

# Issues and Concerns of Rail Customers

The Warehouse Perspective  
Public Warehouses and the Railroads  
MARS January 14, 2009

**Presented by: Paul Delp**  
*President, Lansdale Warehouse Company*

*Lansdale*

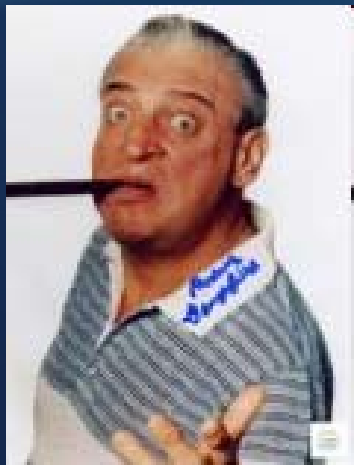
WAREHOUSE CO. / LOGISTICS SERVICES CO.





# Exemplify

- 3PL's Not Taken Seriously
  - Shipper or a Railroad
- Billing – Freight Bills, Demurrage
  - 2007 Third Circuit Court of Appeals Ruling
- Infrastructure – First Mile/Last Mile
  - Lost Business Opportunities



“We don’t get no respect...”

*Lansdale*

WAREHOUSE CO. / LOGISTICS SERVICES CO.



# Amplify

- Respect
  - Consumer Product Safety Commission
- IWLA Terms and Conditions
  - Notification Process
- Infrastructure
  - Example - Stony Creek Rail Line



# Specify

- Industry Associations are the Experts
  - IWLA Successfully Changed the Legislation
- IWLA Revised Terms and Conditions
  - Notification Process
- Infrastructure begins at home
  - MPO's are KEY

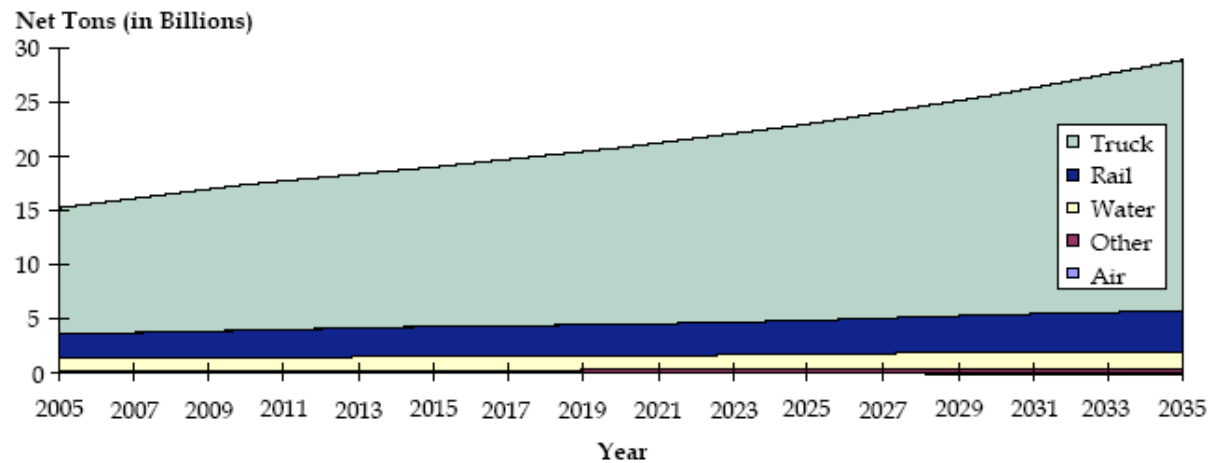


# Electrify

- Our Government Needs to Know
- Industry Associations
  - Midwest Association of Rail Shippers
  - International Warehouse Logistics Association
    - » Rail Council
    - » Government Affairs
- PA Examples
  - PA Transportation Commission
  - Rail Freight Assistance Program
  - Delaware Valley Regional Planning Commission

