

Midwest Association of Rail Shippers

Dave Long

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The Indiana Rail Road Company



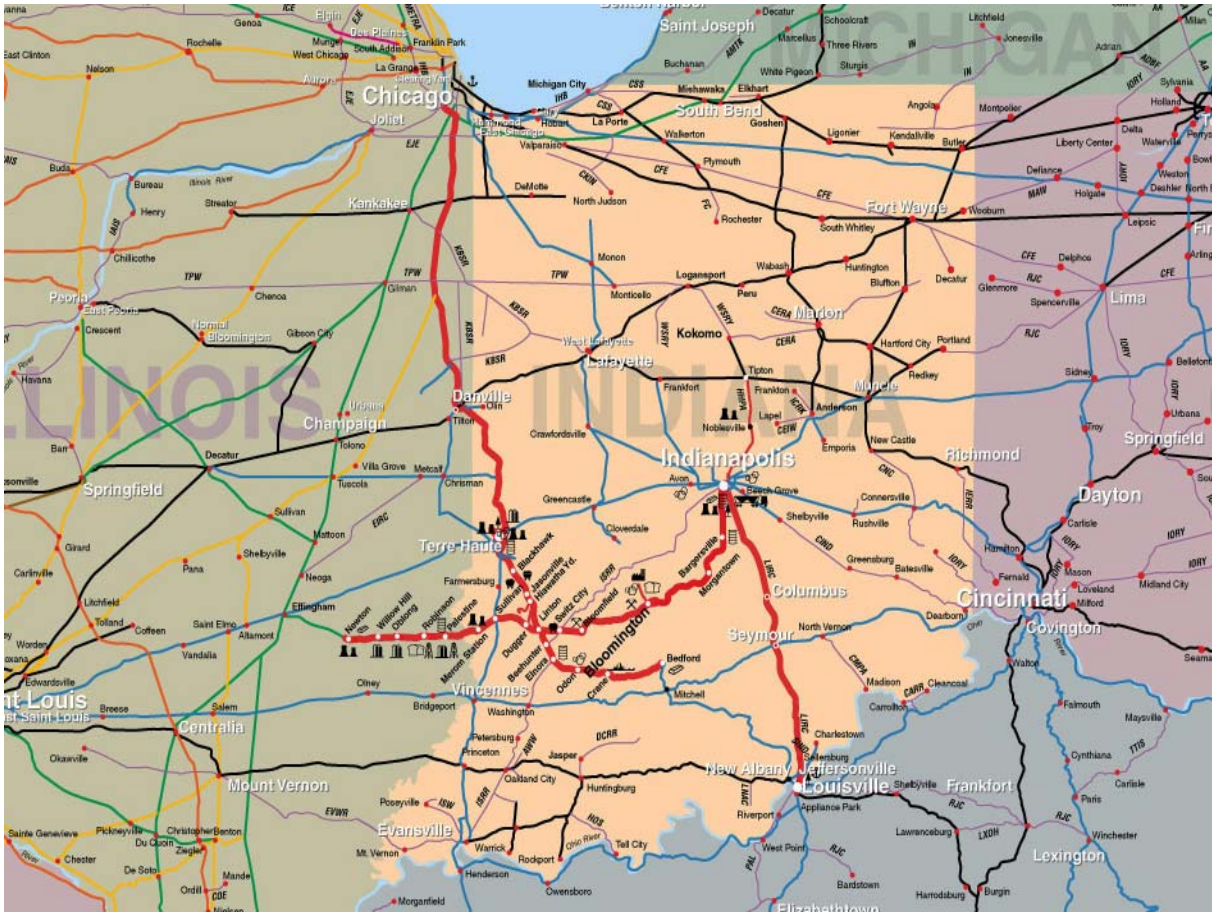
January 14, 2010

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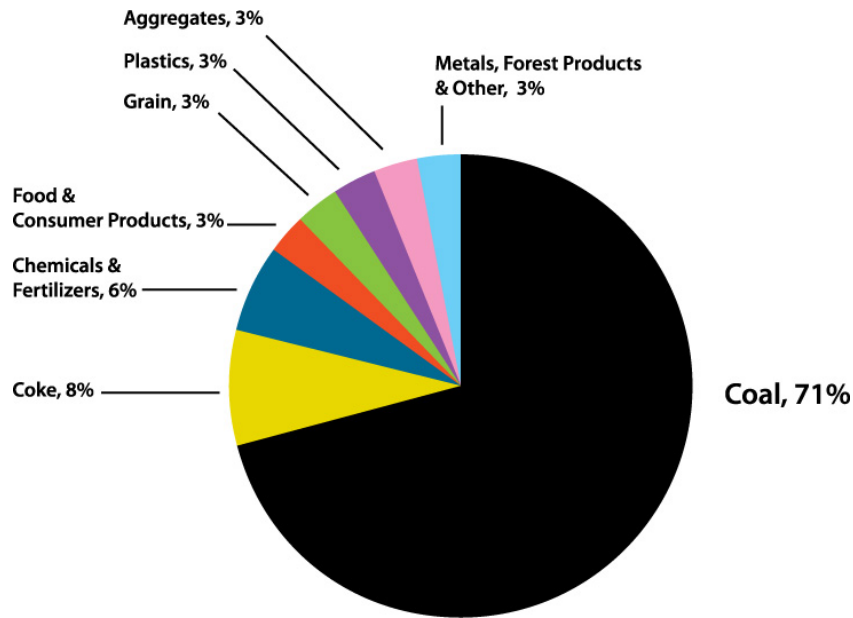


The Indiana Rail Road Company

- 500-mile route system
- Sustained growth
- Innovative practices
- Robust capital investment



What we move:



