McCaffery,  
B&B Foreman,  
40 years injury-free



# Connections

## Brian Dennis



By: Stephen McGinnis, Communications Coordinator

ACCORDING TO recent studies, about 35 million children between the ages of 5-18 participate in organized sports. While playing sports is beneficial for children in terms of physical activity and learning new skills, one great benefit of participation is having a dedicated coach available that is invested in the positive development of children, both on and off the field. Coaches wear many hats, and teaching the sport is just part of holding that title.

Detroit Conductor Brian Dennis has taken on that task coaching his son's pee-wee hockey team while he is currently on the conductor extra board. "I actually like being on the list, it lets me do something different every day. It keeps you a little more aware of everything," said Dennis.

"It can be difficult at times, but I have enough seniority to keep a Saturday as my guaranteed day. That way I am able to coach most of our games. We have had games during the week that I unfortunately had to miss, but I have other coaches who are able to help out when I can't make it. The two hour call for work still leaves me with enough time to get some help," he added.

Dennis doesn't use being on the extra list as an excuse. Rather, he wears it as a badge of honor that he is able to be so involved with his family and coaching. "It's a lot different than most jobs. Most people have the normal 9-5 job, but the railroad is a lot different than most industries, and I'm glad that the kids and their parents are understanding, even if they don't really understand how being on the list works."

He maintained that one of the biggest reasons he is able to balance the work, coach, and family life is because of his wife. "She is my rock; I absolutely couldn't do it without her. When I get called into work, she still makes sure the kids get to where they need to be or do what needs to be done. She deserves a lot of the credit."

Dennis' team is wrapping up their spring season at the end of May, but they will be right back to it in September, and by that point he is hoping to introduce his 3-year-old son to the game he loves.

## Chris Ligori

By: Stephen McGinnis, Communications Coordinator

THE SPORT OF Mixed Martial Arts has evolved over the years from what resembled more of a bar room brawl than a professional sport to what is now one of the most popular sports in the world. The men and women who dedicate themselves to reaching the professional level train endless hours just to have chance at becoming a professional fighter. Due to the cost of training, gym time, travel expenses, and various other amenities, most fighters also have to work a full time job.

Conrail Conductor Chris "The Story" Ligori was one of the many who had to balance a full time career as a conductor while



striving to reach the top of the ranks. "It was pretty difficult at times. To be successful in the cage takes a lot of time and dedication, but I also had my responsibilities at work. I was on the extra board at the time, so it made finding that balance tough," said Ligori.

Ligori's fighting career began in his late teens, and he amassed a record of 15-10-0 and fought in promotions for Bellator, Elite XC, and in UFC 45. "Things would get pretty close to me getting a big break, but in the fighting industry, a loss at the wrong time can set you way back. As much as I wanted to keep fighting, I had my career at Conrail, and I am extremely grateful to them and I love what I do, so I decided to retire from fighting," he added.

"I really am lucky to have had the opportunity to do what I love, and be able to walk away and know that I have this great career on the railroad. A lot of fighters don't have that. Conrail has really been great to me and I enjoy being a part of an industry that plays such a key role in the economy of our country. We really are involved with every type of industry and I take a lot of pride in knowing that I can play a role in that. The discipline and work ethic I put into my fighting is the same on the railroad."

"The possibility of getting hurt in the ring was always a possibility, but it doesn't even come close to what can happen to you when you're operating a train, and you're not the only one out here. You have to be mentally and physically aware of everything around you to make sure no one gets hurt. I just try and do the best I can and work as safe as I can every day."



## Mike DiArenzo

By: Stephen McGinnis, Communications Coordinator

MICHAEL DIARENZO was recently named one of Railway Age Magazine's Fast Trackers, 10 Under 40.

Candidates had to be under the age of 40 as of Jan. 1, 2017 and located within the 50 states, Washington, D.C., Canada and/or Mexico, representing freight and passenger railroads, suppliers and consultants/contractors. They were judged on criteria that included industry experience and education, leadership skills, industry contributions, and community service involvement.