# A Lot More Trucks...

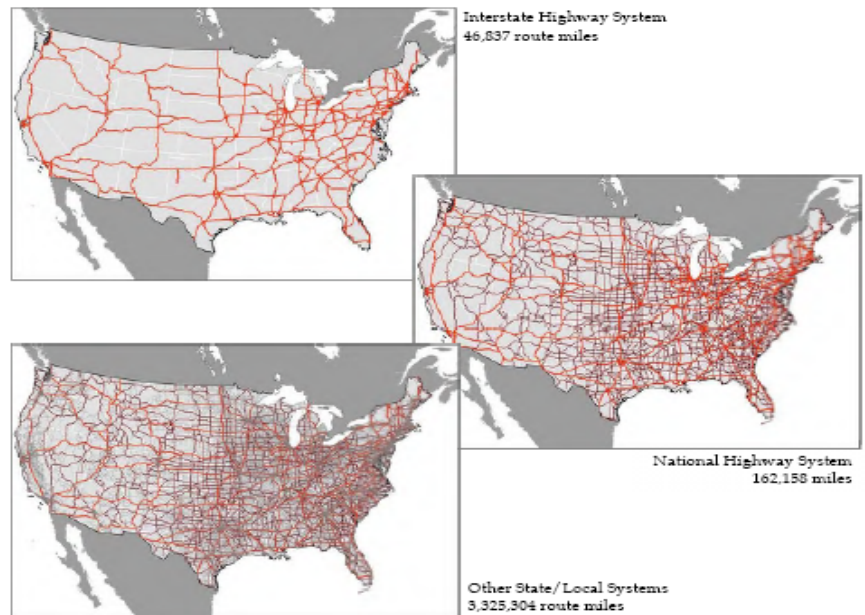
**Figure 2.1 Freight Tonnage Forecast**  
*By Mode - 2005 to 2035*



Source: Global Insight, Inc., TRANSEARCH 2004.

# Our Highway System

**Figure 3.1** Main Freight Routes of the Interstate Highway System, National Highway System, and State and Local Road System



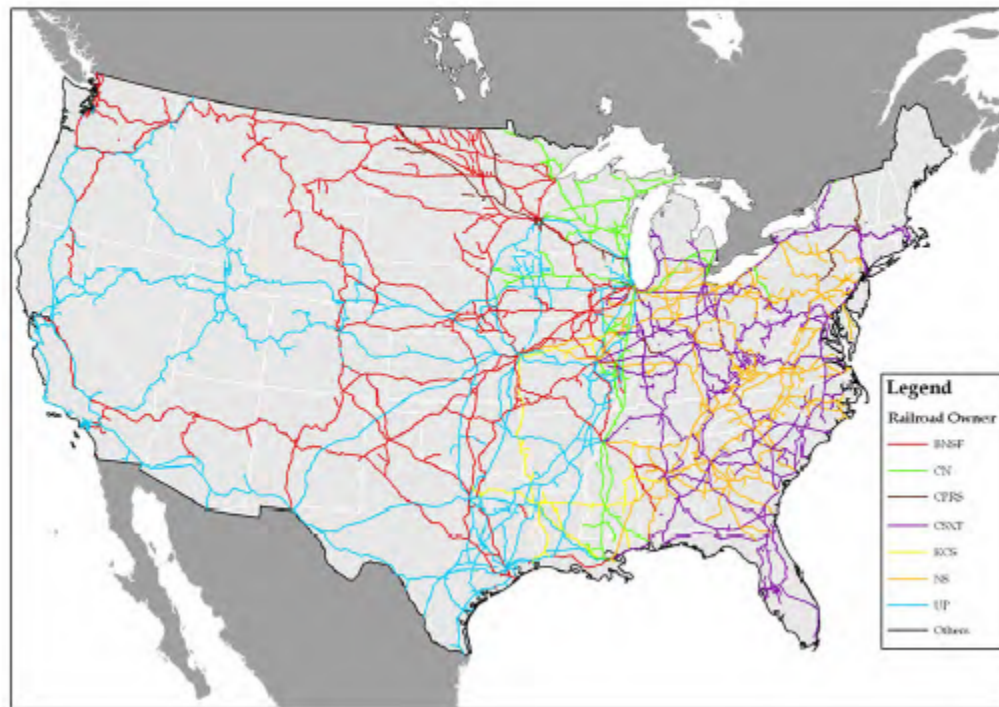
The increase in freight demand and truck travel means that where today, on average, there are 10,500 trucks per day per mile on the Interstate Highway System, in 2035 there will be 22,700 trucks, with the most heavily used portions of the system seeing upwards of 50,000 trucks per day per mile.<sup>2</sup>