HERSHEY'S

The Hershey Company



HOOSIERENERGY

A Touchstone Energy® Cooperative



Peabody



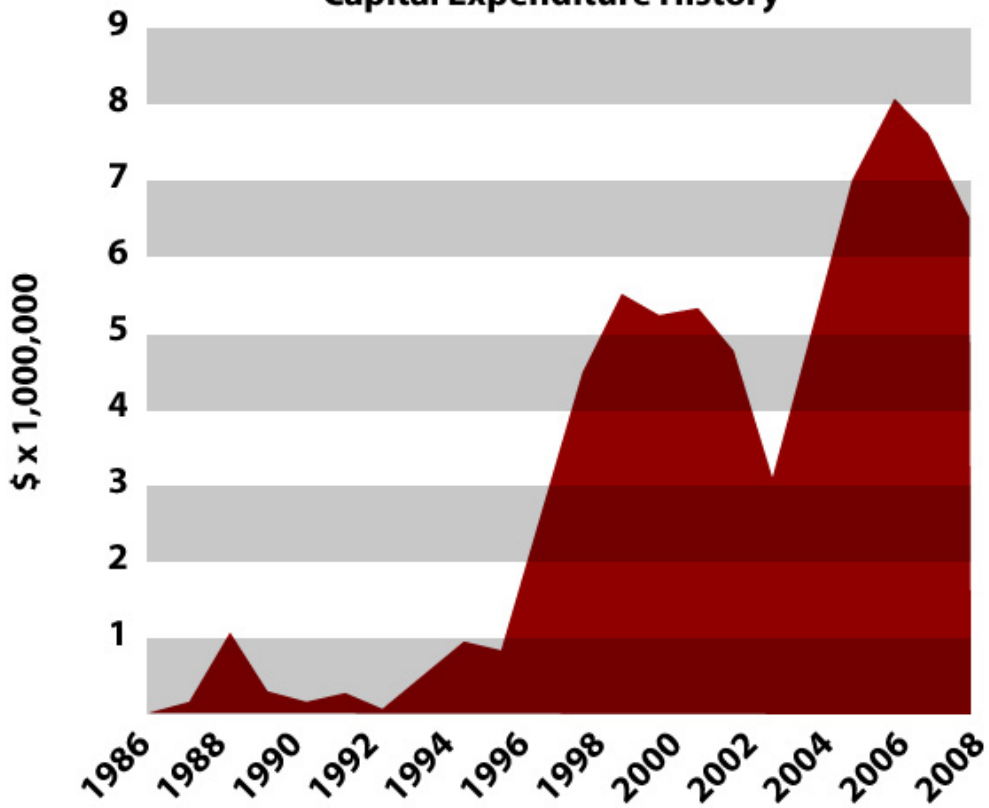
PolyOne



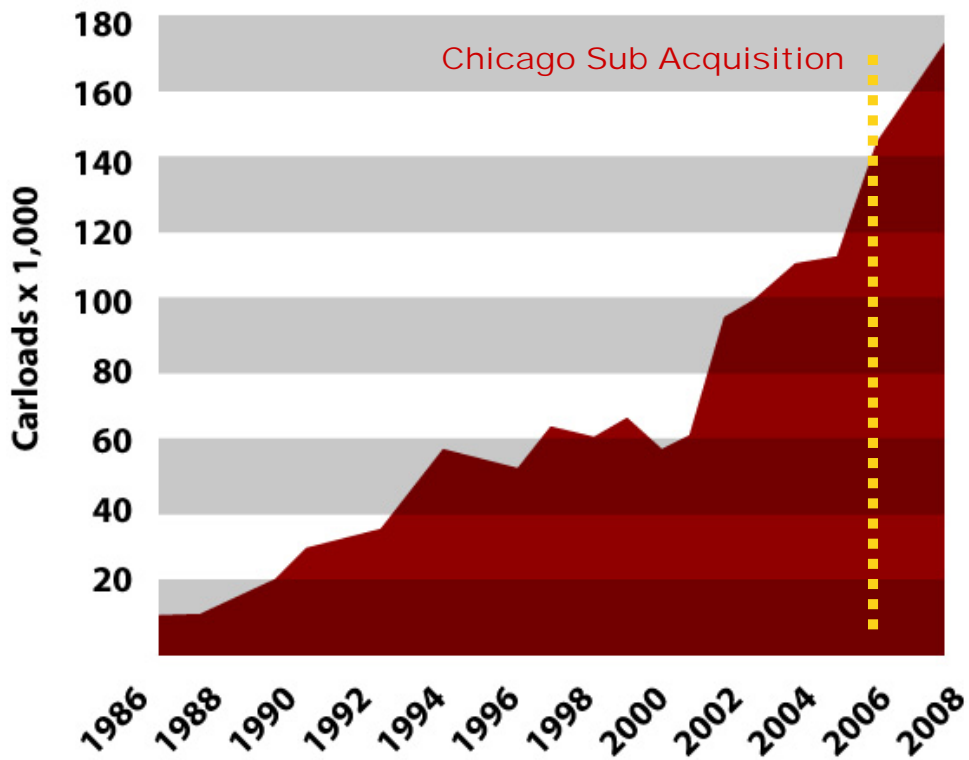
1986: The Beginning



Capital Expenditure History

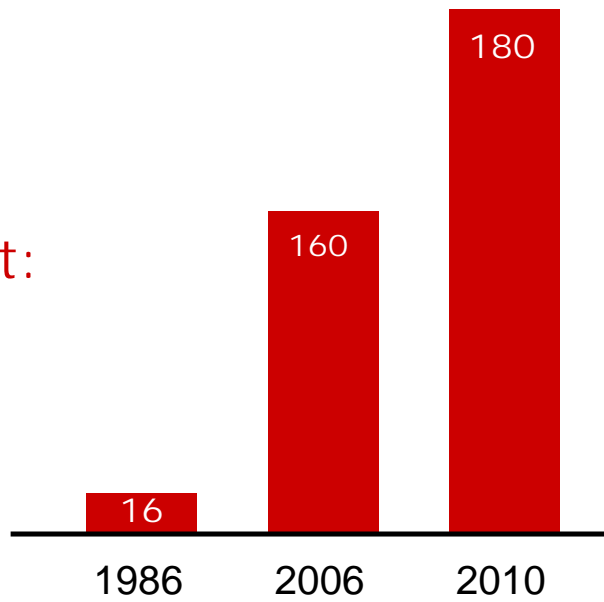


Revenue Carloadings





Employment:



Rail Industry Volume

- AAR: 2009 North American rail volumes off 16.2% vs. 2008
- AAR: All but 1 of 19 carload commodity groups down year over year
- U.S ton-miles off 15.1% same timeframe



Non-Class I Rail Volume

- RMI RailConnect Index: short line and regional railroad carload and intermodal volume (336 carriers) off 25% in 2009 vs. 2008
- RMI: all commodity categories down year over year