DiArenzo is a second-generation railroader,

both parents having worked for Penn Central and "Big Conrail." This past January, DiArenzo celebrated his ten-year anniversary with the company, having started out as a field employee in engineering, and worked his way up the corporate ladder as a track supervisor in the Camden and Philadelphia sub-divisions, to the current position he holds today.

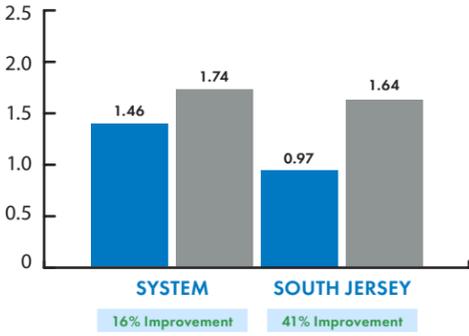
DiArenzo is a dedicated employee who is responsible for supporting Conrail's engineering field operation, managing the engineering contract services and material purchasing for routine maintenance and major projects. He also handles a major portion of Conrail's capital program, which includes shared state and federal funded track infrastructure projects.

# South Jersey Shared Assets Area

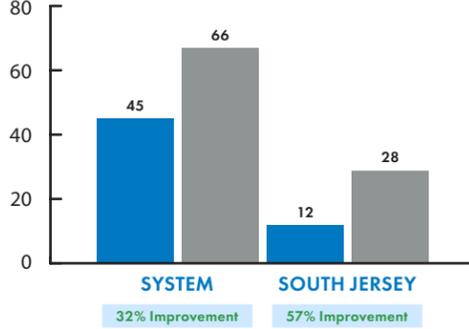
## SOUTH JERSEY SAFETY AND PERFORMANCE METRICS