Today, 2,100 miles of the 47,000 route miles of Interstate highways carry more than 25,000 trucks per day; in 2035, that number will grow to 16,700 miles—a 700 percent increase. Only 30 miles of Interstate highway carry more than 50,000 trucks today; by 2035 that number will reach 2,500 miles.

# Rail Infrastructure

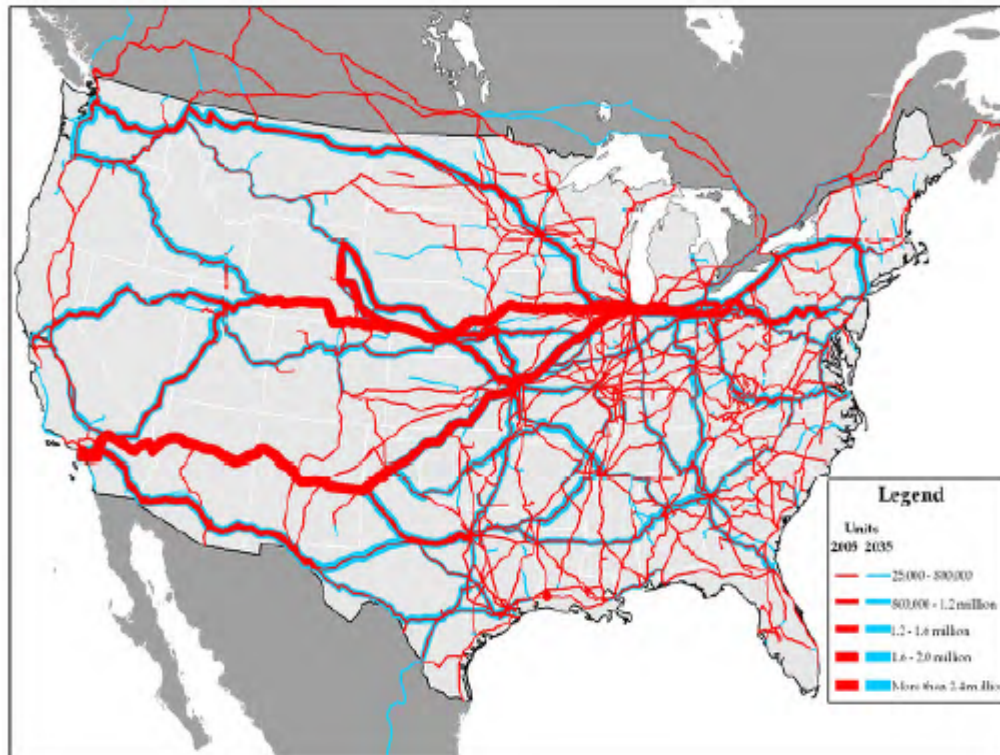
- Class I Railroads

Figure 3.6 National Rail System  
Class I Railroads



# More Rail Traffic

■ **Figure 3.7 Comparison of Total Rail Flows**  
*Railcars per Year – 2005 and 2035*





# Transloading: An Industry on the Move

- Transloading gives customers without rail sidings access to rail services.
- Commodities currently make extensive use of transloading.
- Can also be used to ship goods with a higher value than is traditionally associated with rail.

# Transloading Building Products

- Center-beam unloading



# Challenges Facing Us Today... and Tomorrow



- The Freight Transportation policy needs a Federal update.
- Congestion on highways, strained capacity and negative environmental impact
- “First mile, last mile” challenge.
- We have to get freight moving on the correct mode.

Thank you.



*Lansdale*

WAREHOUSE CO. / LOGISTICS SERVICES CO.