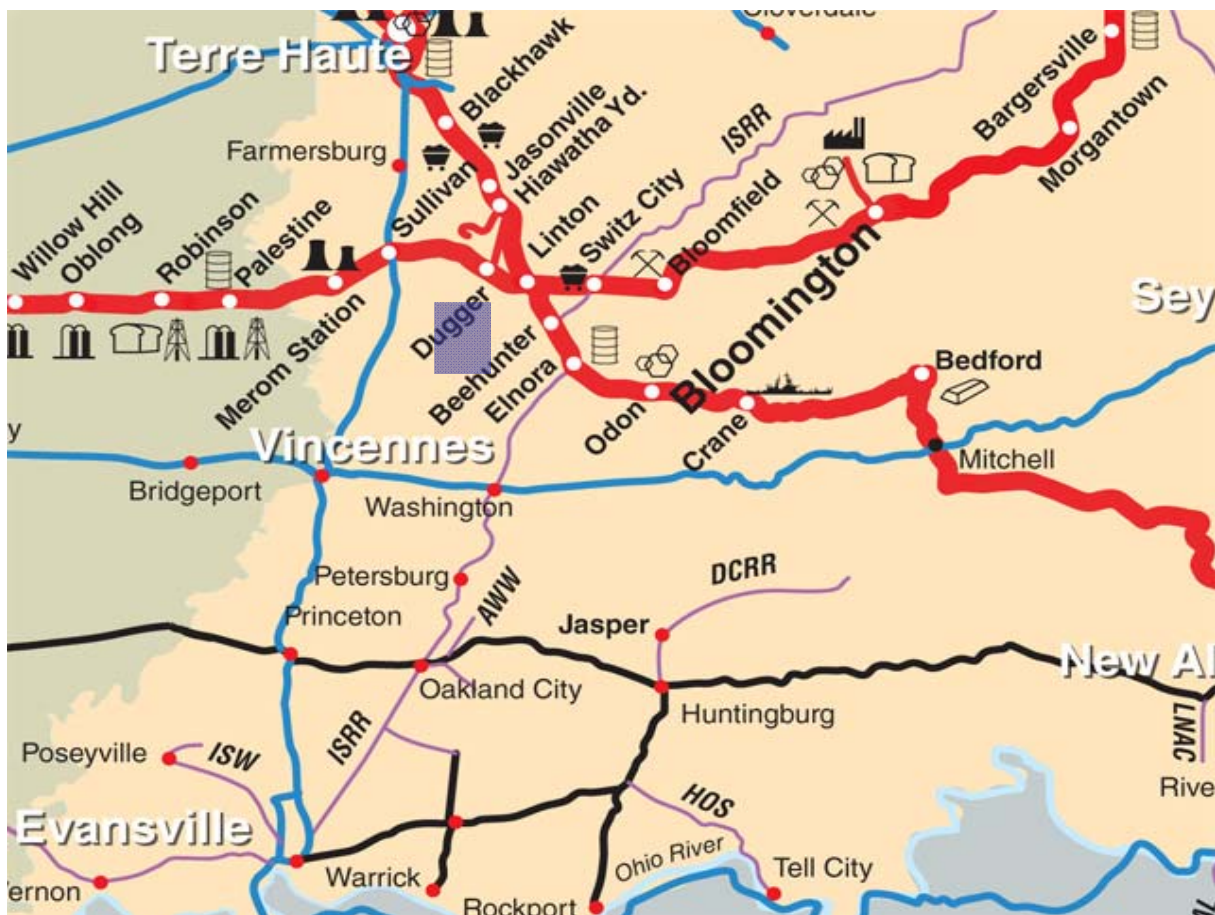
What the Industry is Doing

- Managing costs/adjusting to volumes
- Investing in infrastructure
- Planning corridor/capacity projects
- Improving service
- Public-Private partnerships



What Indiana Rail Road is Doing

- Cost management
- Bear Run spur – 5.2 miles
- Infrastructure improvements
- Service improvements
- Traffic diversification/new business









Short Line and Regional Railroads

- Over 500 North American short line and regional railroads
- More than 50,000 miles of track, almost 30% of U.S. rail miles
- Approximately 20,000 employees
- Serve over 13,000 facilities and haul over 10 million carloads per year

(Source: ASLRRA web site)



Issues and Concerns

- Regulation and legislation
- Cap and Trade
- STB Reauthorization
- Short line tax credit extension



Issues and Concerns

- Economic recovery – when and how?
- Railroad service levels
- Fuel prices
- Health of the rail industry
- Health of our connecting carriers