■ May 2017 YTD ■ May 2016 YTD

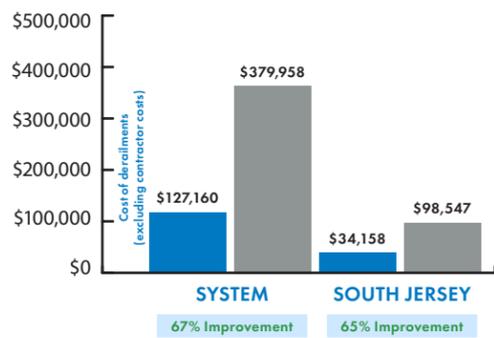
### EMPLOYEE INJURY RATE



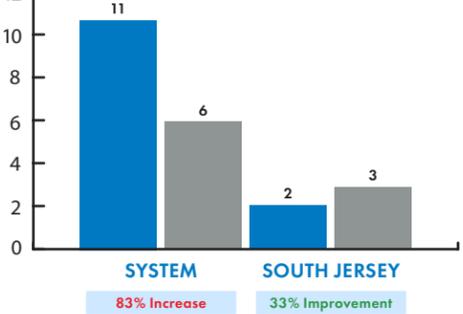
### DERAILMENTS



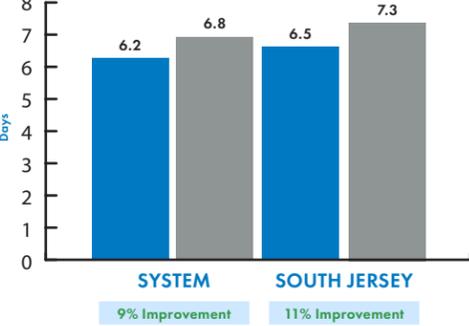
### DERAILMENT COST



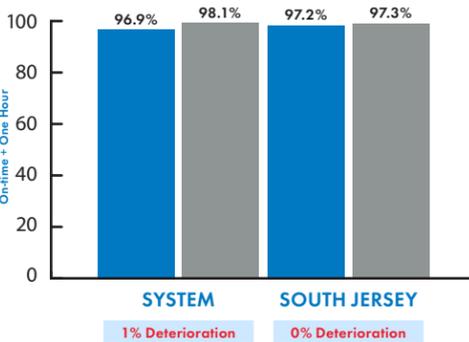
### GRADE CROSSING ACCIDENTS



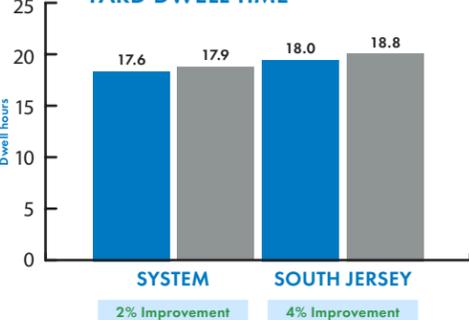
### CAR CYCLE TIME



### ON TIME DEPARTURES



### YARD DWELL TIME



## Valtris

By: John Higgins, Senior Trainmaster

VALTRIS INHERITED a rich 56-year history starting in 1961 with Monsanto's building of the Bridgeport production facility to their formation as a stand-alone company in December of 2014. Formerly the Polymer Additives Division of Ferro Corporation, Valtris is a leading provider of specialty chemicals, serving industries as diverse as building and construction, packaging, consumer goods, transportation and oilfield additives.

Headquartered in Independence, Ohio, and with seven facilities operating globally, Valtris offers a range of complimentary products for the specific needs of their diverse customer base.

Valtris Specialty Chemicals excels in the development of innovative materials that provide solutions across a variety

of polymer applications. They develop materials that improve performance and provide customers with a valuable competitive advantage.

Each of their facilities is unique from the other, dedicating each plant to a set of specific products they produce, but the one thing each facility has in common is they all use rail. Their Swedesboro facility is the largest of their U.S.-based plants and is the only facility in the United States that produces benzyl chloride, which is used in certain hand soaps, perfumes, and fragrances.

"We develop products for construction, transportation, oilfield additives, and various other industries. Some of our products are used in soundproofing automobiles and airplanes, and almost 95 percent of what comes in and out of here is by rail, so our rail service is extremely important," said Plant Manager Bob Knighton.



## South Jersey Injury Free

By: Rodney Gordon, Asst. Superintendent Operations

SAFETY IS CONRAIL'S top priority, and the commitment to safety extends throughout every aspect of the company. Conrail's South Jersey workforce's safety performance exemplifies Conrail's safety standards having recently surpassed the one year injury-free mark.

One year...365 days...8760 hours. That's a long time for any industry that operates 24 hours a day, 365 days a year to go with zero workplace injuries. It is an even more impressive accomplishment in an industry like ours, where the risk of serious injury is high if employees aren't working safely.

It is every employee's responsibility to focus on identifying and controlling hazards, reducing exposure to health and safety risks, and supporting the general health and well-being of every employee, and our South Jersey employees have done just that. Their proactive approach to safety continues to promote a safety culture that will continuously reduce risk and improve and provide a safe work environment.

It's a team effort and one that wouldn't have been achieved if it wasn't for the hard work and dedication from all of our employees. Everyone involved in the day-to-day operations plays a significant role

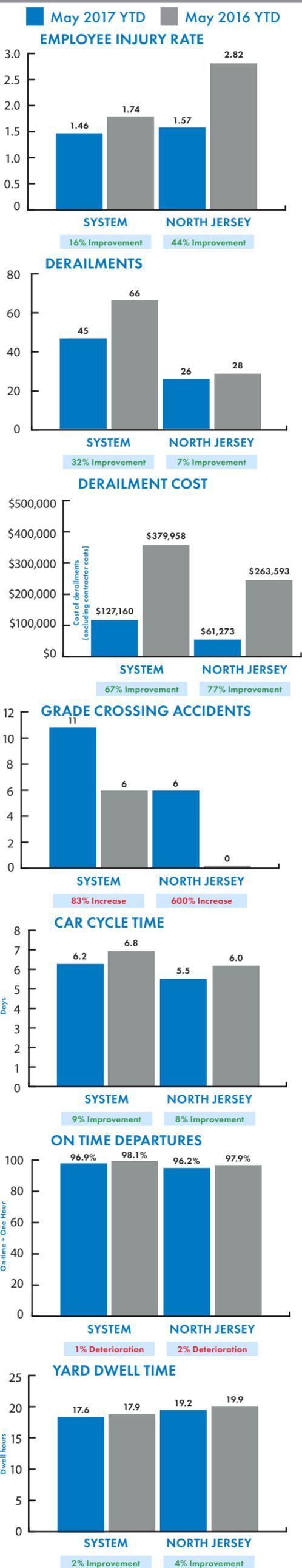
in sustaining a zero injury environment. It is the care that we display for one another that will ensure everyone goes home unharmed each and every day.

One year injury-free does not happen by chance, it takes a dedicated, professional team to accomplish the goal. The team in South Jersey took it upon themselves to make the goal happen and as one team they accomplished the goal by staying focused on the task at hand and insuring other were just as focused. We are all very proud of the accomplishment of the team in South Jersey.

What it takes is not luck or good fortune but hard work from everyone involved.

# North Jersey Shared Assets Area

## NORTH JERSEY SAFETY AND PERFORMANCE METRICS



## C&S Upgrade Switches in North Jersey

By: Steve Vant, Assistant Engineer, Signals

THE CONRAIL C&S Department is in the process of installing signal system equipment on the Garden State Secondary between CP Ralph and CP Ron. CP Ron will be expanded, receiving additional interlocking appliances to include the Hess Crossover and the additional switches leading off the main towards Port Reading Yard. The South-End of the West Siding currently has a remote controlled, power operated switch. This location will be retired and a new Control Point, CP HESS, will be installed as its replacement. CP Hess will be controlled by the South Jersey Train Dispatcher and will govern movements on and off of the West Siding. CP Ralph and CP Karen will

receive software upgrades to become integrated into the signal system. All hand operated switches in the route will have additional equipment installed to detect if a normal switch point becomes gapped.

The main reason for the upgrade is to provide a more efficient route for trains to traverse. Currently, the segment of railroad between CP Karen and CP Ralph utilizes NORAC DCS rules, which allows trains to operate upon written track authority from the train dispatcher. The process to operate a train in DCS territory with only written track authority does not protect train crews against every unknown condition which may exist in front of the train's direction of travel. Installing signal equipment on this route will

decrease the amount of written authorities that the dispatcher is required to write. The segment of track between CP Karen and CP Ron currently allows trains to operate under NORAC Rule 93, Yard Limits. This ruleset allows trains to operate under verbal permission only from the dispatcher.

Signal systems reduce the overall risk of train operations. A train will not receive a permissive signal unless the route established beyond that signal is clear of obstacles such as broken rail, misaligned switches, improperly seated bridges, and opposing or conflicting train movements. We will continue to invest capital in our signal infrastructure as it not only mitigates risk and improves safety, but also allows our trains to operate more efficiently on our main line tracks.

## FAPS

By: Stephen McGinnis, Communications Coordinator

FAPS, Inc., originally known as Foreign Automotive Preparation Service, is a third generation company established in Port Newark, New Jersey. The pre-delivery company has been providing the automotive industry import/export preparation services for 60 years within the Port of New York & New Jersey. FAPS, Inc. is also a fully activated Foreign Trade Zone (FTZ) approved throughout its entire highly secured facility and employs over 200 skilled personnel. Manufacturing clients include global shippers and allied companies such as Ford Motor Company, General Motors Corporation, Nissan, Infiniti, Volvo, Toyota, Ferrari and Maserati.

Located in the midst of the largest and most affluent consumer marketplace in North America, and provides automotive importers with immediate access to more than 18 million consumers. With its excellent highway network and intermodal connections to

inland markets, the port provides one-day access to over 75 million consumers from Virginia to Maine, as well as Eastern Canada. Within two days transport from the port, we can reach markets as far west as Chicago. The ability of automotive importers to reach their major markets more quickly and cost effectively than any other port of entry in the nation is also why the port is the home to manufacturer pre-delivery subsidiaries Toyota, Lexus and BMW.

Services for new finished Import & Export vehicles include; Pre-delivery inspections, accessorization, body-repair, paint refinishing, export homologation, modification, global certification standards and fleet reconditioning. Vehicle processing is performed in over 700,000 square feet of pre-delivery centers. FAPS, Inc. coordinates the inland distribution with many major car hauling truck transportation companies and operates a 48 rail car spot capacity auto rail facility (MODART) within the Conrail Shared Asset Area for both CSXT and Norfolk Southern railroad companies. FAPS, Inc. operation is regarded as the "Industries benchmark auto-processing facility in North America" and can handle over 500,000 vehicles annually. FAPS, Inc. utilizes the latest IT technology operating in a real time environment which effectively manages inventory, cargo releases, services and electronic invoicing. FAPS, Inc. also specializes in vehicle containerization.



The newest item now available at the **CONRAIL STORE**



Unisex  
52% cotton  
48% polyester  
T-shirt

**Conrail Dark Heather Gray T-Shirt**

A link to the store can be found on Conrail's website, [www.conrail.com](http://www.conrail.com) under About Us.

1ST CLASS PRSRT  
U.S. POSTAGE  
PAID  
MAIL U.S.A



Conrail Corporation  
1000 Howard Boulevard  
Fourth Floor  
Mt Laurel, NJ 08054

Conrail news for you.

**IN THIS ISSUE**

- 1 Ron Batory Retires
- 2 Chrysler's New Facility
- 3 Port of Paulsboro
- 4 Milestones
- 5 Profiles
- 6 365 Days Injury Free
- 7 C&S Upgrades
- 8 Conrail Named Regional Railroad of the Year

# Conrail Named 2017 Regional Railroad of the Year

CONRAIL WAS RECENTLY recognized by Railway Age Magazine as the 2017 Regional Railroad of the Year. This recognition is a direct reflection of the hard work and dedication from all Conrail employees.

Conrail has come a long way since split date in 1999, and we would like to thank every employee for your part in making Conrail what it is today.

Workforce evolution is critical to the CSAO story. In 1999, the typical Conrail employee was 49 years old with 24 years of railroad experience. By 2015, employees averaged 41 years old with 12 years of railroad experience.

Conrail thus encountered a significant "experience cliff" as more than 48,000 work-years of experience retired. Yet, the railroad is running better than ever. Technical innovation has created a tool kit that didn't exist 20 years ago. Asset performance monitoring via GPS (helping reduce the active locomotive fleet by 50 percent), remote-control locomotives and PTC on the passenger routes, combined with a strict technology-based safety focus and employee cross-training, are hallmarks of Conrail's operation today.

The payoff: running a 150-year old business with 21st century tech skills and up-to-date educational levels, contributing to significant productivity gains through several severe economic downturns. Conrail's unique two-owner culture delivers a robust service product: The operation makes up, originates, terminates, classifies and dispatches more than 100 trains a day for its owners off a network of 22 serving yards and some 140 daily crew-starts (average crew-size is 1.8 persons with zero utility positions).

On-time freight departures now run 98 percent, nearly double the 2000 number; yard dwell is under 19 hours from 30, and car-cycle time from receipt to dispatch is now 6.5 days versus 9 days 12 years ago. Customer switching plan compliance runs at 96 percent.



**Conrail's President and COO Tim Tierney accepted the award on behalf of Conrail Employees**

Change and growth come at a large capital cost. Public-Private Partnerships and grants since 1999 represent nearly a third of total Conrail capex, evidencing strong federal, state and local government support. In less than 20 years, CSAO has reinvented itself, becoming a high-performance, service-driven joint facility for CSX and NS.